ASX RELEASE
30 July 2026

Quarterly Activities Report – Quarter ended 30 June 2026

Adzope Permit, southern Côte d'Ivoire

- **Significant coherent gold anomaly** defined from regional stream-sediment sampling at Adzope; which was then followed up with soil sampling
- Maiden soil sampling defined a major new **+7km +50ppb gold-in-soil anomaly** with high-grade zones at **the Nyan prospect**
- Sampling on a 400m x 100m wide, coarse grid returned 55 samples of **≥100 ppb gold** defining **two discrete high-grade zones** within a **~9.7km² ≥100 ppb footprint:**
  - Zone A demonstrates **+0.5g/t gold over 165m** in width; and
  - Zone B extends **570m x 600m**, with a peak of **993ppb gold,** 650m northeast of Zone A
- Nyan lies **directly along strike (SW) of DM1's King Kong discovery**, where drilling returned **17m at 7.5 g/t gold,** and sits within the same structural trend
- Nyan gold anomaly is **entirely untested by drilling** – Desert Metals plans infill soil sampling, ground geophysics and a maiden ~6,750m oxide aircore program (135 holes) to drill-test it

Tengrela South Permit, northern Côte d'Ivoire

- Aircore drilling extended Tiogo gold corridor to +1.5km at Tengrela South, with results including:
  - **4m at 19.48g/t gold** from 42m (26TSAC038);
  - **12m at 3.81g/t gold** from 34m including **2m at 21.84g/t gold** (26TSAC010);
  - **4m at 8.70g/t gold** from 18m including **2m at 13.22g/t gold** (26TSAC021)
- 40 aircore holes for 2,032m completed over seven infill and step-out lines across 1.7km strike length with **gold mineralisation intersected on all lines**
- System remains **open along strike to both the north and south**, and down dip into fresh bedrock, which has never been drill tested
- Drilling to 150m to 250m depth is planned to test the bedrock expression of the Tiogo gold system
- **New high-priority discovery at Tiogo North**, with a coherent 1.8km gold-in-soil anomaly peaking at **617ppb Au** and supported by multiple strong values (up to 327ppb and 151ppb Au). Aircore drilling planned to test the oxide zone and evaluate continuity across the gold trend

Acquisition of Agboville Permits

- DM1 acquired 100% ownership of the **Agboville gold-lithium project** in south-eastern Côte d'Ivoire, securing full control of two highly prospective permits of ~598km² across a proven Birimian greenstone belt

CORPORATE

- Fully underwritten Entitlement Offer completed, raising $325,377 (before costs)

Desert Metals Limited (ASX: DM1) ("Desert Metals", "DM1" or "the Company") is pleased to report its activities for the quarter ended **30 June 2026**.

ADZOPE PERMIT, CÔTE D'IVOIRE

Nyan Prospect

During the June 2026 quarter, Desert Metals reported exceptional gold-in-soil results from a maiden soil sampling program at the newly defined **Nyan prospect**.

The program of **335 surface soil samples** defined a large, coherent gold-in-soil anomaly extending approximately **+7km strike** across the survey grid and remains open along strike in both directions. The anomaly is exceptionally well-mineralised at surface, returning peak values of **6,036 ppb (6.04 g/t) gold** and a second sample of **3,626 ppb (3.63 g/t) gold, across a 165m wide zone of +0.5g/t gold**.

The Nyan corridor sits directly along strike to the south-west of the Company's King Kong gold discovery, where previous drilling returned **17m at 7.5 g/t gold** within the same interpreted structural trend.

The anomaly aligns with the regional Birimian structural fabric, suggesting a structurally-controlled, quartz vein-hosted gold source. The results position Nyan as a compelling, drill-ready target within the Adzope Gold Project, following the successful historical drilling results at King Kong.

The Company plans to conduct infill soil sampling, ground geophysics, and a maiden drilling program, targeting high-grade cores. Additional soil sampling will aim to close the anomaly corridor to the NE and SW.

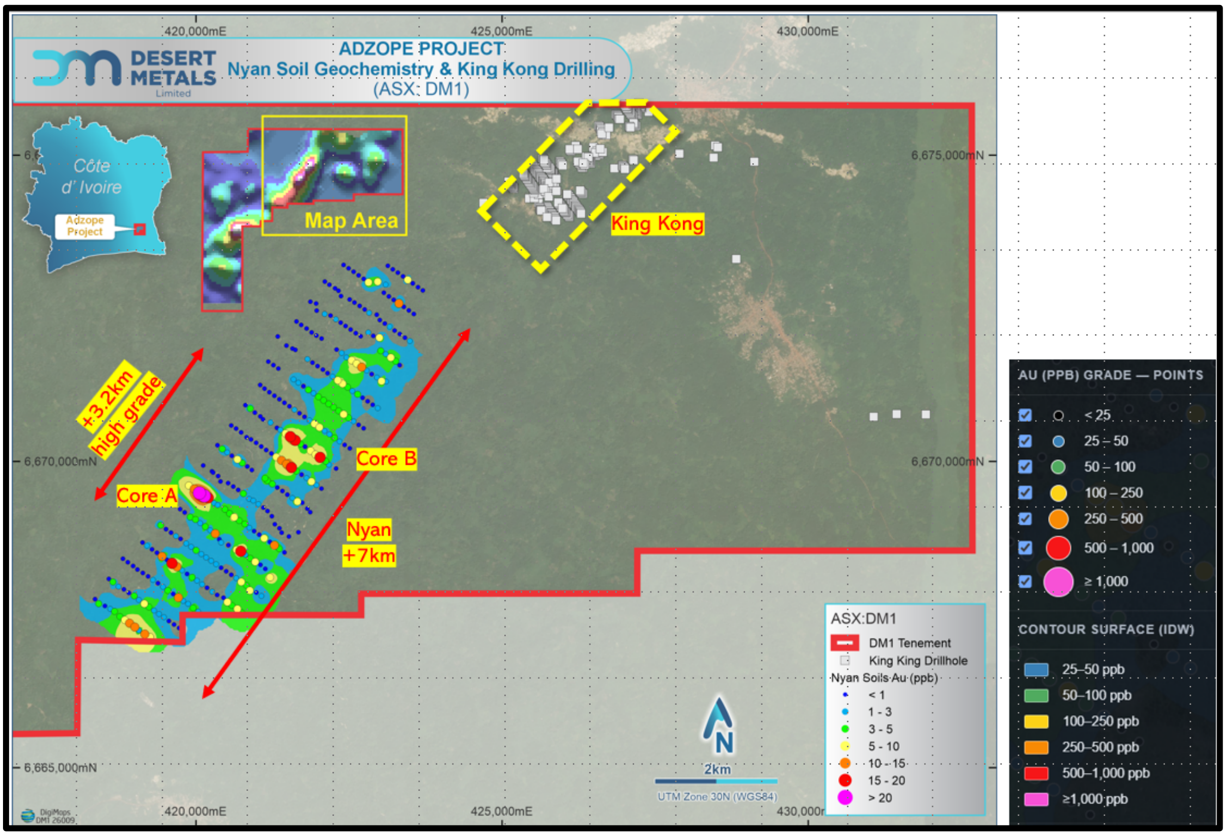

Figure 1 - Nyan gold prospect soil sampling results

Stream sampling identifies +5km anomaly

Desert Metals completed a regional stream-sediment programme across the entire 229km² Adzope gold permit, collecting 241 BLEG samples that returned a moderate-to-strong gold signature for a Birimian terrain, including 116 samples at or above the 1ppb detection limit and peak values up to 44ppb gold.

The work outlined two coherent gold-in-stream anomalies, the largest being:

- **Target 1**: a **5km × 1.5km zone** located 7km southwest of the high-grade King Kong prospect and containing multiple strongly anomalous samples above 20ppb gold.
- **Target 2:** is a smaller 2**.5km × 1.5km anomaly** in the same structural corridor, also returned values up to 33ppb gold.

Integration with aeromagnetic data shows Target 1 sits on a previously unrecognised NNE–SSW structural trend, providing a new exploration corridor for the project.

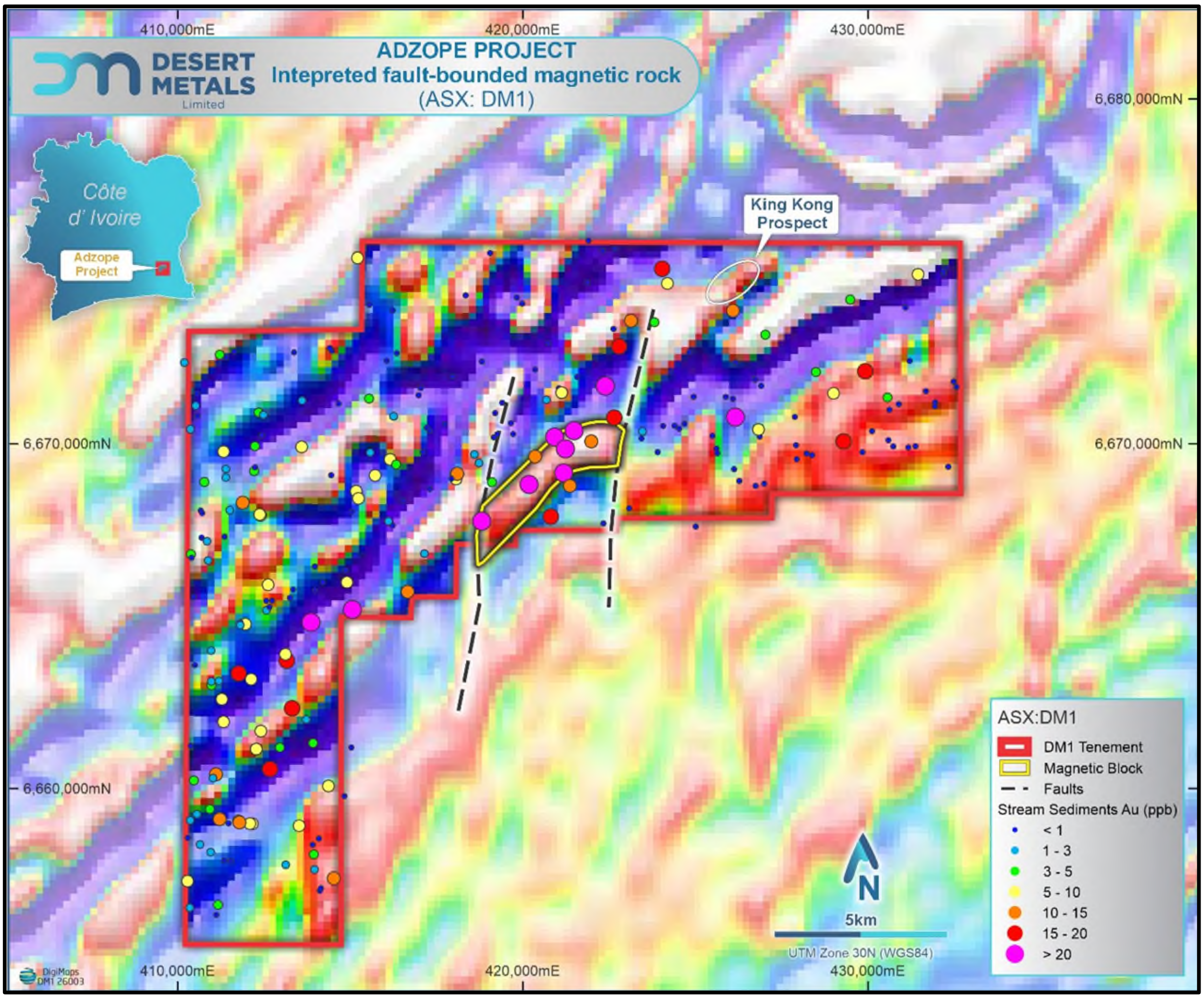

Figure 2- Adzope stream sediment results with underlying aeromagnetics

DM1 completed first-pass soil sampling over Target 1 (refer above – Nyan Prospect), while follow-up work on Target 2 is being considered.

TENGRELA SOUTH, CÔTE D'IVOIRE

Aircore drilling extends Tiogo

During the June 2026 quarter Desert Metals reported outstanding results from follow-up aircore drilling at the **Tiogo gold prospect** on the **Tengrela South** gold project. Tiogo is only 30km and along strike from Perseus Mining's (ASX: PRU) operating Sissingué gold mine.

Building on the high-grade results reported from the first-pass aircore drilling in May 2025[1], Desert Metals completed a follow-up aircore program at Tiogo comprising **40 holes for 2,032m**, drilled as seven east-west lines across a **1.7km** strike length. See Figure 1.

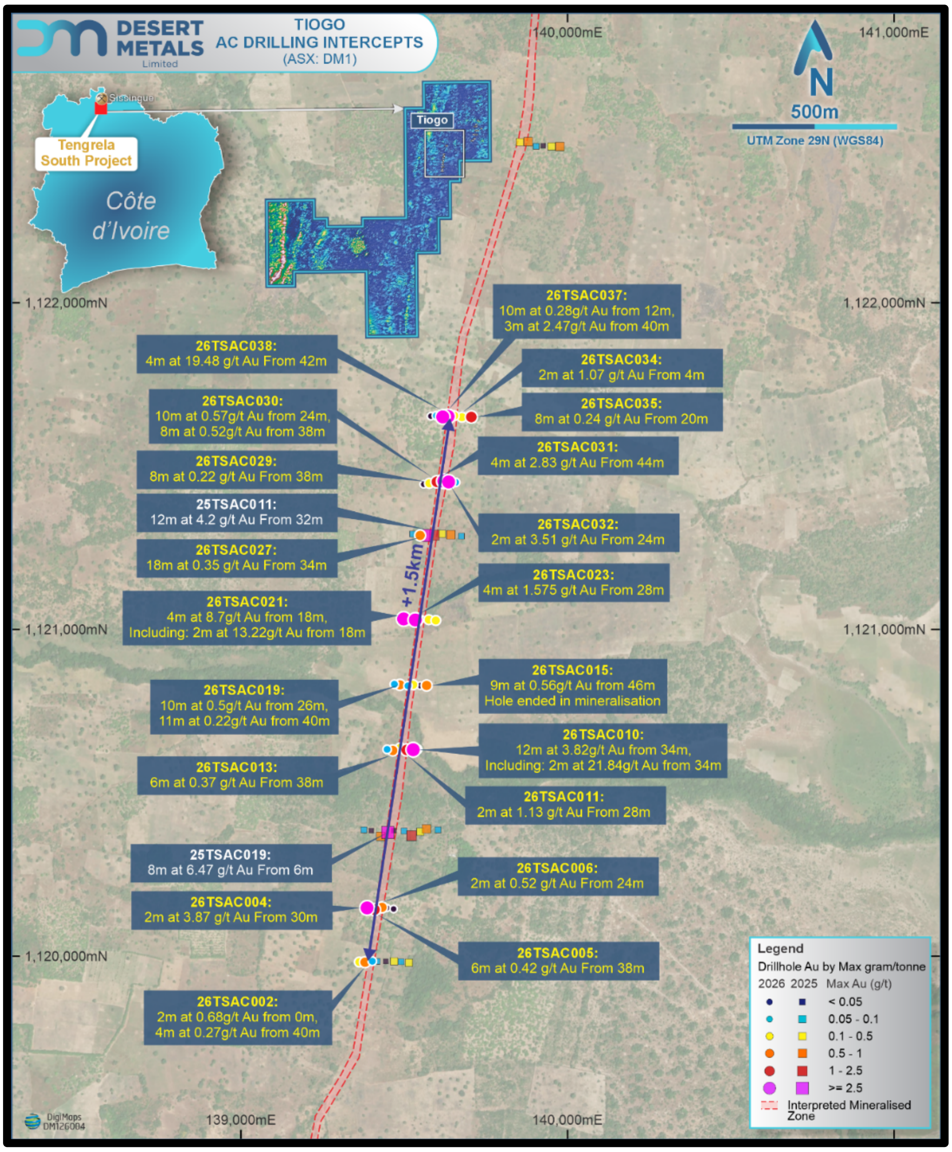

Figure 3 – Tiogo drillhole plan with 2025 and 2026 aircore drilling

[1] DM1 ASX Announcement 07 May 2025

The program at Tiogo successfully infilled the wide gaps between the 2025 discovery lines and extended drilling along strike, with seven new lines confirming continuous gold mineralisation across a now 1.7km corridor.

All holes targeted the same east–west trend and returned significant results, including the strongest intercept to date of **4m at 19.48g/t gold** on the northernmost line, as well as wide, high-grade infill mineralisation such as **12m at 3.81g/t gold** between the 2025 lines.

Geological logging confirmed all high-grade gold is hosted in quartz veins within the Birimian metasedimentary sequence, with mineralisation concentrated in the lower saprolite and transition zone, indicating that the untested fresh-rock system at depth may represent the primary ore source.

The combined 2025-26 dataset demonstrates that Tiogo remains open north, south and at depth, with multiple end-of-hole intercepts suggesting stronger grades may occur in fresh bedrock.

Next steps include further aircore infill and step-out drilling to close remaining gaps and extend the corridor, followed by RC and diamond drilling to **150m to 250m** depth to test the bedrock system.

Tengrela South soil sampling defines new target

Desert Metals also reported results from a systematic soil sampling program across six untested areas at Tengrela South, where it defined a new anomaly. The program at Tengrela South collected 1,774 samples across six grids, designed to systematically test six grid areas across the Tengrela South permit, including areas to the north and south of the drill-defined Tiogo gold corridor.

Sampling defined a new target called Tiogo North by a coherent gold-in-soil anomaly extending semi-continuously for 3km north of the northernmost aircore drilling line (25TSAC001–25TSAC006) at Tiogo.

The Tiogo North anomaly extends for 1.8km beyond the northernmost aircore line and includes a peak value of 617ppb gold within an 800m × 400m coherent footprint, supported by additional strong results up to **327ppb** and **151ppb gold**.

Its NNE structural orientation and geological setting match the drill-defined Tiogo corridor, indicating a likely northward continuation of the same quartz vein-hosted gold system. The scale and intensity of the anomaly are comparable to the original Tiogo soil anomaly prior to drilling, which returned first-pass intercepts including **8m at 6.47 g/t gold** and **12m at 4.20 g/t gold**[2] in the 2025 aircore program.

Exploration will now focus on aircore drilling at Tiogo North to test the oxide zone and evaluate continuity across the +3km gold trend.

[2] DM1 ASX Announcement 7 May 2025

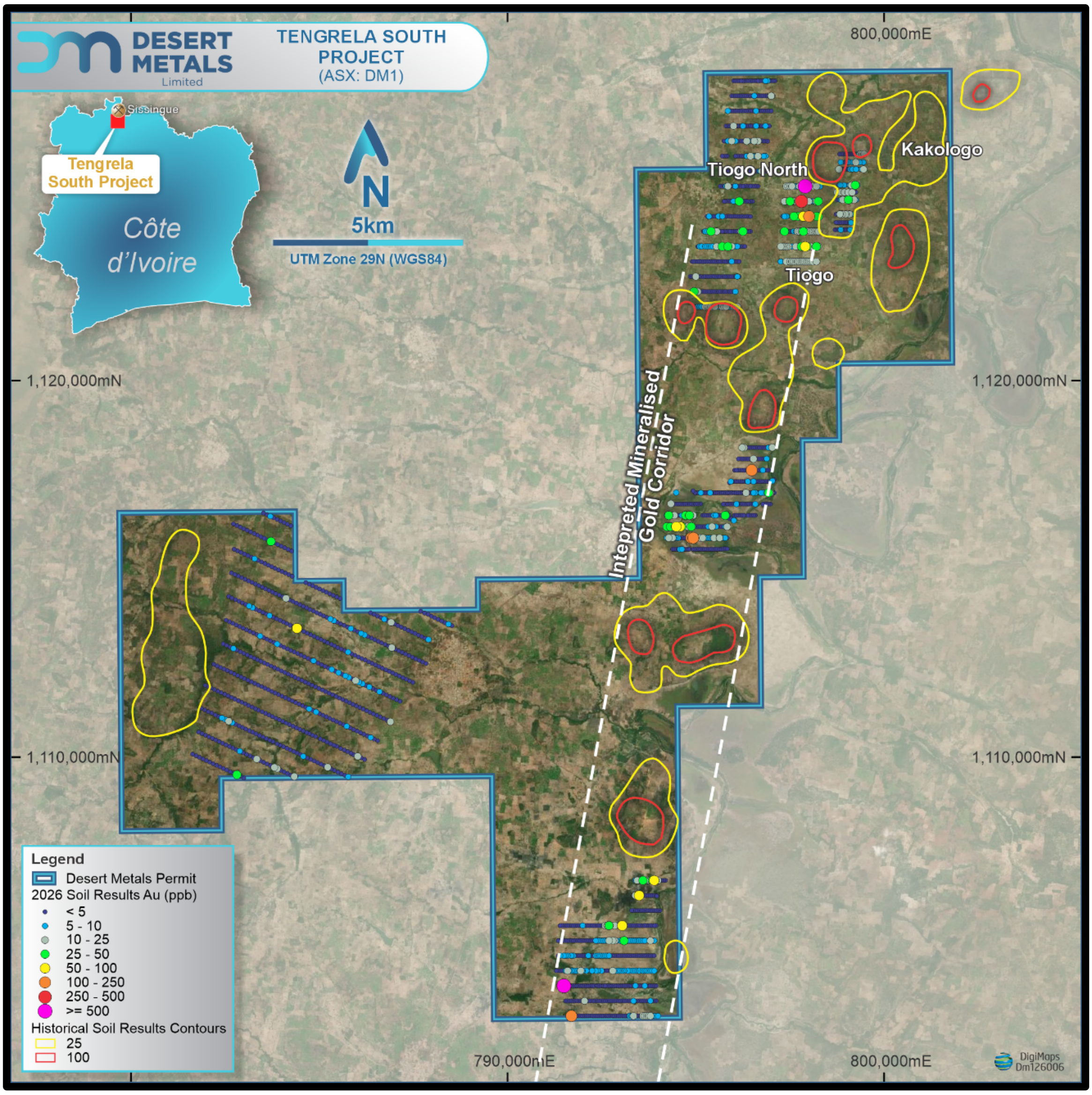

Figure 4- Tengrela South soil sampling results

ACQUISITION OF AGBOVILLE PERMITS

In June, Desert Metals completed the acquisition of **100% of the two Agboville permits** in south-eastern Côte d'Ivoire, which are prospective for both gold and lithium.

Granted research permit **PR 1036 covers 341km²** across the M'Batto, Agboville and Adzope Departments and was granted by the Côte d'Ivoire Council of Ministers on 4 March 2026. The second permit, application 0170DMICM26/01/2023, covers a further **257km²** in the same district and is pending grant. Together, the two permits cover approximately 598km² within a highly prospective Birimian greenstone belt that hosts both lithium and gold mineralisation.

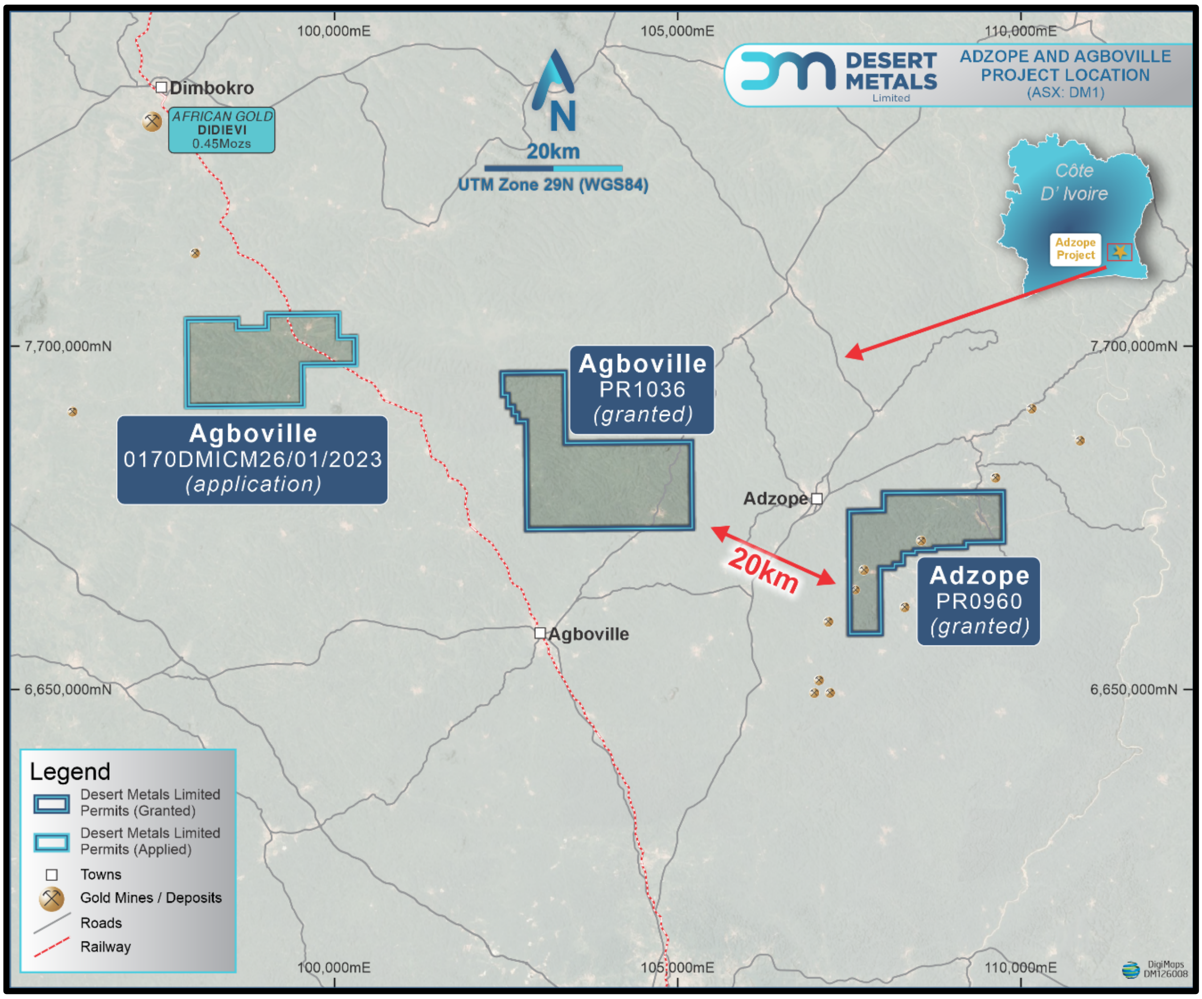

Figure 5 - Location of Agboville Permits in southeastern Côte d'Ivoire

Unverified historical government sampling of the eastern pegmatite fields has previously identified lithium, beryllium, tantalum and rare earth mineralisation, while Atlantic Lithium reported a lithium discovery in the adjacent Agboville-Rubino area in 2025[3], confirming the district's lithium prospectivity.

Acquisition terms

Total consideration was satisfied through the issue of 18,125,000 fully paid ordinary DM1 shares (pursuant to DM1's existing placement capacity under Listing Rule 7.1) - equivalent to approximately A$145,000 (at an issue price of A$0.008 per share). No cash consideration was payable.

The transaction supersedes the previous joint venture under which DM1 had the right to earn 85% of the projects by incurring A$250,000 in exploration expenditure over three years.

[3] ASX:A11; ASX Announcement 20 October 2025

CORPORATE

Entitlement Offer

Desert Metals completed its non-renounceable pro-rata entitlement offer to raise **$325,377** (before costs), announced on 7 April 2026, through which eligible shareholders were able to subscribe for one new option for every two shares held at an issue price of $0.001 per option, exercisable at $0.015 by 31 December 2027.

The Company received valid applications for 177,746,685 new options, raising approximately $177,747 in gross proceeds. The offer was fully underwritten by CPS Capital Group Pty Ltd, and 147,630,337 shortfall options were taken up by the underwriter and its sub-underwriters raising a further $147,630.

Funding and Acquisition Opportunities

Desert Metals is currently finalising plans to secure funding for the next phase of exploration and expects to provide a market update during the September 2026 quarter.

Desert Metals continues to review new project opportunities with a focus on gold and critical minerals projects to complement its existing mineral asset portfolio.

ASX Additional Information

1. **ASX Listing Rule 5.3.1:** Exploration and Evaluation Expenditure (excluding staff costs) during the Quarter was $219,000. Full details of exploration activity during the Quarter are set out in this report.
2. **ASX Listing Rule 5.3.2:** There were no substantive mining production and development activities during the Quarter.
3. **ASX Listing Rule 5.3.5:** A total of $91,950 was paid to related parties during the quarter comprising Director fees. During the quarter, $30,486 was paid to Corporate Consultants Pty Ltd, a company in which director Mr. Flint is a director and has a beneficial interest, for accounting, secretarial and corporate service fees. During the quarter, $3,300 was paid to Oxford Capital Partners International Pty Ltd, a company in which director Mr. Ross is a director and has a beneficial interest, for office space and supporting office equipment.

This Announcement has been approved for release by the Board of Desert Metals Limited.

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About Desert Metals Limited

Desert Metals Limited is an ASX-listed (ASX:DM1) gold exploration and development company. DM1 has the right to earn a majority interest under low-cost joint venture arrangements in three gold projects covering 1,074km² of granted mineral permits and permit applications in Côte d'Ivoire, West Africa. DM1 has earned an 80% interest in the Tengrela South project 30km south of the operating Sissingué gold mine and an 80% interest in the Adzope gold project in the south of the country.

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Stephen Ross, a competent person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Ross has a minimum of five years' experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Ross is a related party of the Company, being a Director, and holds securities in the Company. Mr Ross has consented to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the Exploration Results information included in this report from previous Company announcements as referenced in the body of this announcement and further confirms that all material assumptions underpinning the exploration results contained in those market releases continue to apply and have not materially changed.

Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which DM1 operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by several factors and subject to various uncertainties and contingencies, many of which will be outside DM1's control. DM1 does not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of DM1, its directors, employees, advisors, or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this announcement reflect views held only as at the date of this announcement.

This announcement is not an offer, invitation or recommendation to subscribe for, or purchase securities by DM1. Nor does this announcement constitute investment or financial product advice (nor tax, accounting, or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision.

Annexure 1 – Schedule of Tenements

In accordance with listing rule 5.3.3, the table below shows the interest in tenements held by the Company at the end of the Quarter.

Côte d'Ivoire Tenements *					
Tenement ID	**Name**	**Type**	**Status**	**Ownership**	**Holder**
PR-683	Tengrela South	Exploration	Granted	80%	Leo Resources SARL
PR-960	Adzope	Exploration	Granted	80%	Adzope Gold SARL
PR-1036	Agboville	Exploration	Granted	100%	Ivoire Lithium Resources SARL
0170DMICM26/01/23	Agboville	Exploration	Application	100%	Ivoire Lithium Resources SARL
1892DMICM13/05/2026	Bondoukou	Exploration	Application	100%	Mocha Gold SARL

* The Company's interests in Côte d'Ivoire are held via its 100% owned subsidiary CDI Minerals Pty Ltd

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
Desert Metals Limited	
ABN	**Quarter ended ("current quarter")**
84 617 947 172	30 June 2026

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(170)	(1,020)
	(e) administration and corporate costs	(129)	(678)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	4	26
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes received - GST	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other –	-	-
1.9	**Net cash from / (used in) operating activities**	**(295)**	**(1,672)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(219)	(1,237)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other –	-	-
2.6	**Net cash from / (used in) investing activities**	**(219)**	**(1,237)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	326	1,576
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(72)	- (166)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**254**	**1,410**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	662	1,920
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(295)	(1,672)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(219)	(1,237)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	254	1,410

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	(4)	(23)
4.6	**Cash and cash equivalents at end of period**	**398**	**398**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	398	662
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**398**	**662**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	126
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(295)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(219)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(514)
8.4	Cash and cash equivalents at quarter end (item 4.6)	398
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	398
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	0.77

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Desert Metals is currently finalising plans to secure funding for the next phase of exploration and expects to provide a market update during the September 2026 quarter. The Company has a track record of raising equity capital to meet its requirements.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the Company expects to be able to continue its operations and meet its business objectives on the basis noted in (2) above.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 July 2026

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.