

Quarterly Activities Report – Quarter Ended 31 March 2026

OPERATIONS

Tengrela South Permit, northern Côte d'Ivoire

- Desert Metals commenced a Phase 1, 40-hole **+2,000m** aircore drilling program at the **Tiogo gold prospect** on the **Tengrela South** permit in northern Côte d'Ivoire
- Drilling targetted a **900m untested mineralised corridor** between previous high-grade intercepts of **12m at 4.20g/t gold from 32m** and **8m at 6.47g/t gold from 6m** at Tiogo
- GAIP ground geophysics survey highlighted a **+4km anomaly at Tiogo**, with high-grade aircore intercepts located on the margin of the anomaly (see **DM1 ASX Announcement 23 July 2025**)
- Phase 1 forms part of a proposed larger **120-hole, 6,000m aircore program** at Tengrela South's **Tiogo and Kakologo prospects**
- Tiogo and Kakologo are located **30km on-strike from Perseus Mining's (ASX: PRU) operating Sissingué gold mine**
- Initial phase of drilling at Tiogo completed with assays expected in the first half of **May 2026**

Adzope Permit, southern Côte d'Ivoire

- At the **Adzope gold project** in southern Côte d'Ivoire, **permit-wide stream sediment sampling** has been completed, with **256 samples collected** across the 228km² permit. Assays are expected in the first half of May 2026

CORPORATE

- Fully underwritten non-renounceable options entitlement offer announced to raise up to approximately **\$325,377** (before costs)
- Funds raised to be used for the ongoing aircore drilling program at the Tiogo and Kakalogo gold prospects on the Tengrela South permit in northern Côte d'Ivoire, working capital and expenses of the Offer
- Second tranche of Share Placement raised \$834,000 (before costs) in January 2026

CÔTE D'IVOIRE PROJECTS

Tengrela South Permit

Tiogo gold prospect – +2,000m aircore drilling program

In March 2026, Desert Metals commenced Phase 1 AC drilling of **40 holes** for **approximately 2,000m** at the Tiogo gold prospect at the Tengrela South gold project in northern Côte d'Ivoire (see Figure 1).

This first phase of air core drilling has now been completed with results expected in the first half of May 2026.

Tiogo is located in the northeastern portion of the Tengrela South permit PR-683, approximately **30km on-strike** from Perseus Mining Limited's (ASX: PRU) operating **Sissingué gold mine**. The Tengrela South permit is located on the southern border of the Sissingué mine permit and is strategically located **directly between** this permit and Aurum Resources' (ASX: AUE) Boundiali 3.0Moz Gold Project. Perseus has recently invested \$23.69m in Aurum Resources via an equity placement, with the majority of the funds to be used to drill the Boundiali project (PRU and AUE ASX Announcements dated 23 March 2026).

Desert Metals' first-pass aircore drilling program completed at Tiogo returned high-grade intersections of **8m at 6.47g/t gold from 6m** (hole 25TSAC019) and **12m at 4.20g/t gold from 32m** (hole 25TSAC011), in holes **900m apart** (see DM1 ASX Announcement 7 May 2025).

The current drilling program was designed to:

1. **Follow up the high-grade drill intercepts** from previous aircore drilling at Tiogo by targeting the 900m zone between holes 25TSAC011 and 25TSAC019, which has never been drilled;
2. **Further test IP anomalies** coincident with gold-in-soil anomalies, as identified by a Gradient Array Induced Polarisation (GAIP) ground geophysics survey (see DM1 ASX Announcement 23 July 2025); and
3. **Define the mineralised corridor(s)** ahead of a potential maiden resource RC drill-out.

Most Phase 1 holes targetted the mineralised corridor in between, and along strike from, drill holes 25TSAC011 and 25TSAC019. The holes were planned to test coincident GAIP and soil geochemistry anomalies identified from previous exploration programs (see Figure 1).

The previous **GAIP ground geophysics** program, consisting of **73 lines** for **103.275 line-km** over an area of **11.0km²**, confirmed multiple north–south trending chargeability and resistivity anomalies at both Tiogo and Kakologo. At Tiogo, the geophysical results show that the two high-grade aircore intercepts, located 900m apart, **lie on the edge of a large anomaly extending over +4km of strike** (see DM1 ASX Announcement 23 July 2025).

All aircore holes were drilled at a **-60°** angle to an average depth of approximately **50m** into the weathered oxide layer with samples submitted for gold analysis via the Chrysol™ PhotonAssay technique.

Local drilling contractor FORAVIE SARL was engaged to complete the drilling.

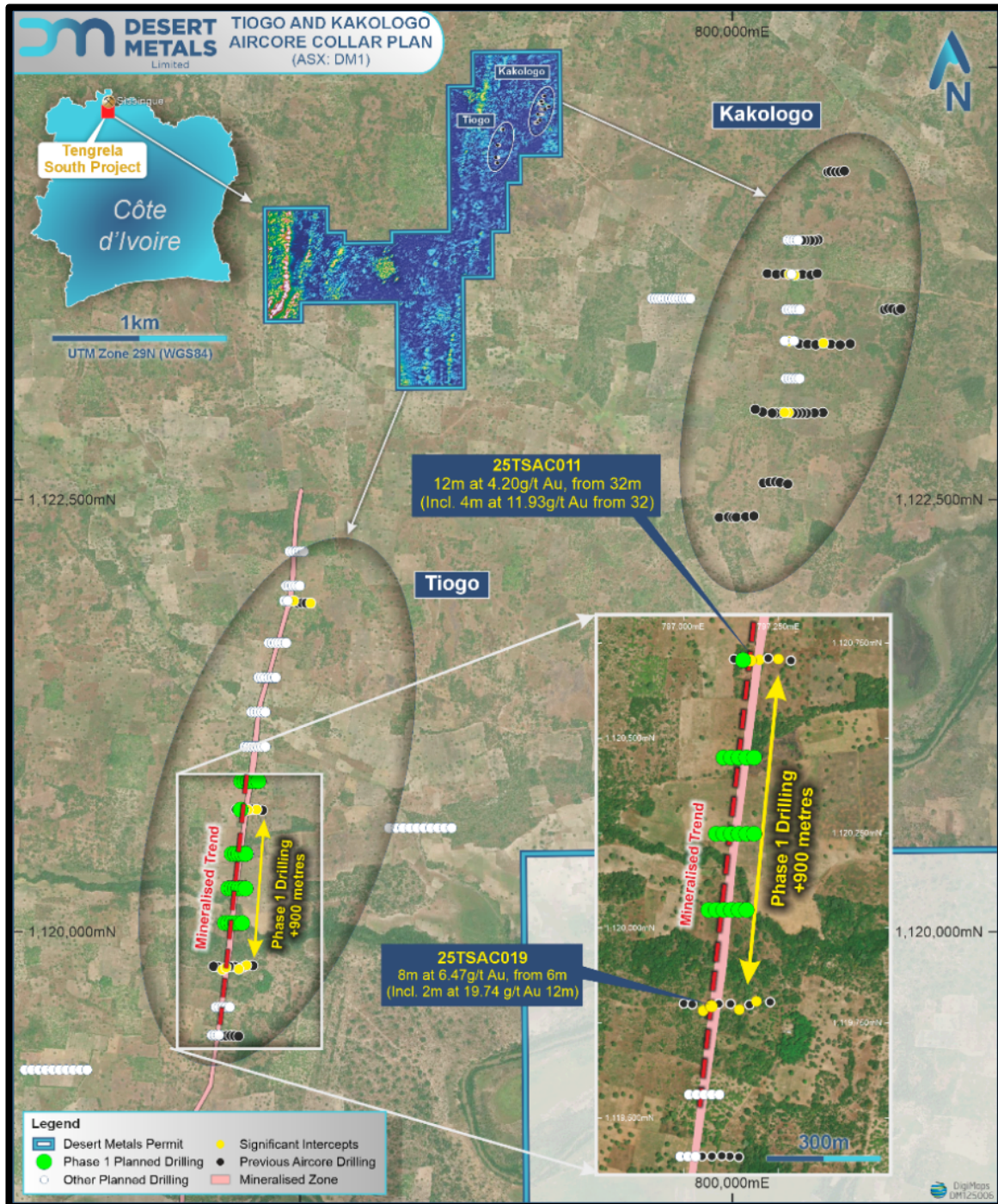


Figure 1 – Tiogo and Kakologo drilling program

Adzope Gold Project

Stream Sediment Sampling

At the **Adzope gold project** in southern Côte d'Ivoire, **permit-wide stream sediment sampling** was completed in March 2026, with **256 samples collected** across the 228km² exploration permit (PR-960). Assay results are expected in the first half of May 2026.

The program was executed by SEMS Exploration and was designed to evaluate the prospectivity of the broader Adzope permit beyond the lead **King Kong** prospect and develop a pipeline of new exploration targets. Samples were collected at an average density of approximately **one sample per 0.8km²** and have been submitted for gold analysis by BLEG (bulk leach extractable gold) at Intertek Côte d'Ivoire.

To date, exploration at Adzope has focused on the King Kong prospect, where previous drilling returned high-grade results including **17m at 7.5g/t gold** (see DM1 ASX Announcement 10 December 2024). The stream sediment program represents an important step in **systematically assessing the entire permit** for additional gold targets that may warrant follow-up exploration. Given the highly prospective geological setting of the Adzope permit within the Birimian greenstone belt, there is significant potential for new discoveries beyond King Kong.

Agboville Project

During the March 2026 quarter the eastern Agboville permit PR-1036 covering 341km² was granted to joint venture partner Ivoire Lithium Resources SARL. The Agboville project consists of two permits and Desert Metals has a joint venture with Ivoire Lithium to earn 85% in the Agboville project by funding exploration activities and operations on the project for AUD \$250,000.

Next Steps

Subject to the results of the Phase 1 drilling at Tiogo, Desert Metals plans to continue the overall **120-hole, 6,000m** aircore program with further phases at Tiogo and the Kakologo prospect, located to the northeast along the same structural trend. At Kakologo, Q1 2025 aircore drilling returned results including **26m at 0.59g/t gold** and **18m at 1.02g/t gold from 38m**.

Desert Metals also plans to prioritise and follow up targets generated from the stream sediment sampling at Adzope.

Assay results from the Phase 1 **Tiogo** drilling program and **Adzope** sampling program are anticipated in the first half of **May 2026**.

CORPORATE

Fully-Underwritten Non-Renounceable Entitlement Offer

In April, Desert Metals announced a pro-rata non-renounceable entitlement issue of up to 325,376,901 New Options, on the basis of one (1) New Option for every two (2) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.001 per New Option, exercisable at \$0.015 each on or before 31 December 2027, to raise up to approximately \$325,377.

CPS Capital Group Pty Ltd (CPS) agreed to fully underwrite the Offer.

The Offer opened on 15 April 2026 and closed on 29 April 2026.

Funds raised will be used for the ongoing aircore drilling program at the Tiogo and Kakalogo gold prospects on the Tengrela South permit in northern Côte d'Ivoire, working capital and expenses of the Offer.

Tranche 2 Placement Completed

In January 2026, Desert Metals confirmed the allotment of 128,307,692 ordinary fully paid shares (**Shares**) at \$0.0065 per share to raise **\$834,000** (before costs of raising) to institutional and sophisticated investors, along with existing shareholders ("**Placement**"). This comprised Tranche 2 of the Placement as announced on 8 December 2025, and the total amount raised from the Placement was \$1.25 million (before costs).

Acquisition Opportunities

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 \$167,000. 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 \$109,925 was paid to related parties during the quarter comprising Director fees. During the quarter, \$30,465 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, \$6,918 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 earned or 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 Joint Ore Reserves. 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.

References to previous ASX releases

The information in this report that relates to exploration results were last reported by the Company in compliance with the 2012 Edition of the JORC Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves in market releases dated as follows:

24 March 2026 Desert Metals commences +2,000m aircore drilling program at Tiogo gold prospect, Tengrela South, Côte d'Ivoire

The Company confirms that it is unaware of any new information or data that materially affects the information included in the market announcements referred to above 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 is not obligated 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 regarding 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 using 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	Earning up to 85%	Ivoire Lithium Resources SARL
0170DMICM26/01/23	Agboville	Exploration	Application	Earning up to 85%	Ivoire Lithium Resources SARL

* The Company's interests in Côte d'Ivoire are held via its 100% owned subsidiary CDI Minerals Pty Ltd and has increased its ownership to 80% (from 51%) upon meeting its commitments under the earn-in agreements.

Appendix 5B

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

Name of entity

Desert Metals Limited

ABN

84 617 947 172

Quarter ended ("current quarter")

31 March 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 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	(266)	(850)
(e) administration and corporate costs	(167)	(549)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	6	22
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	(427)	(1,377)
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	(167)	(1,018)
(e) investments	-	-
(f) other non-current assets	-	-

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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	(167)	(1,018)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	834	1,250
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	(63)	(94)
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	771	1,156
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	496	1,920
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(427)	(1,377)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(167)	(1,018)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	771	1,156

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(11)	(19)
4.6	Cash and cash equivalents at end of period	662	662

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	662	496
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)	662	496

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	147
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 <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	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.		

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

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(427)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(167)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(594)
8.4	Cash and cash equivalents at quarter end (item 4.6)	662
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	662
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.11
	<i>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.</i>	
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: In April 2026, Desert Metals announced a pro-rata non-renounceable entitlement issue of up to 325,376,901 New Options, on the basis of one (1) New Option for every two (2) Shares held by those Shareholders registered at the Record Date at an issue price of \$0.001 per New Option, exercisable at \$0.015 each on or before 31 December 2027, to raise up to approximately \$325,377. The Company will further consider fundraising options upon receipt of assay results from the Phase 1 Tiogo drilling program and Adzope sampling program. 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.	
	<i>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.</i>	

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 April 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.