



23 April 2009

The Manager  
Announcements  
Company Announcements Office  
ASX Limited  
PO Box H224 Australia Square  
SYDNEY NSW 2000

Dear Sir/Madam

### **Contract Signed for purchase of Dawn Metals Limited by Desert Energy**

Further to the Company's announcements to ASX on 16 December 2008 and on 30 January 2009, the Directors of Desert Energy Limited (**Desert or the Company**) are pleased to announce that the Contract with Aurora Minerals Ltd (**Aurora**) for the purchase by Desert of all of the issued shares in Dawn Metals Limited (**Dawn Metals**) has been signed (**the Contract**).

Dawn Metals Limited (a 100% owned subsidiary of Aurora Minerals Ltd) has a holding of approximately 37 exploration tenements in the north-east Yilgarn Block of Western Australia. The region is considered highly prospective for calcrete hosted uranium and is already host to the world's largest such deposit at Yeelirrie.

The north-east Yilgarn region is also currently a significant focus of exploration for calcrete-hosted Yeelirrie-style deposits by Desert.

Subject to the terms and conditions of the Contract, the consideration payable by Desert Energy to Aurora will comprise a mixture of Desert Energy shares and cash, as follows:

- 7,464,420 fully paid ordinary shares in Desert Energy
- \$400,000 cash

This is aimed at partially reimbursing Aurora's costs (relating to Dawn Metals) to 31 March 2009. Aurora's further expenditure, aimed at maintaining the tenements from 31 March 2009 to the date of settlement, is also to be reimbursed.

Advantages for Desert Energy could potentially include:

- an increased uranium exploration portfolio in the uranium-prospective Yeelirrie and greater NE Yilgarn Block region,

Desert Energy Limited  
PO Box 707, Belmont WA 6984  
Telephone: (08) 6162 9081  
Fax: (08) 6162 9079

- many of the Dawn Metals tenements are already granted, and
- it is anticipated that some of the Dawn Metals tenements will have a shorter time frame to drilling stage than some of the other Desert Energy tenements.

The Contract is conditional upon the approval of Desert's shareholders and Aurora's shareholders.

***Notices of Meeting with detailed explanatory memoranda are expected to be shortly sent to Aurora and Desert Energy shareholders, so that they can form a view on the merits of the proposed transaction prior to voting.***

It is expected that the documents required by shareholders to consider the transaction will be posted out to shareholders in early May, with the Shareholder Meeting to be held on approximately 11 June 2009.

Yours faithfully

**Peter Ruttledge  
Company Secretary**