DESERT MINES AND METALS LIMITED
ABN 56 123 102 974

20 March 2013

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

Dear Sir/Madam

Investor Presentation

Please find attached a copy of a Desert Mines and Metals Limited Investor Presentation.

Yours faithfully

Eric Moore
Company Secretary

Molybdenum Project Proposed Acquisition

Right Commodity
Right Time
Right Place

March 2013

(ASX:DSN)

Competent Persons Statement & Disclaimer

The information in this presentation that relates to Australian 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. Executive Director of Aurora Minerals Limited and Desert Mines and Metals Limited, Robert Taylor, consults to the Companies through his consulting company Able Kids Pty Ltd.

The information in this presentation that relates to Korean Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Daniel Noonan, a Member of The Australian Institute of Mining and Metallurgy. Mr Noonan is the Exploration Manager for Korean Resources Limited and is employed through Indo Gold Limited.

Messrs Robert Taylor and Daniel Noonan have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Messrs Robert Taylor and Daniel Noonan consent to the inclusion in the presentation of the matters based on this information in the form and context in which it appears.

The Companies' websites (www.auroraminerals.com and www.desertminesandmetals.com.au) are recommended reading for interested market watchers, brokers and investors. The websites contain information on the Companies' projects, project maps, a list of the Companies' announcements to ASX, information on Native Title (including the tenement grant process and heritage surveys). A list of the Companies' announcements is also obtainable from the Australian Stock Exchange

Forward-Looking Statements are statements included herein, including regarding future ability to finance projects and other statements that express management's expectations or estimates regarding the timing of completion of various aspects of the projects' development or of our future performance, constitute "forward-looking statements". The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "aims", "intends", "continue", "budget", "estimate", "may", "will", "schedule", and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

In particular, Aurora Minerals and Desert Mines and Metal's announcements and presentations include many such forward-looking statements and such forward- looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of Aurora Minerals and Desert Mines and Metals to be materially different from its estimated future results, performance or achievements expressed or implied by those forward- looking statements and its forward-looking statements are not guarantees of future performance. These risks, uncertainties and other factors are included in the Risks section of the Companies' websites and ASX announcements available on the companies' websites. Aurora Minerals and Desert Mines and Metals expressly disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, events or otherwise, except where required by law.

Korean Moly Play Featuring

- Largest historical Molybdenum mine in South Korea
- Recent diamond drilling confirming moly mineralisation
- Potential for broad lower grade mineralisation
- Potential for tungsten credit
- Excellent location – favourable logistics
- Korean Government Funded Drilling assistance program
- 100% ownership
- Established management & “in-country” team
- Diamond Drilling re-commencing in late March –early April 2013

Why South Korea?

- First World Economy
- Superb infrastructure and logistics
- Local markets for moly/tungsten concentrates – smelters located close by
- Skilled labour
- Massive steel industry led by POSCO
- Heavy industry – plant fabrication and construction at costs well below most western world equivalent cost
- Strong Government support to re-build mining industry
- Low applicable tax rates <25%
- No Royalties

Daehwa Project

- Located in central South Korea ~ 100km SE of Seoul
- Historically Largest Moly Mine in South Korea
- Production was 2,022Mt of MoS_2 in 95% concentrate and 793Mt of WO_3 in 65-70% concentrate
- Ore minerals at Daehwa are molybdenite, wolframite and scheelite within fissure filling quartz veins
- Simple metallurgical properties amenable to standard flotation treatment.
- Diamond Drilling currently being undertaken by Korean Government agency (KORES) under government exploration funding initiative

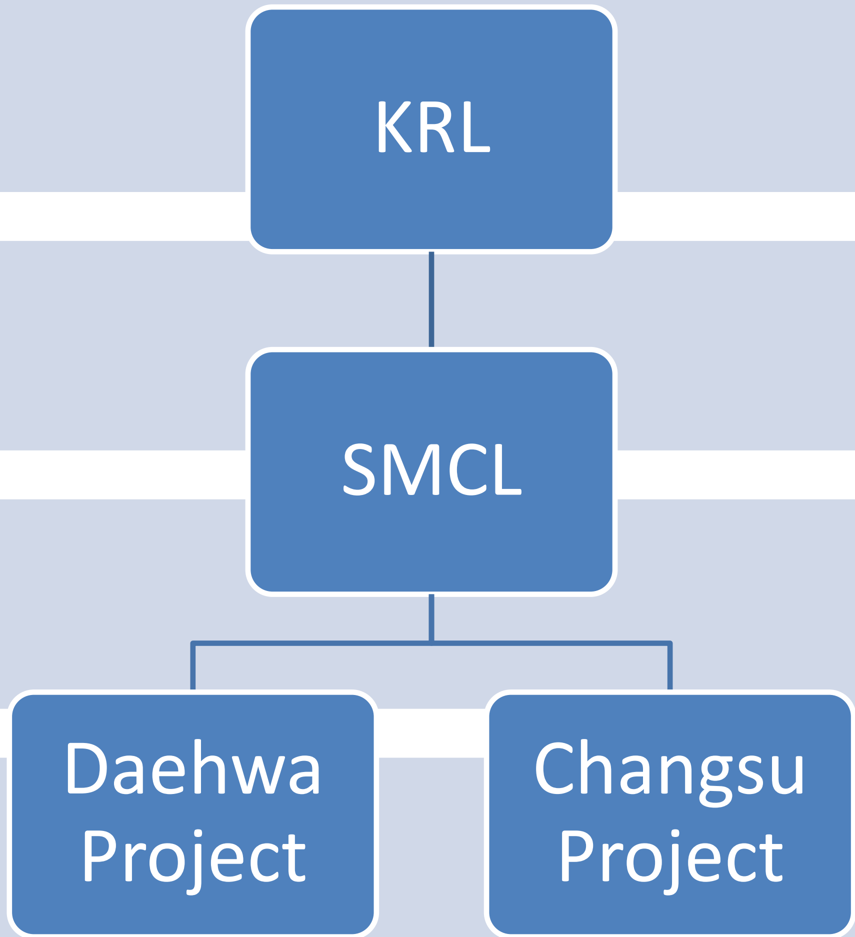
Corporate Structure

Desert to Issue Shares for the acquisition of Korean Resources Limited (KRL). KRL is an Australian incorporated public unlisted company.

KRL owns 100% of Suyeon Mining Corporation Limited (SMCL) a Korean Incorporated company

SMCL has contractual rights to purchase 100% of several projects

Daehwa Project (Key Asset). Currently there are three "Mining Right" tenements over the Daehwa project, granted until 2027/2028. Final payment of ~$225k due Jan 2014



Deal Summary

Desert has signed a non-binding terms sheet for the proposed acquisition of Korean Resources Limited (KRL), which has contractual rights to acquire several molybdenum exploration properties in South Korea.

KRL is a subsidiary of Indo Gold and, under the proposed acquisition, Desert will give Indo Gold 55 million fully paid ordinary shares at A3c per share for $1.65 million.

Desert will pay 2000 Class A performance shares to convert into 10,000 shares following the declaration of an inferred resource of 10,000 tonnes of molybdenum equivalent mineralisation within three years of completion of the transaction.

The deal also includes an additional 6500 Class B performance shares to convert into 10,000 shares should an additional inferred resource of 15,000 tonnes of molybdenum equivalent be declared within three years of completing the transaction.

Desert will loan KRL $100,000 for approved expenses.

Under the proposed timetable, Desert plans to complete due diligence and execute a formal agreement by April 5, with the goal of completing the transaction by May 27.

A shareholders meeting to approve the transaction has been tentatively set for May 20.

As part of the transaction, KRL will have the right to nominate up to three new directors to the Desert board, and the established management team at KRL will also move across to Desert.

The Korea Resources Corporation has been drilling at Daehwa over the past three years under an agreement with the previous owners and will complete its program in late 2013. The drilling gives it the right to negotiate terms of a participation agreement if an economically viable project is identified by December 2013.

The proposed transaction is conditional on amongst other things the completion of due diligence, an execution of a formal binding share sale and purchase agreement, Desert obtaining necessary consents and approvals as well as Desert securing at least $2 million from major shareholder Aurora Minerals.

For details please refer to ASX announcement dated 18 March 2013

Proposed Acquisition - Milestone Based Acquisition Structure

Securities	Number	Percentage
Shares currently on issue	139,265,418	72.94%
Shares to be issued pursuant to the Terms Sheet [1.]	51,666,667	27.06%
Total Shares upon completion of the Transaction	**190,932,085**	**100%**
Class A Performance Shares – convertible into 20,000,000 Shares if milestone achieved – to be issued pursuant to the Terms Sheet	2,000	23.53%
Class B Performance Shares – convertible into 65,000,000 Shares if milestone achieved – to be issued pursuant to the Terms Sheet	6,500	76.47%
Total Performance Shares upon completion of the Transaction	**8,500**	**100%**
Convertible Notes to be issued pursuant to the Capital Raising	2,000,000	100%
Total convertible notes upon completion of the Transaction	**2,000,000**	**100%**
Unlisted options currently on issue	42,655,000	68.08%
Unlisted options – exercisable at 4.5 cents per option on or before the date that is 1 year after the Maturity Date – to be issued pursuant to the Capital Raising [2.]	20,000,000	31.92%
Total options upon completion of the Transaction	**62,655,000**	**100%**

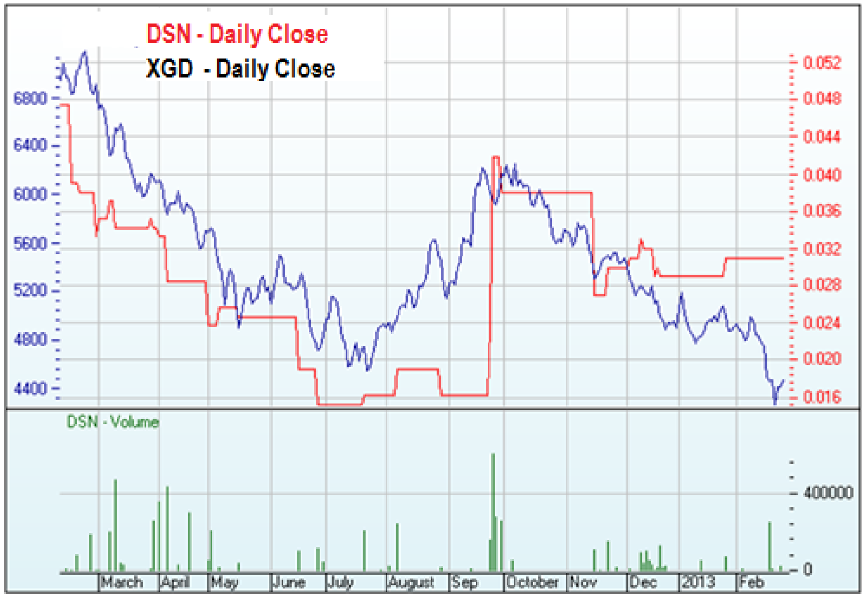
#1 **Under the Terms Sheet, a total of 55,000,000 Shares are to be issued in part consideration for the acquisition of 100% of the shares in the capital of KRL. However, if Completion occurs, the Loan will be repaid in full by reducing the number of such Shares to 51,666,667 Shares.**

#2 **It is proposed that 20,000,000 unlisted options, each exercisable at $0.045 per option within one year of the maturity date, will be granted to Aurora by way of payment of interest under the Convertible Note Facility.**

CORPORATE SNAPSHOT

Shares on issue (post Completion)[#1]		186M
Market Capitalisation at $0.03c [#1]		$5M
Cash (on Completion)[#2]		$3.3M
Major Share Holders		
Aurora Minerals Limited	59.3M	31%
Indo Gold Limited	51.6M	27%
W. Goodfellow	13.4M	7%
Other Top 20	39.0M	20%

Table assumes Completion of transaction to purchase 100% of the issued capital of KRL
[#1] Includes shares issued to Indo Gold for KRL
[#2] Includes $2M funding from Aurora Minerals convertible note



Current Board	
Phillip Jackson	Chairman
Martin Pyle	Executive Director
Robert Taylor	Executive Director

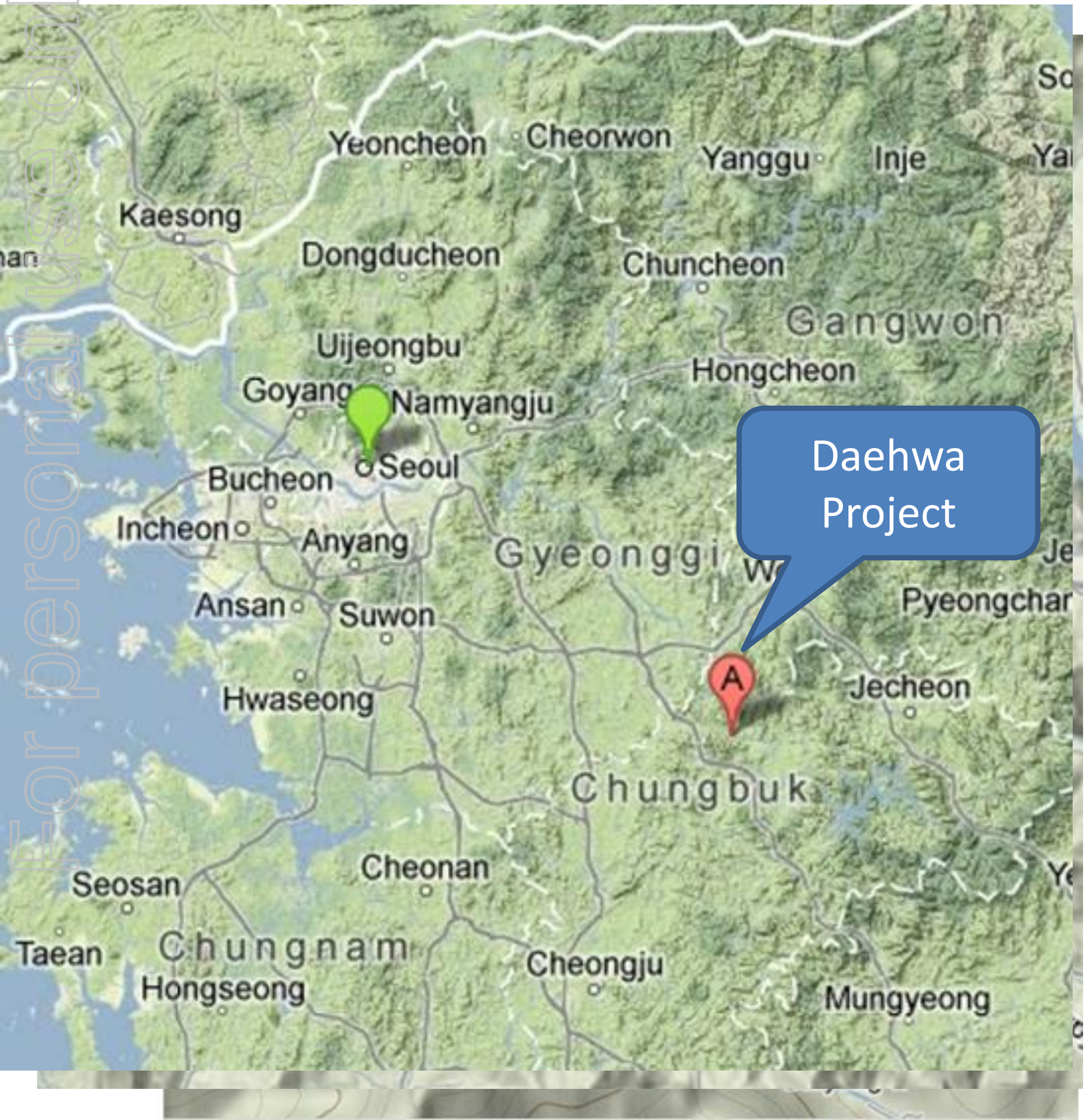
Proposed additional Board Members & Management

Proposed New Board Appointees including		
Chris Rashleigh (Mining Engineer)	Proposed MD	40 years experience in the resources industry, both in Australia and internationally
Proposed New Management Appointee		
Daniel Noonan (Geologist)	Chief Geologist for Korea	25 years experience - has particular skills in mine site exploration and mine geology. Danny will be managing all the exploration and mineral resource and reserve estimation over the Korean projects.

Daehwa Moly/Tungsten Project Highlights

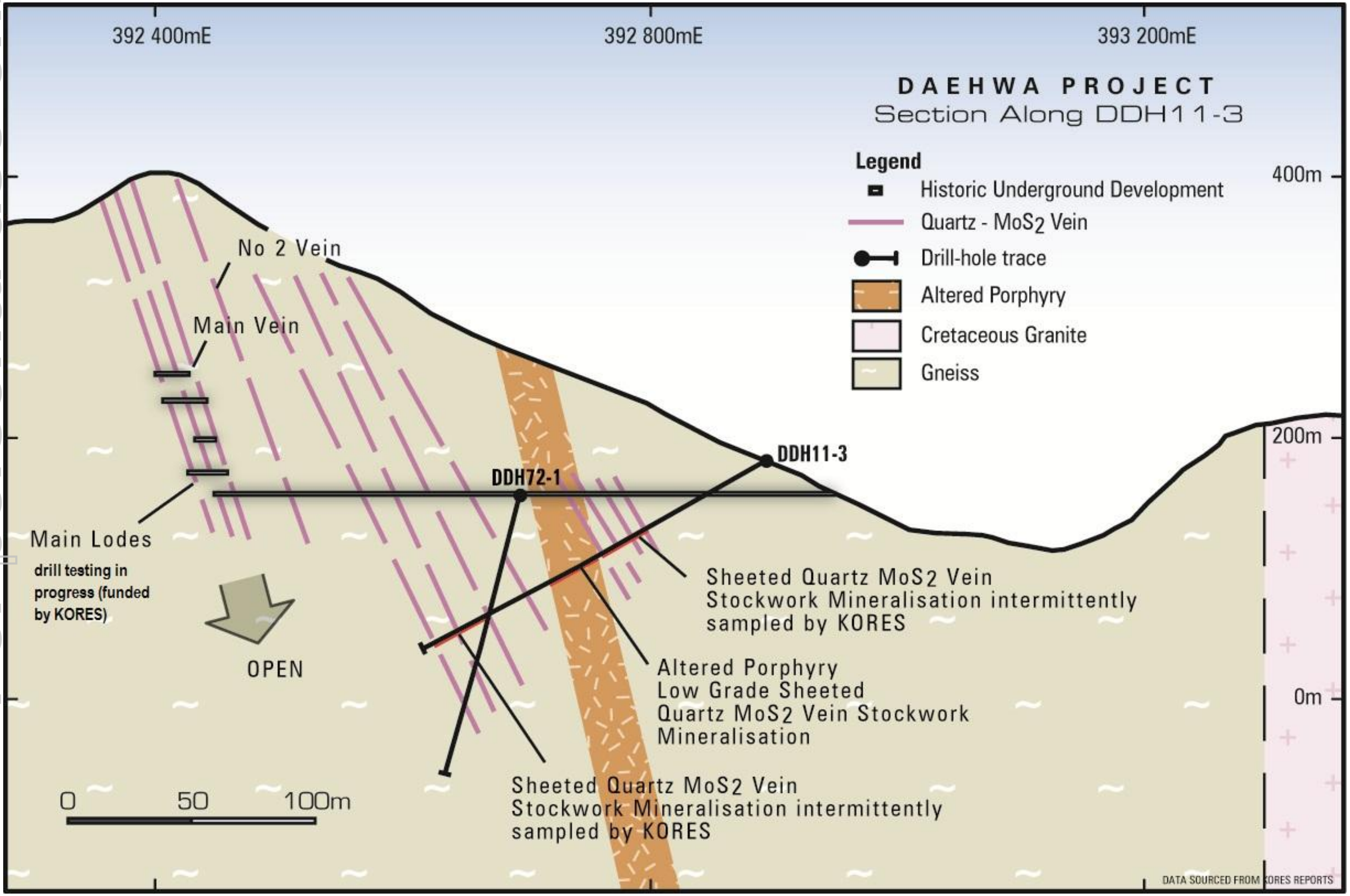
- Local prospectors discovered an outcropping quartz, molybdenite, wolframite and scheelite bearing vein in 1902 close to the present day site of the Daehwa mine. The Daehwa underground Mo/W mine opened in 1904 and was formerly the largest mine in Korea prior to its closure in 1984 due to declining Mo prices at that time. Historic production reported until 1979 was 2,022t of MoS_2 in a 95% concentrate and 793t of WO_3 in a 65-70% concentrate.
- The mineralisation trends broadly North/South along a crest of a ridge which rises up to 200m from the valley floor enhancing the potential for open cut and underground mining.
- Historic underground workings consist of numerous adits into the ridge from both east and west directions as well a main strike drive adit entering the nose of the ridge from the north (also the site of a historic crushing and milling circuit).
- The continuity of the strike drives suggest the high grade mineralisation has been traced for over 1 kilometre along strike.
- There are significant spoil heaps at the entrance to all the adits inspected and within these heaps, there are excellent moly/tungsten mineralisation specimens.
- The three diamond drill holes recently drilled at shallow angle from the West into the N/S striking ridge and are designed to have penetrated the "whole" interpreted mineralised package. All three holes contain molybdenum mineralisation. Hole (DW002-2012) ended with mineralisation at bottom of the hole (~500m downhole). Assays are awaited.
- Mine area is serviced by excellent infrastructure including sealed roads, highway, high tensile power lines, hotel, motels and small shops. Labour is readily available at very competitive costs.

Daehwa Project - Location

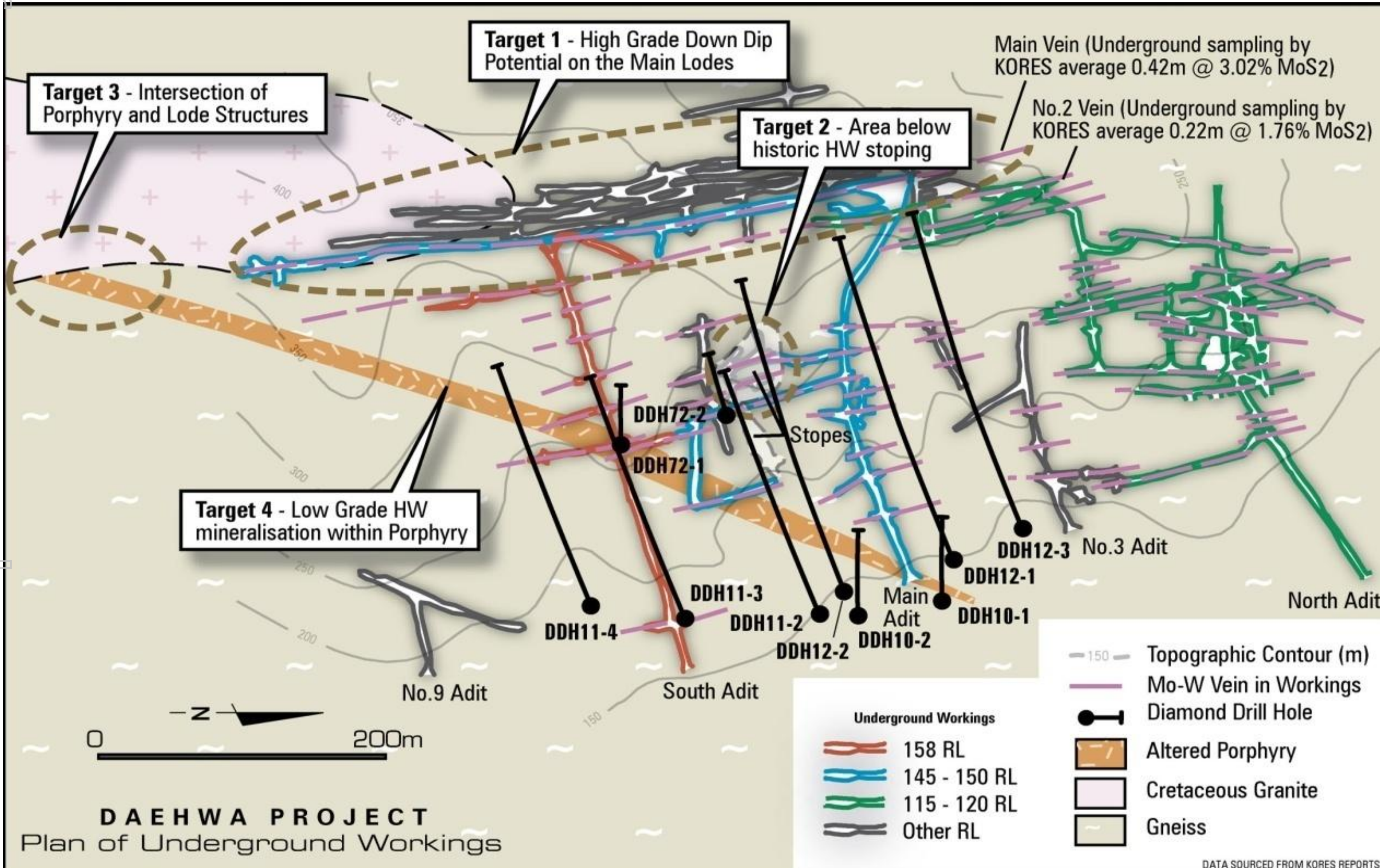


- Less than 100km from Seoul
- Serviced by freeways and major arterial roads
- 2 hours by road to port
- 4 hours by road to Moly smelter
- High tensile power lines overhead
- Ample water from adjacent streams/rivers and nearby dams
- Korea imports ~20,000 Mo t/yr for domestic steel industry

Daehwa Project - Schematic Cross Section



Daehwa Project – Plan View of Historic Workings

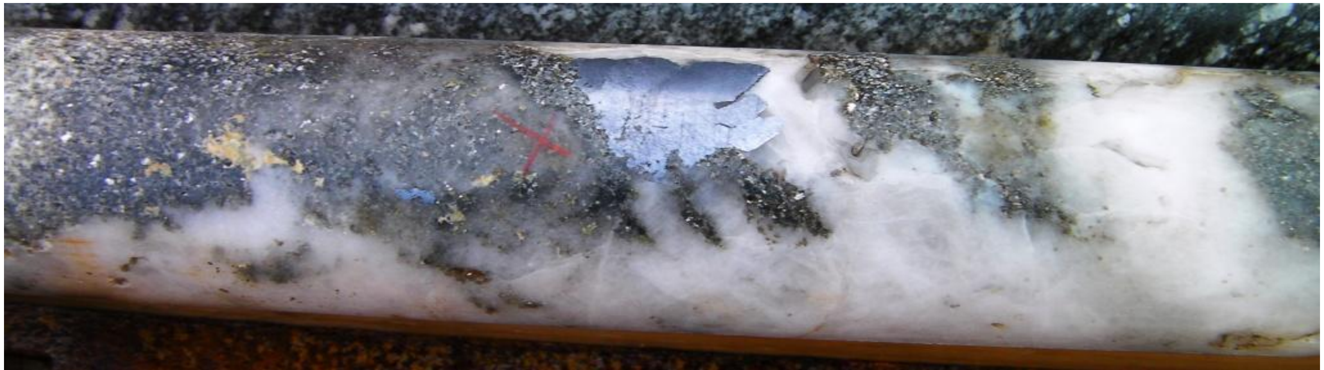


Korean Exploration Program

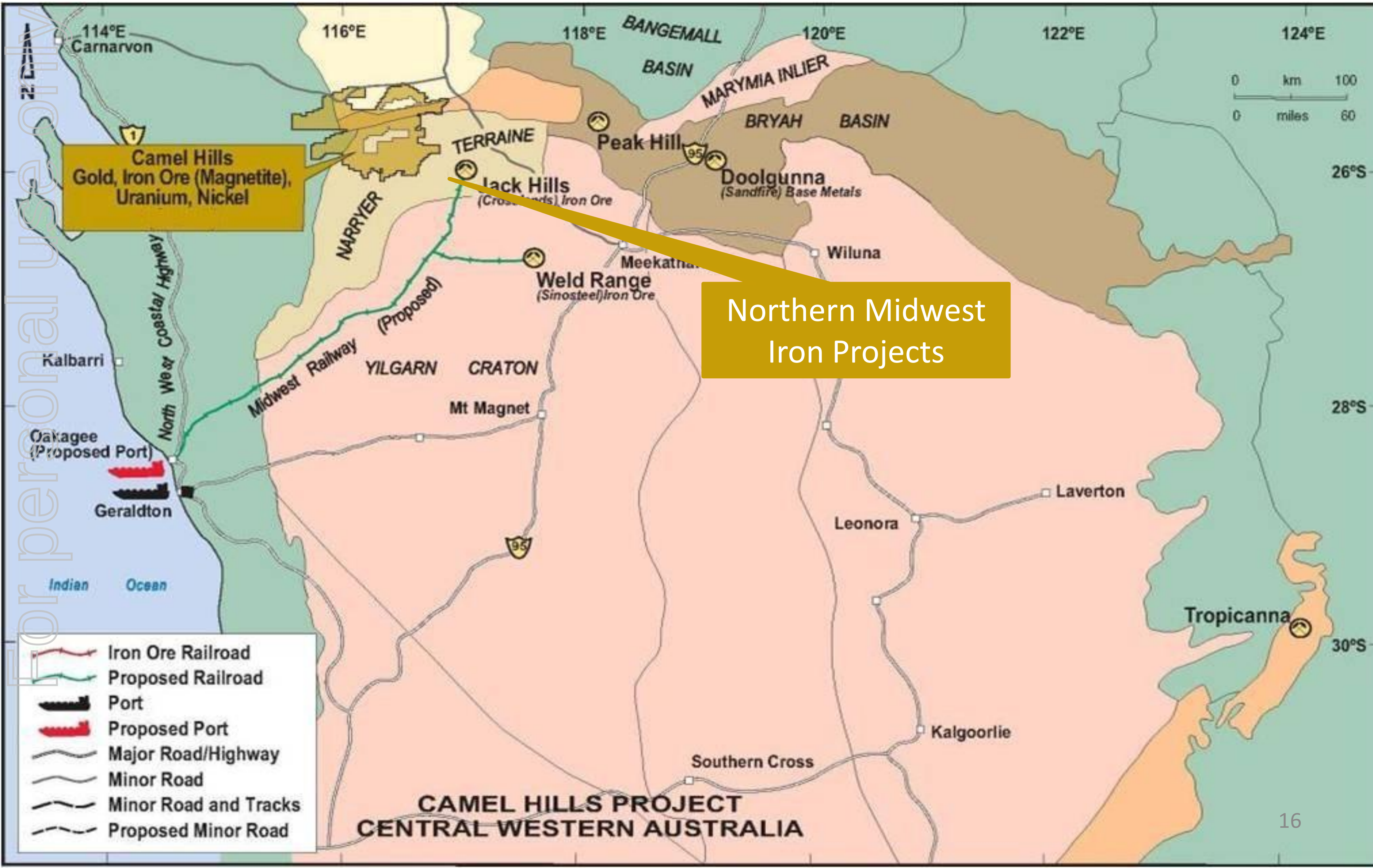
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Acquisition Completion												
Korean Projects												
Assaying ~1300m diamond drilling (from 2012 KORES program)												
KORES 1,890m DD (2013)												
KRL 2,000m DD (follow up)												
Adit Rehab/Mapping/Sampling												
Resource Appraisal												
Prelim Met Test												

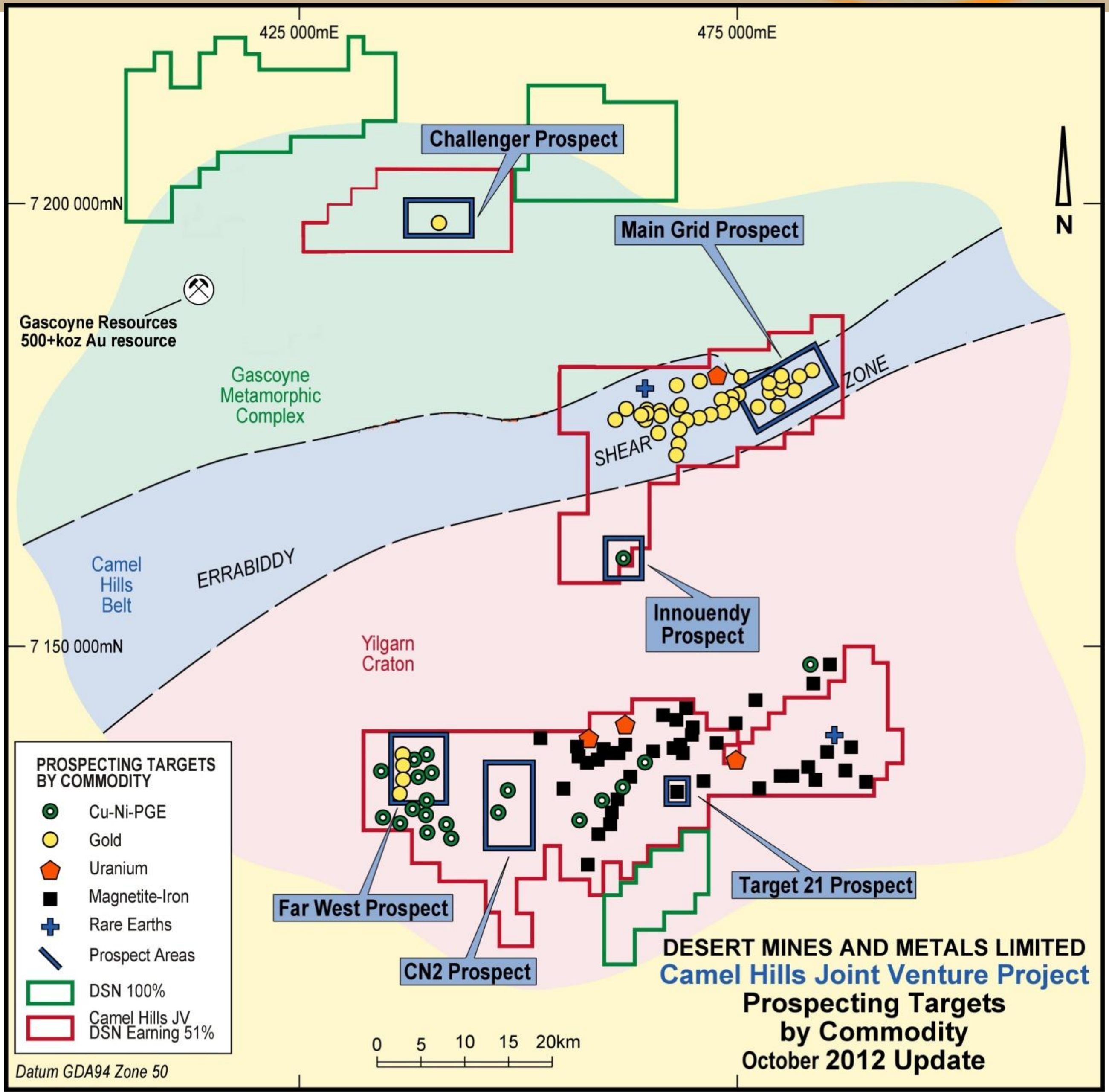
Budget ~$2M ***# (inclusive of South Korean overheads but exclusive of KORES drilling budget. KORES drilling is primarily funded by KORES. KRL provides logistic support for the KORES drill program by supplying core trays and will fund down hole surveying of the KORES drill holes and also funds any core orientation studies),***

 # subject to ongoing review of results during course of the year



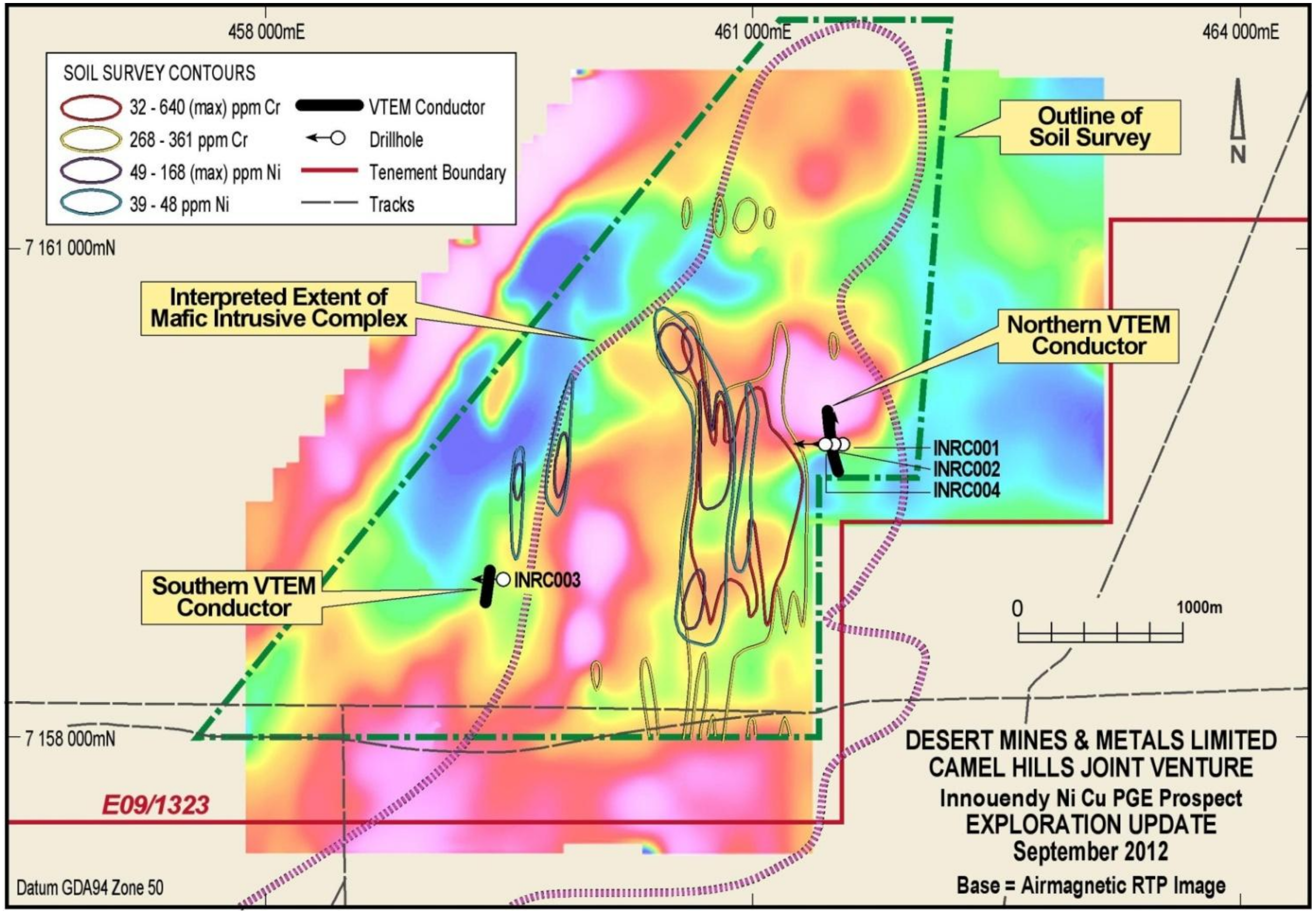
WA PROJECT LOCATION



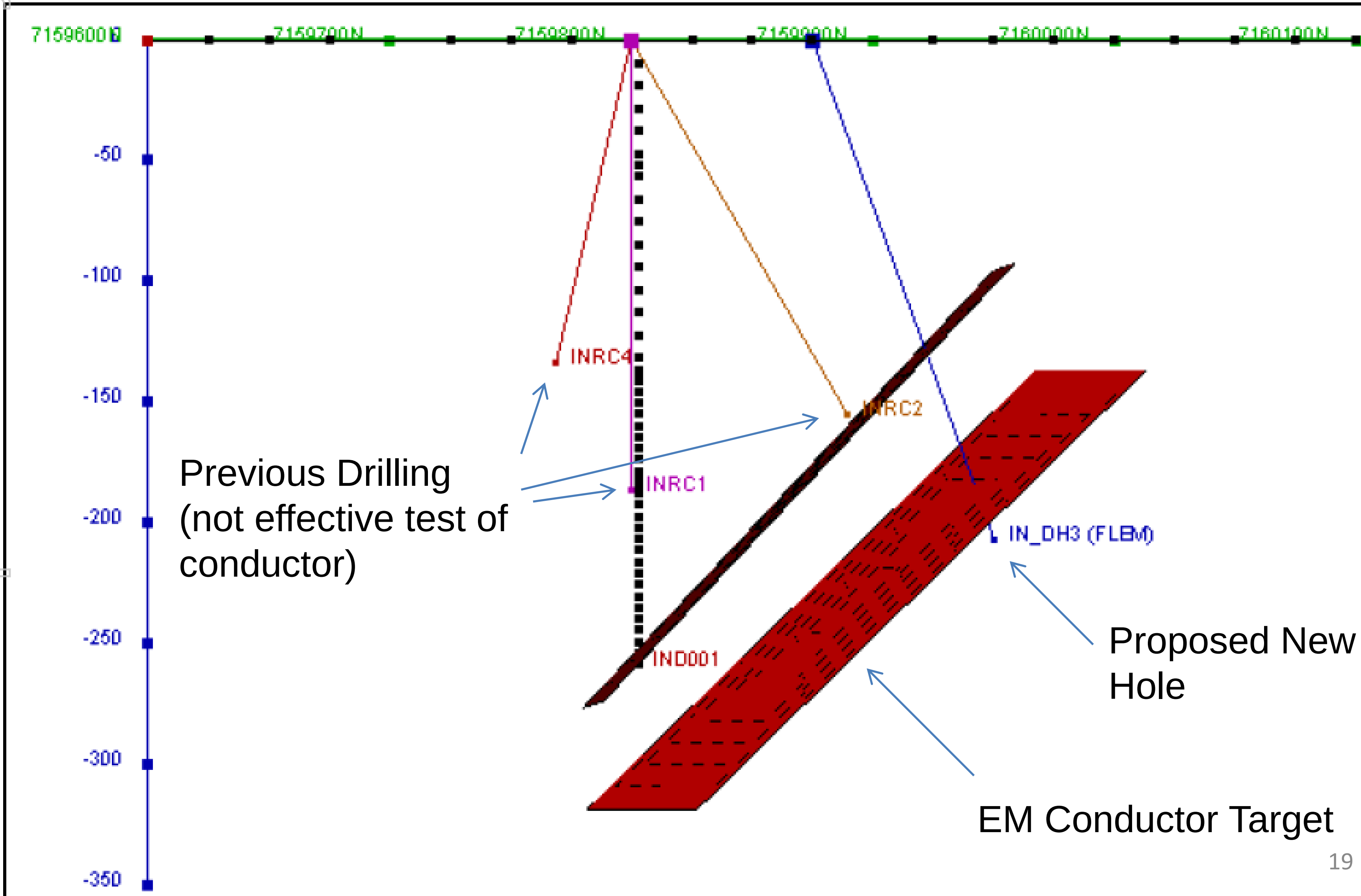

425 000mE
475 000mE
7 200 000mN
7 150 000mN
N
Challenger Prospect
Main Grid Prospect
Gascoyne Resources
500+koz Au resource
Gascoyne
Metamorphic
Complex
SHEAR
ZONE
ERRABIDDY
Camel
Hills
Belt
Innouendy
Prospect
Yilgarn
Craton
PROSPECTING TARGETS
BY COMMODITY
Cu-Ni-PGE
Gold
Uranium
Magnetite-Iron
Rare Earths
Prospect Areas
DSN 100%
Camel Hills JV
DSN Earning 51%
Datum GDA94 Zone 50
Far West Prospect
CN2 Prospect
Target 21 Prospect
0 5 10 15 20km
DESERT MINES AND METALS LIMITED
Camel Hills Joint Venture Project
Prospecting Targets
by Commodity
October 2012 Update

Nickel Copper Targets

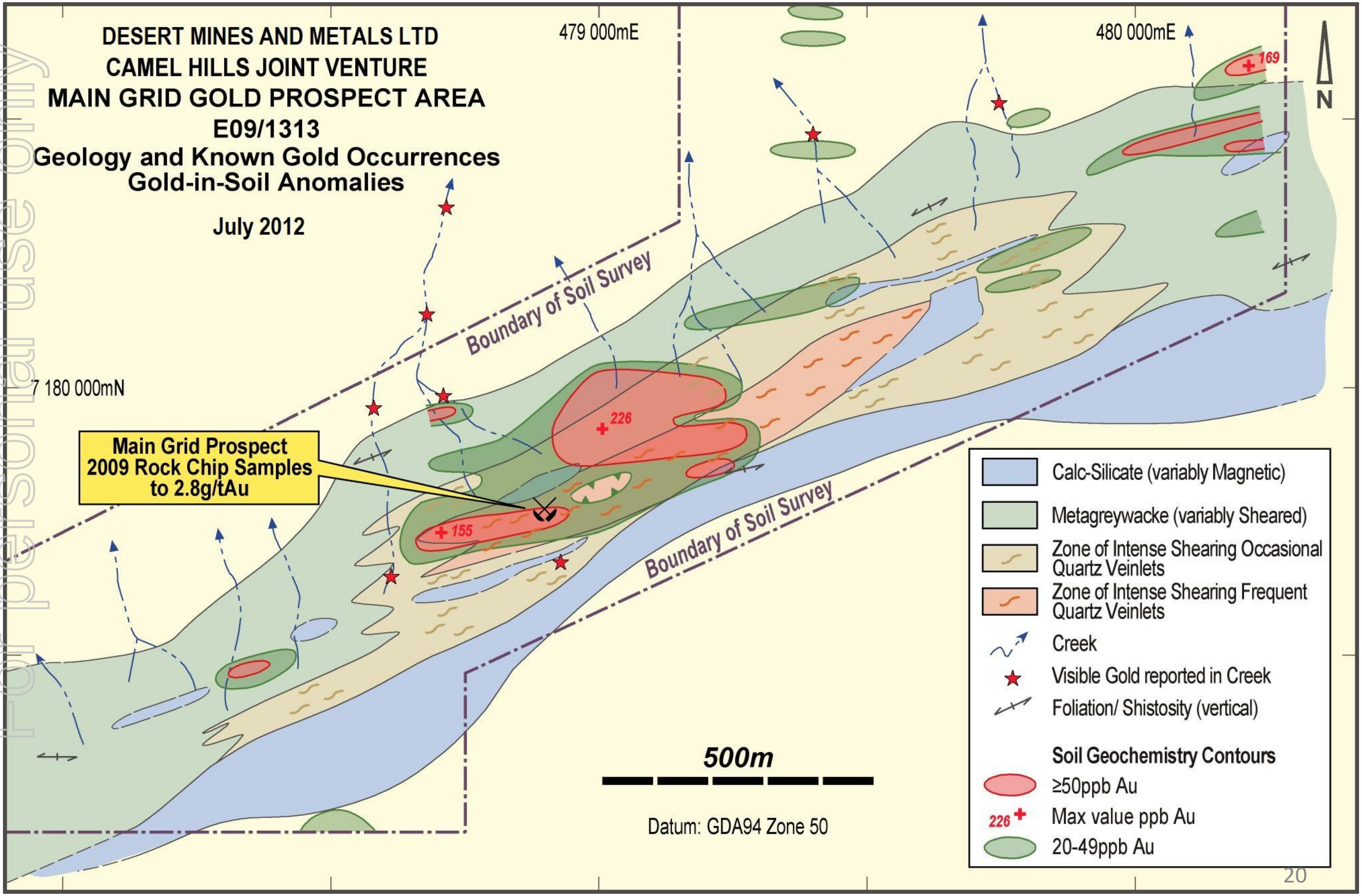
- Several prospective nickel copper targets are the subject of renewed exploration focus
- Targets comprise discrete intrusive bodies or "plugs"
- Aeromagnetics define geometry
- Coincident:
  - Nickel-chrome soil anomalies; and,
  - Heliborne VTEM defined "bulls eye" anomalies
- Downhole and ground EM survey over Innouendy targets recently completed - resolve targets for drilling
- Drilling to commence in late March - early April



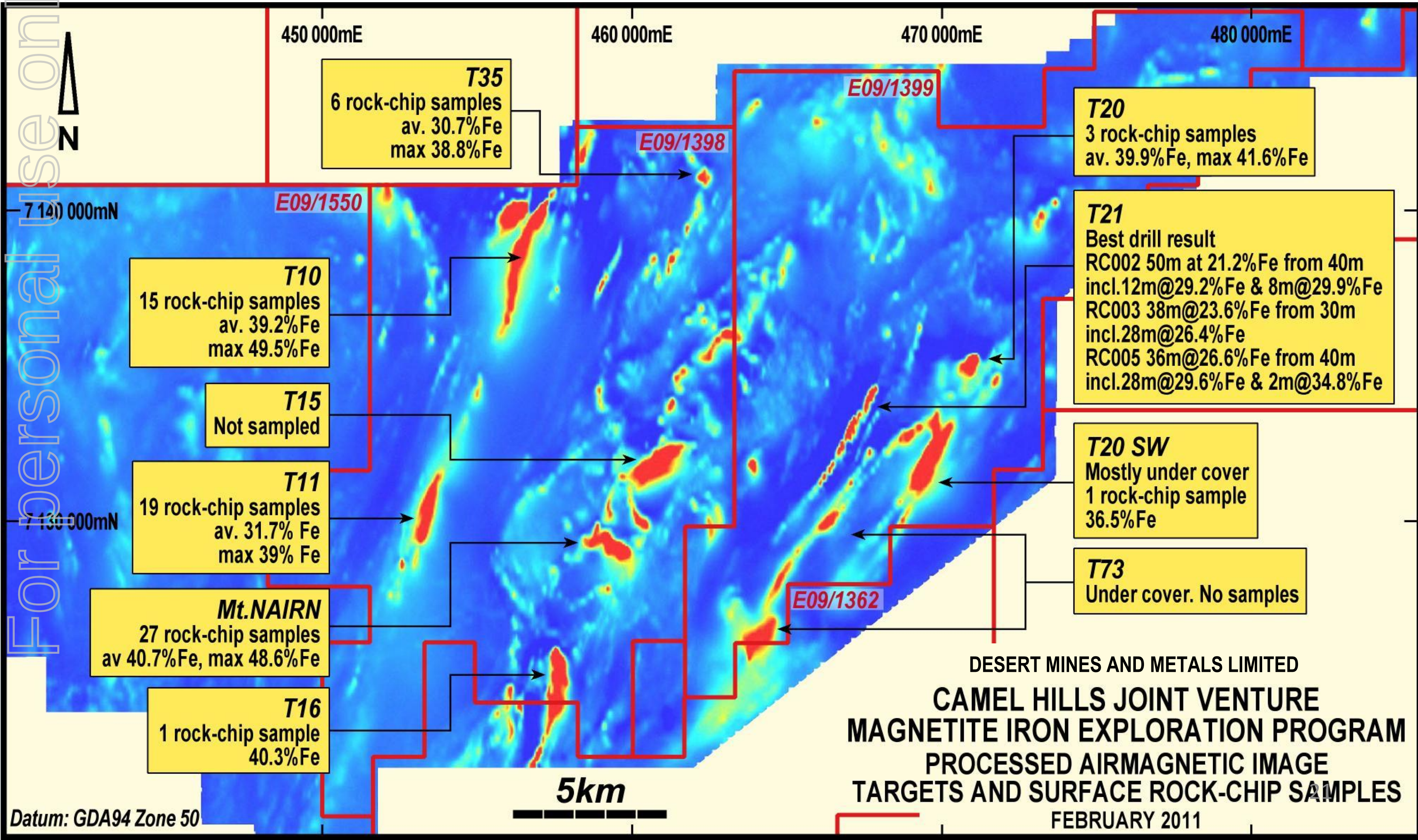
Innouendy Ni/Cu Target



Main Grid Gold Target



Iron Ore Targets



MAGNETITE IRON DRILLING FIRST PROGRAM

- First pass reconnaissance drilling multiple targets
- Broad intervals of magnetite reported in several targets (typically 1 hole per target)

Hole Id	Easting	Northing	Depth From m	Depth to m	Interval m	Fe %
BCT20RC001	470900	7135000	6	22	16	34.08
and			49	61	12	34.39
BCT20RC004	469775	7133760	41	43	2	18.12
and			50	53	3	12.04
BCT20RC006	469850	7132500	43	47	4	26.47
and			60	62	2	40.91
and			69	75	6	38.50
BCT20RC007	469220	7131800	15	21	6	32.78
and			23	25	2	25.32
and			26	28	2	27.16
and			30	32	2	19.82
and			57	117	60	32.57
BCT73RC001	466300	7130000	110	112	2	33.39
BCT73RC002	464775	7128000	80	84	4	38.98
and			87	89	2	41.97
and			103	113	10	29.70
and			115	116	1	20.14
and			116	120	4	34.78
and			124	132	8	35.82
BCTNuBlobRC	463900	7131800	64	65	1	21.69

Refer to ASX announcement dated 10 August 2011 for details

SUMMARY

Acquisition of Korean Moly/Tungsten Project "hitting the ground running"

- Historical Production – High Grade Moly/Tungsten
- Current Drilling Program
- Favourable Country Investment Characteristics
- Staffed and fully operational

WA Projects

Nickel

- "Bulls eye" EM anomalies, some coincident with elevated nickel soil anomalies
- Innouendy target to be tested in late March – early April

Gold

- Main Grid gold in soil target – EIS State Government co-funding support for drilling

Iron Ore

- Two successful drill programs
- Numerous targets to follow up
- Regional consolidation potential

Corporate

- KRL acquisition share based and subject to performance milestones
- New Board and Management appointments with track records and in-country expertise
- Exploration and working capital funded by cash on hand and $2M Aurora Minerals convertible note

MOLYBDENUM

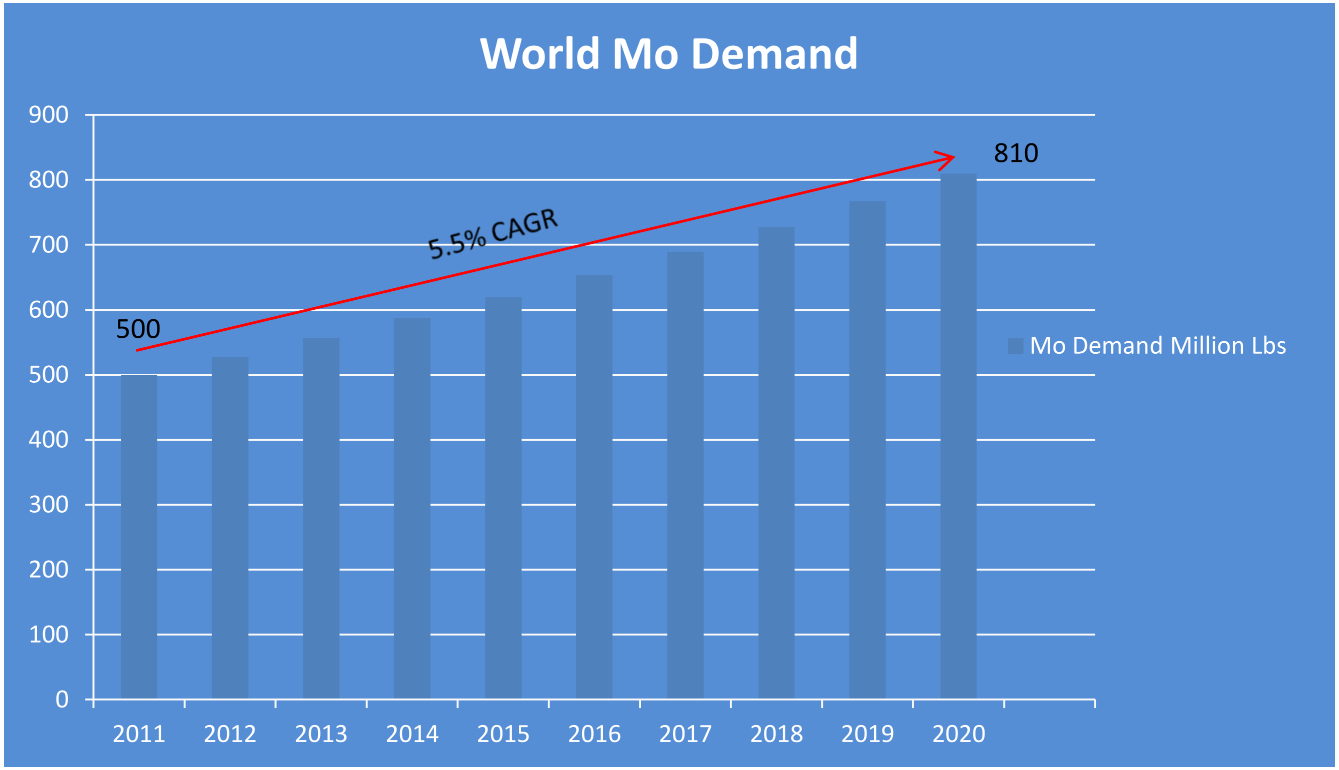
- Molybdenum is a refractory metallic element used most commonly as an alloying agent in steel, cast iron and super-alloys to enhance hardenability, strength, toughness and wear and corrosion resistance.
- Primarily in the form of molybdenum oxide or ferromolybdenum, molybdenum is frequently used in combination with or added to chromium, columbium (niobium), manganese, nickel, tungsten or other alloy metals to achieve desired metallurgical properties.
- The usage of molybdenum in enhancing a variety of alloy properties has secured it a role in industrial technology, which increasingly requires materials that are serviceable under high stress, expanded temperature ranges and highly corrosive environments.
- Molybdenum is also used as a refractory metal in a number of chemical applications including catalysts, lubricants and pigments.
- Limited substitutions exist for most molybdenum's uses

Source: CPM Group

Source www.metalprices.com

ROBUST GROWTH FOR MOLYBDENUM

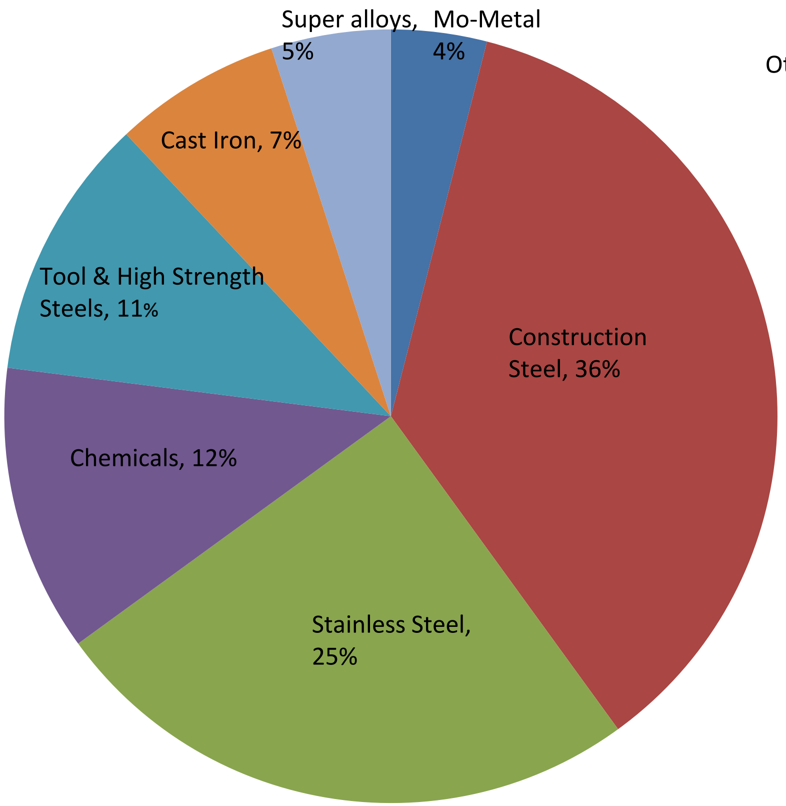
- Molybdenum demand to grow +30M lbs per year
- Molybdenum use recovered and grew 18% in 2010 and 14% in 2011 (IMOA)
- Demand forecast to grow 5.5% CAGR through 2020 to reach over 800 million pounds annually
- Supported by global steel demand growth (~3.5% CAGR) and growing intensity of use.



Source: CPM Group

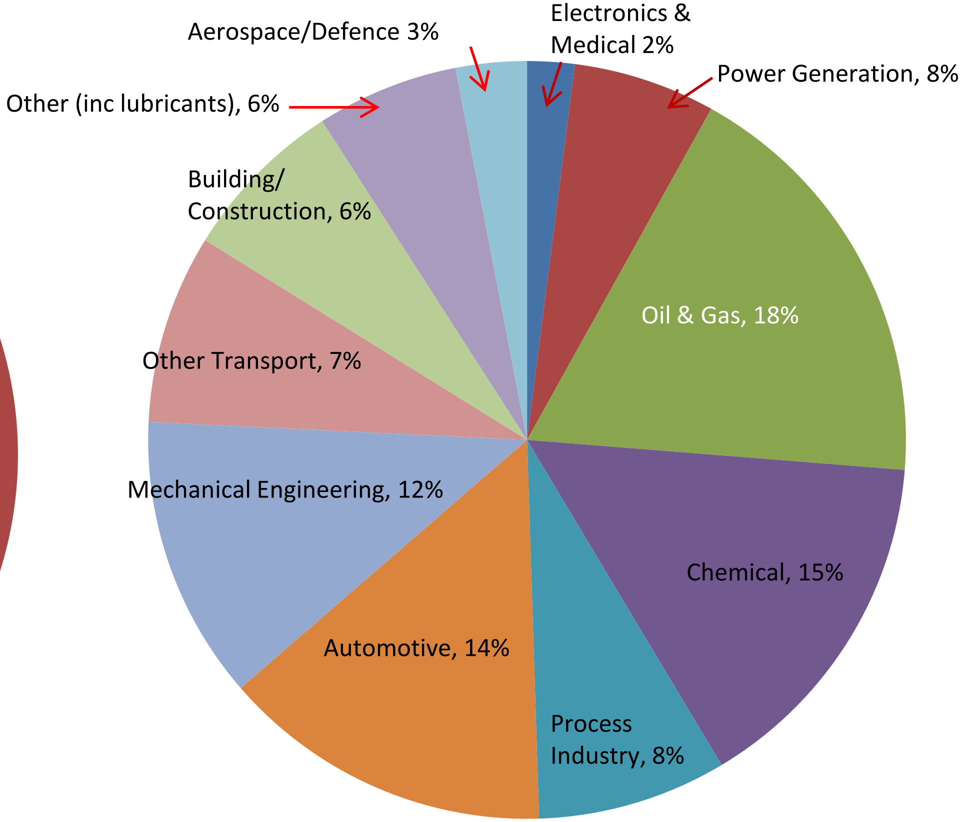
MOLYBDENUM USE: Metallurgical vs. Energy

Molybdenum: 84%
Metallurgical



Source: SMR Research

Molybdenum: 40%
Energy

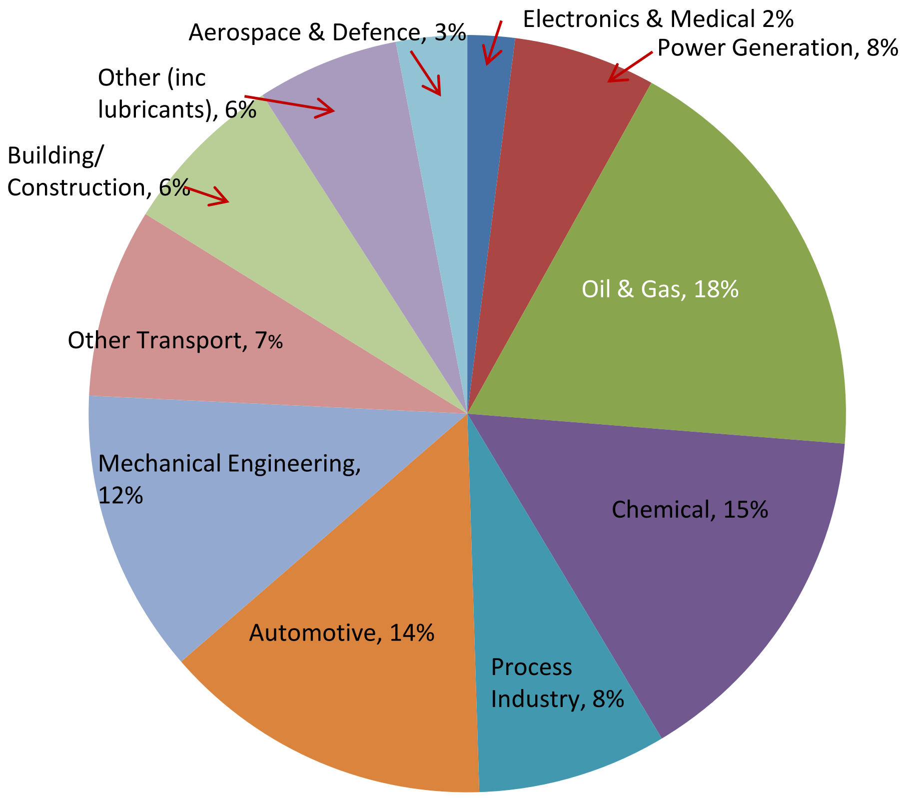


Source: SMR Research

ENERGY IS KEY TO MOLYBDENUM DEMAND

- Molybdenum demand is 40% energy related with Transportation consuming another 20%
- More sophisticated energy production and transportation driving molybdenum use
- Examples include:
  - Shale Gas production
  - Off-shore/deep-ocean oil production
  - LNG production
- JP Morgan forecasts $40trillion to be spent globally on energy related infrastructure by 2035
- JP Morgan says molybdenum is one of 5 key commodities for 21st century [1]

Molybdenum: 40% Energy Related

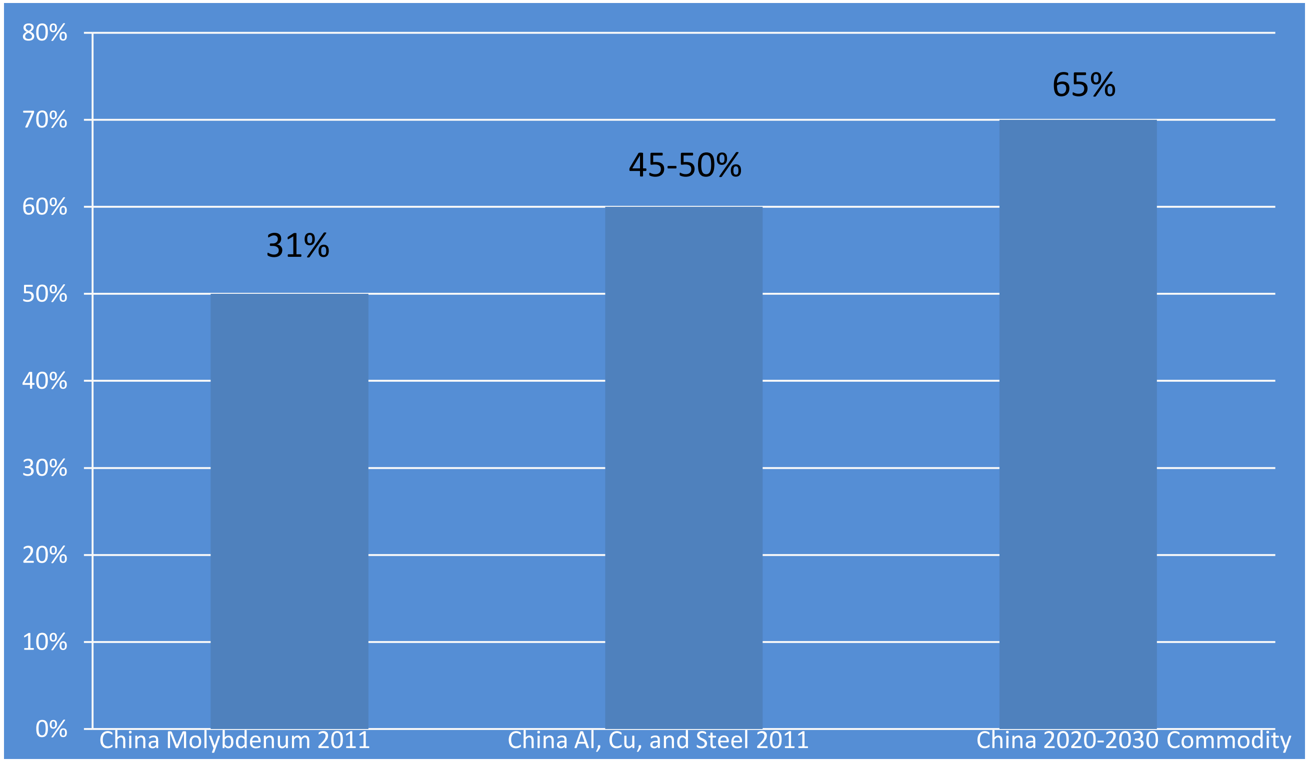


1. Commodities include Mo, Co, Li, In, He

Source: SMR Research

MOLYBDENUM DEMAND DRIVEN BY CHINA

- China consumes ~ 31% of molybdenum. Also produces & consumes 45-50% of global steel
- China focussed on increasing stainless & speciality steel products
- JP Morgan forecasts China commodity consumption will approach 65% of global consumption in next 10-20 years



Source: IMOA, JP Morgan Research