

## **Desert Metals divests greenfields joint venture rights, focusing on Adzope and Tengrela South Gold Projects**

**Desert Metals Limited** (ASX: **DM1**, **Desert Metals** or the **Company**) is pleased to announce it has assigned the joint venture rights to the **Vavoua, Vavoua West and Kounahiri West** projects (the **Projects**) in central Côte d'Ivoire to ASX-listed **MetalsGrove Mining Limited** (ASX: **MGA**, or **MetalsGrove**) to allow Desert Metals to focus on exploration at its flagship Adzope and Tengrela South Gold Projects.

Vavoua, Vavoua West and Kounahiri West are all permit applications by Ivorian company Generale Des Mines Et Carrieres SARL (**GEMICA**) and Desert Metals has the right to earn a majority interest in each of the permits pursuant to existing joint venture arrangements (*refer DM1 news release dated 4 December 2023*). The Projects are all greenfield exploration projects that have not been subject to modern mineral exploration.

Desert Metals is assigning the joint venture rights to MetalsGrove for the following consideration:

1. A\$50,000 cash upon the grant of the Vavoua licence;
2. A\$50,000 cash upon the grant of either the Vavoua West or Kounahiri West licence (whichever is granted first);
3. A\$1 million cash on the estimation of a JORC-compliant Mineral Resource of greater than 500,000 ounces of gold (or gold equivalent) and a grade of greater than 1 g/t gold (or gold equivalent) on any or all of the Projects (maximum amount payable of A\$3 million); Subject to the mutual agreement of the parties and compliance with ASX Listing Rules, settlement may be by the issue of MGA shares; and
4. 1% net smelter royalty regarding production from the Projects capped at the greater of A\$3 million or the royalty amount in respect of the first 125,000 ounces of gold production.

### **Desert Metals Managing Director Stephen Ross said:**

*"Throughout our exploration programs in Côte d'Ivoire since 2023, we have strategically concentrated our resources and expertise on our two flagship projects: the highly prospective Adzope gold project in the southern region and the advanced Tengrela South gold project in the north. While the GEMICA joint venture projects demonstrate significant potential for gold mineralisation, particularly given their location along the same structural corridor as the producing Abujar gold mine, we had earmarked them for future greenfields exploration pending the grant of permits as well as budget allocation.*

*"The opportunity to transfer these joint venture rights to MetalsGrove while maintaining exposure to future discoveries represents a significant strategic advantage for all stakeholders involved."*

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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 1,073.95km<sup>2</sup> of granted mineral permits and permit applications in Côte d'Ivoire, West Africa. DM1 currently owns 51% of the Tengrela South project 30km south of the operating Sissingué gold mine and is earning 80% of the highly prospective Adzope gold project in the south of the country.

**Disclaimer**

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