

# ASX RELEASE

30th April 2009

## A Large Calcrete Uranium Exploration Portfolio In Western Australia

Website

[www.desertenergy.com.au](http://www.desertenergy.com.au)

For further information on  
this release and the  
Company please contact:

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## DESERT ENERGY QUARTERLY ACTIVITIES REPORT MARCH 2009

- Drilling preparations advance for Old Station East and Charlie
- Desert Energy's proposed acquisition of Dawn Metals Ltd (thirteen new uranium projects) - (requires Aurora Minerals and Desert Energy shareholders approval -shareholder notices in May 2009)
- Dawn Metals is also preparing for drilling at its Texas Well and Galilee projects
- Cash at the end of the quarter \$4.73 million plus receivables

### Aim: Drill 12 Targets this Year

With a greater international interest in nuclear power, and a more favourable Western Australian political environment, it has been reported that Yeelirrie, the World's richest calcrete-hosted uranium deposit is now undergoing assessment for potential development.

Desert Energy's exploration portfolio (and the new large Dawn Metals exploration portfolio which it proposes to acquire) are mainly focussed around the Yeelirrie region and the Company has an ambitious program planned for drilling up to 12 targets this year.

Work is planned to commence this week with ground preparation at Old Station East. Charlie is also being prepared for drilling early in the program.

The Company's exploration model is to focus on areas which are in similar interpreted geological settings to that of the large Yeelirrie uranium deposit.

The Yeelirrie uranium deposit is hosted in and immediately below calcrete, part of which outcrops at surface.

Desert Energy is exploring for extensive calcrete bodies in a similar type of geological environment to Yeelirrie, but which are hidden under shallow sand and soil.

*Maps of the projects can be seen on the Company's website at [www.desertenergy.com](http://www.desertenergy.com).*

To date the Company has drilled 2 targets, Downs East and Old Station West (in 2008) and found extensive calcrete bodies buried under sand, both with associated uranium anomalism.

In 2009 the Company is planning to significantly expand its drilling programs over more projects with more efficient wide spaced drilling. Assay results will determine the extent of follow up drilling on each.

It is planned that Old Station East and Charlie will be the first to be drilled in Desert Energy's portfolio.

Drilling plans are also underway for two of Dawn Metals projects, Texas Well and Galilee.

Drilling is booked to commence in early May 2009 with assays to follow.

### **Proposed Purchase of Dawn Metals: Desert Energy to have 23 projects covering 12,564 km<sup>2</sup>**

In early May, Shareholders will receive details outlining the proposed purchase of Dawn Metals Ltd from Aurora Minerals Ltd. Further information on Dawn Metals projects can be found at the Aurora website at [www.auroraminerals.com](http://www.auroraminerals.com)

The purchase of Dawn Metals is subject to the approval of the shareholders of both Desert Energy and Aurora Minerals.

Assuming the vote is in favour of the transaction proceeding, the purchase will result in Desert Energy having 23 projects covering 12,564 square km in total.

### **New Office and Warehouse**

As part of the Company's efficiency drive it has moved offices from the Perth CBD to Great Eastern Highway in Belmont, near Perth Airport. Several other medium to large exploration companies are located in Belmont.

Advantages include an expected significant cost saving, significantly more space and greater efficiency.

The new office has a modern layout and has a large warehouse for incoming exploration samples, field vehicles and equipment.

Garry O'Hara  
Executive Director

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Robert S Taylor, a Member of the Institute of Materials, Minerals and Mining and Mr. Garry P O'Hara, a corporate member of the Australasian Institute of Mining and Metallurgy.*

*Garry O'Hara is an executive director of Desert Energy Limited and consults to the Company through his consulting company Anketell Pty Ltd.*

*Garry O'Hara has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Garry O'Hara consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Dr Taylor is currently in the field.*

*The Company's website is recommended reading for interested market watchers, brokers and investors. The website contains information on the Company's projects including maps, a list of the Company's announcements to ASX, information on Native Title (including the tenement grant process and heritage surveys) including in the Desert Energy Prospectus, the legislative environments under which the Company operates, Corporate Governance, a section on risks, many of which are common to exploration companies, and other useful information. A list of the Company's announcements is also obtainable from the Australian Securities Exchange website at [www.asx.com.au](http://www.asx.com.au)*

*If you would like copies of announcements emailed to you, please contact Ken Banks.*

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

**Desert Energy Limited**

ABN

**56 123 102 974**

Quarter ended ("current quarter")

**31 March 2009**

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation	(61)	(1,216)
(b) development		
(c) production		
(d) administration	(59)	(613)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	16	199
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other - tenement rehabilitation bonds	-	(95)
<b>Net Operating Cash Flows</b>	<b>(104)</b>	<b>(1,725)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a)prospects		
(b)equity investments		
(c) other fixed assets	-	(45)
1.9 Proceeds from sale of: (a)prospects		
(b)equity investments		
(c)other fixed assets	36	36
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
<b>Net investing cash flows</b>	<b>36</b>	<b>(9)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(68)</b>	<b>(1,734)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(68)	(1,734)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	(7)
	<b>Net financing cash flows</b>	-	(7)
	<b>Net increase (decrease) in cash held</b>	<b>(68)</b>	<b>(1,741)</b>
1.20	Cash at beginning of quarter/year to date	<b>4,801</b>	<b>6,474</b>
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	<b>4,733</b>	<b>4,733</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	45
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

N/A

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	<b>200</b>
4.2 Development	=
<b>Total</b>	<b>200</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	<b>197</b>	<b>280</b>
5.2 Deposits at call	<b>4,536</b>	<b>4,521</b>
5.3 Bank overdraft		
5.4 Other (provide details) Held on trust by parent Aurora Minerals Ltd		
<b>Total: cash at end of quarter</b> (item 1.22)	<b>4,733</b>	<b>4,801</b>

### Changes in interests in mining tenements

Tenement Name & Location	Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
Downs East	E53/1404	Granted	0%	100%

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	<b>82,271,001</b>	<b>42,271,000</b>		<b>Fully Paid</b>
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	<b>7,500,000</b> <b>3,700,000</b> <b>2,000,000</b> <b>562,5000</b> <b>20,566,700</b> <b>500,000</b> <b>330,000</b> <b>630,000</b>	- - - - <b>20,566,700</b> - - -	<i>Exercise price</i> <b>34.017 cents</b> <b>34.017 cents</b> <b>37.2 cents</b> <b>31.0 cents</b> <b>25.0 cents</b> <b>38.0 cents</b> <b>35.0 cents</b> <b>35.0 cents</b>	<i>Expiry date</i> <b>31/10/ 2014</b> <b>30/11/ 2010</b> <b>30/11/2010</b> <b>30/11/2012</b> <b>30/04/2010</b> <b>30/04/2011</b> <b>31/05/2013</b> <b>30/11/2012</b>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does ~~not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Peter Rutledge  
(Company Secretary)

Date: 30 April 2009

Print name: Peter Rutledge

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 3 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 4 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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