

ASX RELEASE
8 December 2025

Desert Metals receives strong support for \$1.25m placement to continue exploration at the Tengrela South and Adzope gold projects in Côte d'Ivoire

Highlights

- Firm commitments received for **\$1.25 million** placement to sophisticated investors and current shareholders to continue gold exploration in Côte d'Ivoire
- Desert Metals (**DM1**) will be using funds to:
 - i. undertake aircore drilling at the Tengrela South project in the north, 30km from the Sissingué gold mine;
 - ii. undertake permit-wide exploration at the Adzope gold project in the south; and
 - iii. continue to assess new project opportunities to complement existing portfolio.
- At **Tiogo** on the Tengrela South permit, a 6,000m aircore drill program is planned in an untested continuous **900m zone** between two wide, high-grade results of **12m at 4.20g/t gold from 32m** and **8m at 6.47g/t gold from 6m**
- At **Adzope**, with 95% of the Adzope permit remaining unexplored, a program of regional stream sediment sampling will be undertaken across the entire 228km²
- Placement led and managed by CPS Capital Group Pty Ltd

Desert Metals Limited (Desert Metals, DM1, or the Company) is pleased to announce it has received firm commitments to raise **A\$1.25 million** (before costs) via a placement of approximately 192,307,692 fully paid ordinary shares ("Shares") at an issue price of A\$0.0065 per share ("Placement").

The Placement, which was managed by **CPS Capital Group Pty Ltd**, was strongly supported by existing shareholders and will also introduce new, sophisticated and professional investors to the Desert Metals share register.

Desert Metals Managing Director Stephen Ross said:

"This placement will allow Desert Metals to complete follow-up drilling at the high-priority Tiogo prospect on the Tengrela South permit where previous aircore drilling in Q2 2025 intersected shallow, wide high-grade gold intercepts. The Company will also complete for the first time a permit-wide stream sediments program at the Adzope permit. Extensive artisanal gold operations are present all over the Adzope area, so stream sediments will highlight priority areas for further exploration. Results from these programs are expected from Q1 2026."

Capital raising

Desert Metals has received strong support for the Placement from institutions and sophisticated and professional investors, along with existing shareholders, to raise \$1.25 million via an issue of 192,307,692 fully paid ordinary shares at an issue price of A\$0.0065 per share.

CPS Capital Group Pty Ltd (“**CPS**”) was appointed as Lead Manager and Broker for the Placement. For managing the Placement (including obtaining the firm commitments), CPS (or its nominee) will subscribe, subject to shareholder approval and completion of the Placement, for 45 million options exercisable at \$0.013, expiring on 30 June 2027 at an issue price of \$0.00001 (**‘Options’**).

Tranche 1. 64,000,000 Shares will be issued under the Company's existing placement capacity under Listing Rule 7.1. Tranche 1 of the Placement is scheduled to close on or around **15 December 2025**.

Tranche 2 of the Placement equalling **128,307,692 Shares** and the Options, will be issued subject to shareholder approval, to be obtained at an extraordinary general meeting of the Company in late January 2026.

The funds raised will be used to fund ongoing and planned exploration programs including:

- Up to 6,000m of aircore drilling at Tengrela South targeting the Tiogo prospect
- Permit-wide stream sediment sampling at Adzope
- Continuing assessment of new project opportunities
- Costs of the offer and general working capital.

All new shares issued pursuant to the Placement will rank equally with existing fully paid ordinary shares in the Company.

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.

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.