

**ASX RELEASE 16 DECEMBER 2022**

## **Significant New Area of Rare Earth Mineralisation Identified Adjacent to 100Mt Rare Earth Resource**

### **Key Highlights**

- Desert Metals has identified a potentially significant new area of rare earth mineralisation at its Dingo Pass Project
- On the immediate western boundary of the Dingo Pass tenement lies a JORC resource of 101Mt @ 840 ppm TREO at the Tower Prospect (ASX.KTA 21 November 2022) (refer Figure 1)
- Remote sensing and radiometric data suggest the REE mineralisation is likely to continue into the Dingo Pass Project over a 9km long zone
- Follow up field reconnaissance work has confirmed elevated Rare Earths mineralisation east of the 101Mt resource on DM1's ground, which further confirms the potential for a new major rare earth system
- A 5000m – 10,000m aircore drilling program is now planned to define the eastern extension of the Tower REE resource (ASX.KTA 21 November 2022) into DM1's Dingo Pass property
- Mafic-ultramafic rocks mapped in proximity to untested Airborne EM Conductors at Dingo Pass

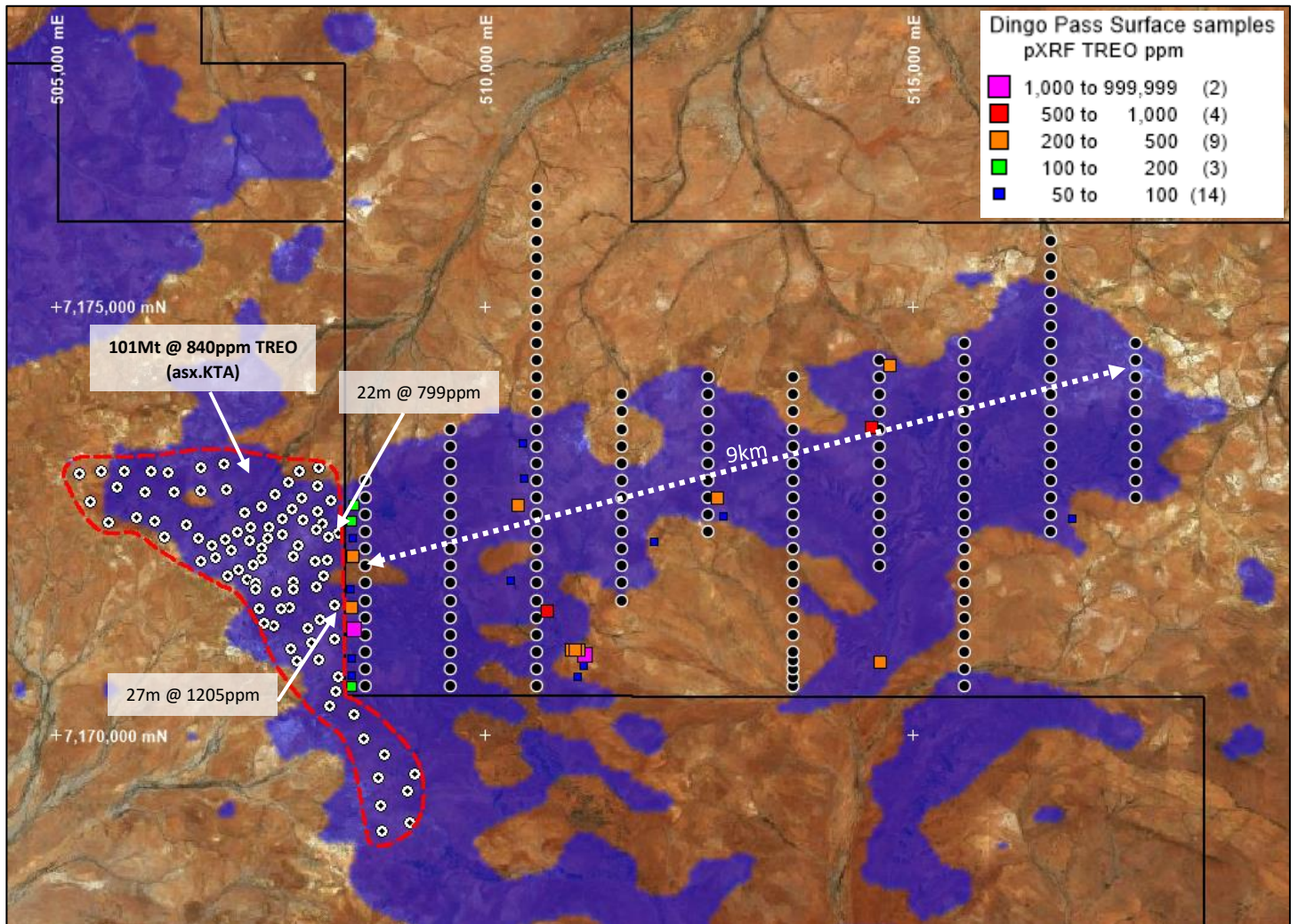
Desert Metals Limited (ASX:DM1, the “Company”) is pleased to announce the identification of a potentially significant new rare earth system on its Dingo Pass Project in the Narryer Terrain in WA, adjacent to the existing 101 million tonne Rare Earth Resource at the Tower Prospect owned by Krakatoa Resources Limited (ASX:KTA) (Krakatoa).

### **Dingo Pass Project – Tower REE Prospect**

In November 2022 Krakatoa reported a JORC compliant resource of 101Mt @ 840ppm TREO at their Tower prospect (ASX:KTA 21 November 2022). The eastern limit of the resource is truncated by the Dingo Pass tenement boundary, with remote sensing and radiometric data suggesting the REE mineralisation is likely to continue into the Dingo Pass Project (Figure 1). Field reconnaissance with a portable XRF tool by DM1 personnel has further confirmed the presence of elevated REEs within the Dingo Pass tenement east of the Tower deposit (Figure 1 and Table 1). Considering that Krakatoa's defined resource does not typically outcrop at surface, these surface sample results are particularly encouraging.

Desert Metals plans to drill test a 9km long zone along strike to the east of the Tower deposit with 5000m-10,000m of Aircore drilling in early 2023 (Figure 1). Mineralisation in the area is typically flat lying, shallow and hosted in the clay horizon which leads to relatively quick and inexpensive drilling campaigns to test the mineralisation.

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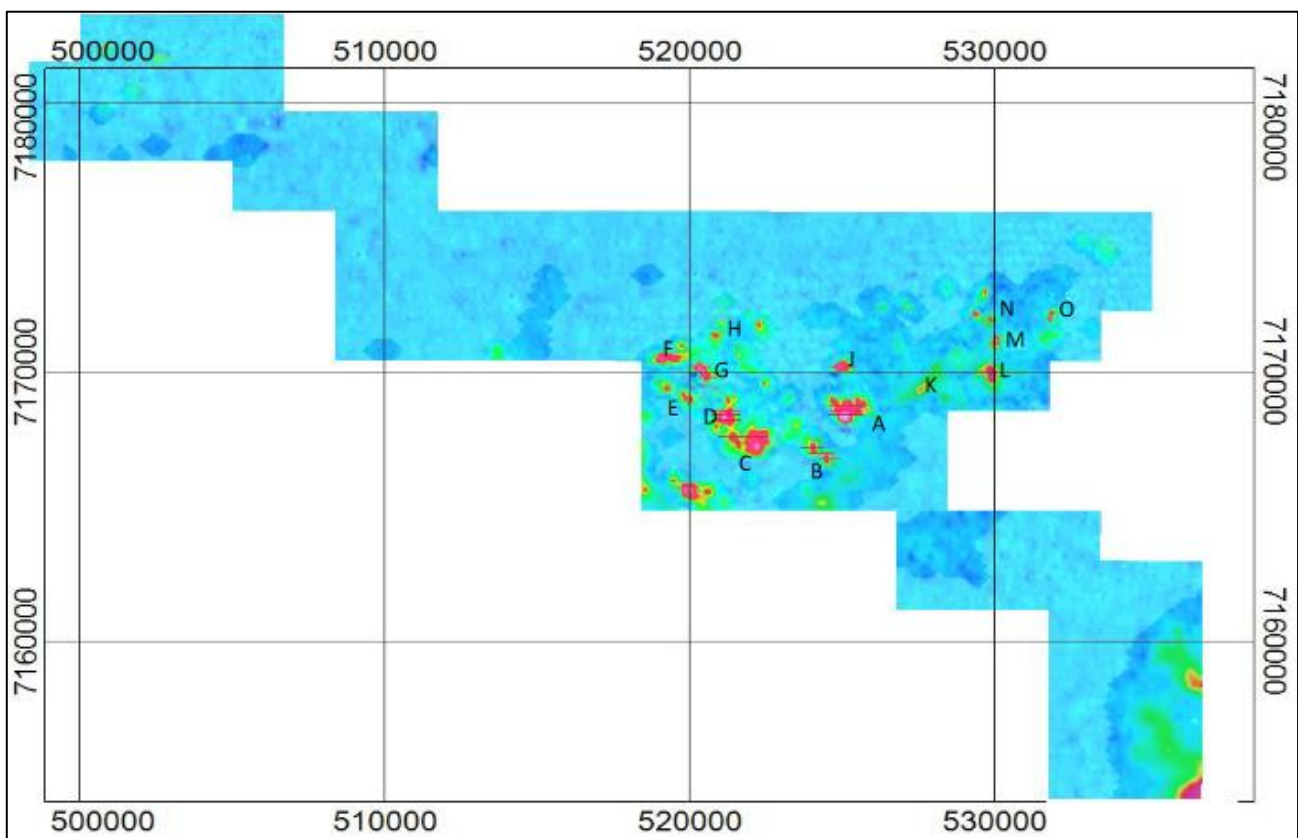


**Figure 1.** Dingo Pass Project, Tower REE Prospect – Planned Drilling (black dots). Background is Radiometrics (inverse of K) over photo imagery. Reconnaissance Sample points Shown

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### Dingo Pass Project – Nickel Targets

As previously reported (ASX:DM1 4 November 2022) the recent drilling of conductors at Dingo Pass did not intersect significant nickel mineralisation. Assays of the sulphide zones have now confirmed they consist predominantly of pyrrhotite and pyrite. The holes did however intersect prospective mafic intrusives and there remain several promising conductors with coincident mafic-ultramafic outcrops within the project (Figure 2). DM1 intends to complete more detailed mapping and soil geochemistry in order to prioritise these for drilling in the latter half of 2023.



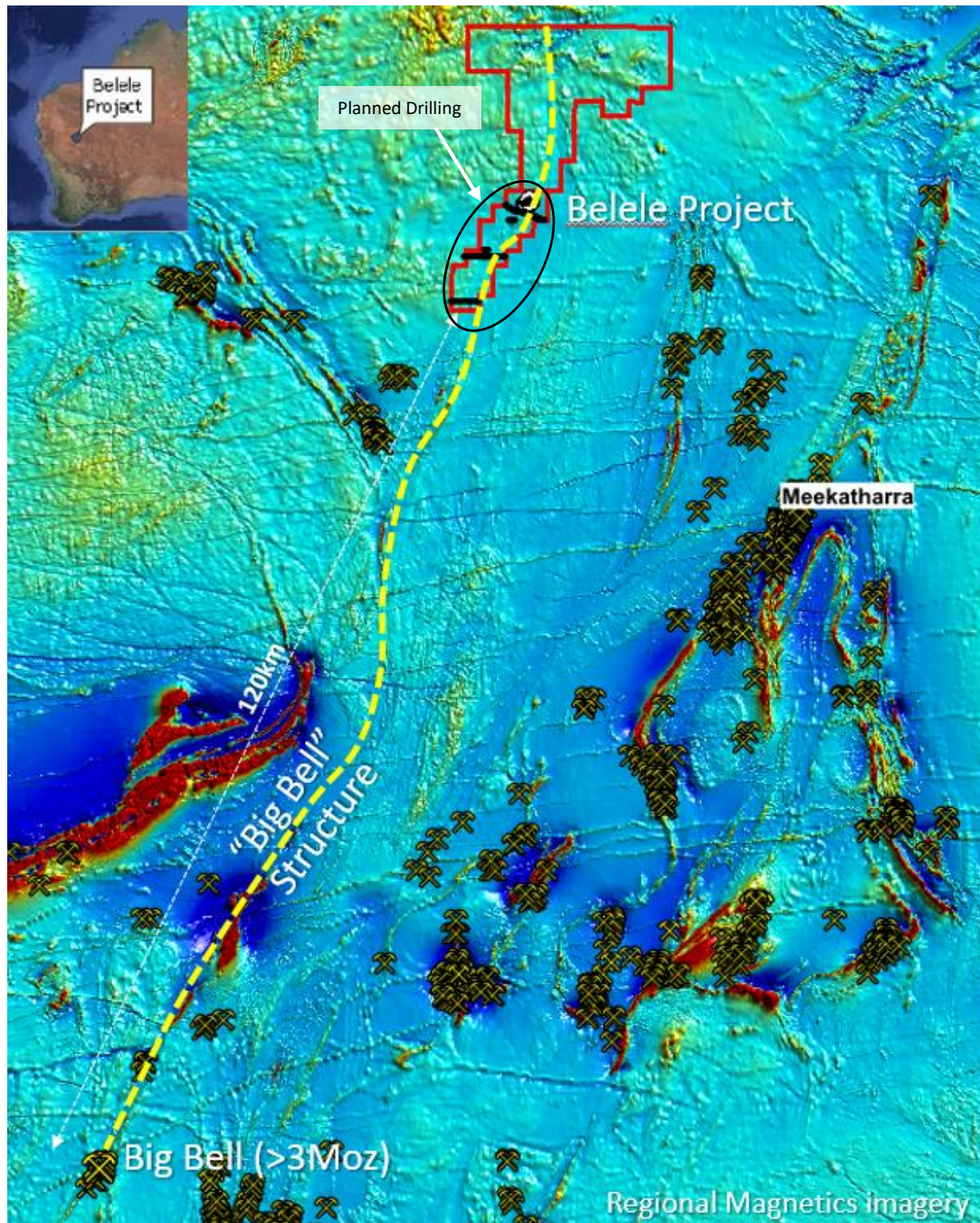
**Figure 2.** Conductors at Dingo Pass. A-D tested – sulphides within mafic intrusives. Conductors E-O untested. Background image -calculated Tau time constant from airborne electromagnetics



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### Belele Project

A 150 hole reconnaissance Program of Work (POW) drill program has been approved at Belele to test a 15km zone of untested greenstone belt for gold and base metals within the Carbar Shear Zone (Figure 3). DM1 intends to complete this program once it has completed a heritage survey early in the new year.



**Figure 3.** Belele Project relative to the Carbar Shear Zone (“Big Bell” Linear). Black dots are proposed drill holes

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Authorised by the Board of Desert Metals Limited.

**Rob Stuart**

Managing Director

**Tony Worth**

Technical Director

**Competent Person Statement**

*The information in this announcement that relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Dr Rob Stuart, a competent person who is a member of the Australasian Institute of Mining and Metallurgy. Dr Stuart has a minimum of five years' experience which is relevant to the style of mineralization 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. Dr Stuart is a related party of the Company, being a Director, and holds securities in the Company. Dr Stuart has consented to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.*

Table 1: Rare Earth Oxide (ppm) significant pXRF results from field reconnaissance surface rock samples

Location	MGA_East	MGA_North	TREO	LREO	HREO	CREO	MREO	CeO2	Dy2O3	Er2O3	Eu2O3	Gd2O3	Ho2O3	La2O3	Lu2O3	Nd2O3	Pr6O11	Sm2O3	Tb4O7	Tm2O3	Y2O3	Yb2O3
DRE019	511167	7170935	1778.42	1718.37	60.04	438.10	570.93	757.92	3.44	2.29	20.84	4.61	1.15	398.75	0.00	387.24	99.08	75.37	1.18	0.00	25.40	1.14
DRE005	508467	7171238	1347.48	919.42	428.05	565.02	432.28	336.58	39.02	21.73	12.74	44.95	8.02	241.60	2.27	234.45	60.42	46.38	7.06	3.43	271.76	17.08
DRE019	511167	7170935	999.24	981.55	17.69	234.65	318.90	439.77	1.15	0.00	11.58	1.15	0.00	225.18	0.00	218.12	55.58	42.91	0.00	0.00	3.81	0.00
DRE023	511011	7170997	899.80	850.18	49.62	237.56	295.37	361.15	3.44	2.29	10.42	4.61	1.15	202.89	0.00	197.12	50.75	38.27	1.18	0.00	25.40	1.14
DRE024	510735	7171452	670.50	514.12	156.39	217.67	175.33	269.02	13.77	8.00	5.79	16.14	3.44	102.03	1.14	97.98	25.37	19.71	2.35	1.14	97.78	6.83
DRE041	514517	7173599	641.45	621.22	20.23	219.70	293.10	122.84	1.15	0.00	11.58	1.15	0.00	207.59	0.00	200.62	50.75	39.43	0.00	0.00	6.35	0.00
DRE023	511011	7170997	509.28	451.96	57.32	150.82	163.96	191.63	4.59	2.29	5.79	5.76	1.15	107.90	0.00	104.98	26.58	20.87	1.18	0.00	34.29	2.28
DRE020	511137	7170967	459.27	441.17	18.10	106.81	135.96	212.51	1.15	1.14	4.63	1.15	0.00	95.00	0.00	92.15	22.96	18.55	0.00	0.00	8.89	1.14
DRE023	511011	7170997	438.66	414.45	24.21	109.44	134.77	191.63	2.30	1.14	4.63	2.31	0.00	92.65	0.00	89.81	22.96	17.39	0.00	0.00	12.70	1.14
DRE009	508458	7172091	424.89	374.85	50.04	110.87	113.57	197.77	4.59	2.29	3.47	4.61	1.15	73.89	0.00	71.15	18.12	13.92	1.18	0.00	30.48	2.28
DRE021	511094	7170995	348.99	328.47	20.53	95.25	118.38	131.44	1.15	1.14	4.63	2.31	0.00	82.10	0.00	79.32	20.54	15.07	0.00	0.00	10.16	1.14
DRE027	510385	7172688	325.91	286.84	39.07	88.20	90.15	144.95	3.44	2.29	3.47	3.46	1.15	58.64	0.00	57.15	14.50	11.60	0.00	0.00	24.13	1.14
DRE033	512709	7172768	317.21	295.52	21.69	137.23	174.67	0.00	1.15	1.14	6.95	1.15	0.00	123.14	0.00	118.97	30.21	23.19	0.00	0.00	10.16	1.14
DRE038	514610	7170854	275.71	242.74	32.96	71.57	73.75	128.98	3.44	1.14	2.32	3.46	1.15	46.91	0.00	45.49	12.08	9.28	0.00	0.00	20.32	1.14
DRE042	514729	7174316	267.18	242.74	24.44	65.34	71.45	128.98	2.30	1.14	2.32	2.31	0.00	46.91	0.00	45.49	12.08	9.28	0.00	0.00	15.24	1.14
DRE022	511049	7170997	240.41	180.58	59.83	120.70	118.20	0.00	5.74	3.43	3.47	5.76	1.15	75.06	0.00	73.48	18.12	13.92	1.18	0.00	36.83	2.28
DRE006	508444	7171493	203.39	136.05	67.33	108.39	93.59	0.00	5.74	3.43	3.47	6.92	1.15	56.29	0.00	54.82	14.50	10.44	1.18	0.00	43.18	2.28
DRE001	508443	7170567	197.81	184.43	13.38	43.74	50.38	136.35	1.15	1.14	2.32	1.15	0.00	0.00	0.00	32.66	8.46	6.96	0.00	0.00	7.62	0.00
DRE024	510735	7171452	196.74	120.78	75.96	108.89	86.48	0.00	6.89	3.43	2.32	8.07	1.15	50.43	0.00	48.99	12.08	9.28	1.18	0.00	49.53	3.42
DRE006	508444	7171493	176.45	132.50	43.94	88.42	86.61	0.00	3.44	2.29	3.47	4.61	1.15	55.12	0.00	53.65	13.29	10.44	1.18	0.00	26.67	1.14
DRE011	508450	7172503	150.92	102.04	48.88	79.38	70.19	0.00	4.59	2.29	2.32	4.61	1.15	42.22	0.00	40.82	10.87	8.12	1.18	0.00	30.48	2.28
DRE012	508467	7172680	150.03	124.33	25.71	71.28	77.32	0.00	2.30	1.14	2.32	2.31	0.00	51.60	0.00	50.16	13.29	9.28	0.00	0.00	16.51	1.14
DRE023	511011	7170997	135.29	124.33	10.97	59.97	75.02	0.00	1.15	0.00	2.32	1.15	0.00	51.60	0.00	50.16	13.29	9.28	0.00	0.00	6.35	0.00
DRE023	511011	7170997	117.75	104.38	13.38	53.07	63.28	0.00	1.15	1.14	2.32	1.15	0.00	43.39	0.00	41.99	10.87	8.12	0.00	0.00	7.62	0.00
DRE035	512789	7172560	99.24	26.97	72.27	74.87	43.11	0.00	6.89	3.43	1.16	8.07	1.15	0.00	0.00	18.66	4.83	3.48	1.18	0.00	46.99	3.42
DRE018	511151	7170817	96.28	36.34	59.94	71.83	50.17	0.00	5.74	3.43	1.16	6.92	1.15	0.00	0.00	25.66	6.04	4.64	1.18	0.00	38.10	2.28
DRE030	510450	7173403	96.14	41.04	55.10	70.48	52.57	0.00	4.59	3.43	1.16	5.76	1.15	0.00	0.00	27.99	7.25	5.80	1.18	0.00	35.56	2.28
DRE027	510385	7172688	92.79	34.01	58.79	69.50	46.69	0.00	5.74	3.43	1.16	5.76	1.15	0.00	0.00	23.33	6.04	4.64	1.18	0.00	38.10	2.28
DRE030	510450	7173403	86.69	34.01	52.69	64.54	45.54	0.00	4.59	2.29	1.16	5.76	1.15	0.00	0.00	23.33	6.04	4.64	1.18	0.00	34.29	2.28
DRE006	508444	7171493	81.52	36.34	45.18	60.52	46.72	0.00	4.59	2.29	1.16	4.61	1.15	0.00	0.00	25.66	6.04	4.64	1.18	0.00	27.94	2.28
DRE025	510307	7171802	79.16	11.74	67.42	60.67	26.72	0.00	6.89	3.43	0.00	6.92	1.15	0.00	0.00	8.16	2.42	1.16	1.18	0.00	44.45	3.42
DRE036	511972	7172264	74.85	23.43	51.42	56.27	34.96	0.00	4.59	2.29	1.16	5.76	1.15	0.00	0.00	16.33	3.62	3.48	1.18	0.00	33.02	2.28
DRE001	508443	7170567	72.72	45.75	26.97	52.72	51.50	0.00	2.30	1.14	1.16	3.46	0.00	0.00	0.00	31.49	8.46	5.80	0.00	0.00	17.78	1.14
DRE025	510307	7171802	69.60	32.84	36.76	50.89	39.74	0.00	3.44	2.29	1.16	3.46	1.15	0.00	0.00	22.16	6.04	4.64	0.00	0.00	24.13	1.14
DRE007	508430	7171704	68.25	8.20	60.05	52.11	22.03	0.00	5.74	3.43	0.00	6.92	1.15	0.00	0.00	5.83	1.21	1.16	1.18	0.00	39.37	2.28
DRE010	508453	7172303	67.45	22.27	45.18	50.03	32.64	0.00	4.59	2.29	1.16	4.61	1.15	0.00	0.00	15.16	3.62	3.48	1.18	0.00	27.94	2.28
DRE045	516858	7172535	63.75	52.78	10.97	45.97	55.08	0.00	1.15	0.00	2.32	1.15	0.00	0.00	0.00	36.16	9.67	6.96	0.00	0.00	6.35	0.00
DRE002	508449	7170701	59.13	18.77	40.36	44.01	28.00	0.00	3.44	2.29	1.16	4.61	1.15	0.00	0.00	12.83	3.62	2.32	1.18	0.00	25.40	1.14
DRE003	508450	7170899	55.60	43.37	12.22	40.25	45.67	0.00	1.15	1.14	1.16	1.15	0.00	0.00	0.00	30.33	7.25	5.80	0.00	0.00	7.62	0.00
DRE029	510466	7173004	55.10	52.78	2.32	38.47	52.78	0.00	0.00	0.00	2.32	0.00	0.00	0.00	0.00	36.16	9.67	6.96	0.00	0.00	0.00	0.00
DRE017	511091	7170679	53.27	14.07	39.20	39.35	23.30	0.00	3.44	2.29	0.00	4.61	1.15	0.00	0.00	9.33	2.42	2.32	1.18	0.00	25.40	1.14

TREO (Total Rare Earth Oxide) = La<sub>2</sub>O<sub>3</sub> + Ce<sub>2</sub>O<sub>3</sub> + Pr<sub>2</sub>O<sub>3</sub> + Nd<sub>2</sub>O<sub>3</sub> + Sm<sub>2</sub>O<sub>3</sub> + Eu<sub>2</sub>O<sub>3</sub> + Gd<sub>2</sub>O<sub>3</sub> + Tb<sub>2</sub>O<sub>3</sub> + Dy<sub>2</sub>O<sub>3</sub> + Ho<sub>2</sub>O<sub>3</sub> + Er<sub>2</sub>O<sub>3</sub> + Tm<sub>2</sub>O<sub>3</sub> + Yb<sub>2</sub>O<sub>3</sub> + Y<sub>2</sub>O<sub>3</sub> + Lu<sub>2</sub>O<sub>3</sub>.

light

LREO (Light Rare Earth Oxide) = La<sub>2</sub>O<sub>3</sub> + Ce<sub>2</sub>O<sub>3</sub> + Pr<sub>2</sub>O<sub>3</sub> + Nd<sub>2</sub>O<sub>3</sub> + Sm<sub>2</sub>O<sub>3</sub>

heavy

HREO (Heavy Rare Earth Oxide) = Eu<sub>2</sub>O<sub>3</sub> + Gd<sub>2</sub>O<sub>3</sub> + Tb<sub>2</sub>O<sub>3</sub> + Dy<sub>2</sub>O<sub>3</sub> + Ho<sub>2</sub>O<sub>3</sub> + Er<sub>2</sub>O<sub>3</sub> + Tm<sub>2</sub>O<sub>3</sub> + Yb<sub>2</sub>O<sub>3</sub> + Y<sub>2</sub>O<sub>3</sub> + Lu<sub>2</sub>O<sub>3</sub>

Critical

**CREO (Critical Rare Earth Oxide) = Nd<sub>2</sub>O<sub>3</sub> + Eu<sub>2</sub>O<sub>3</sub> + Tb<sub>2</sub>O<sub>3</sub> + Dy<sub>2</sub>O<sub>3</sub> + Y<sub>2</sub>O<sub>3</sub>**

Magnetic

**MREO (Magnetic Rare Earth Oxide) = Pr<sub>2</sub>O<sub>3</sub> + Nd<sub>2</sub>O<sub>3</sub> + Sm<sub>2</sub>O<sub>3</sub> + Gd<sub>2</sub>O<sub>3</sub> + Tb<sub>2</sub>O<sub>3</sub> + Dy<sub>2</sub>O<sub>3</sub>.**

## JORC Code, 2012 Edition – Table 1

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Grab samples of outcrop were taken during field reconnaissance and analyzed in the field with a Bruker hand held (portable) XRF instrument</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</li> </ul>	<ul style="list-style-type: none"> <li>n/a</li> </ul>



Criteria	JORC Code explanation	Commentary
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• n/a</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• n/a</li> </ul>
<i>Sub-sampling and sample preparation</i>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Whole rock samples were used for XRF analysis</li> <li>• The Competent Person considers sample sizes to be appropriate for the style of mineralisation and the nature of the reconnaissance mapping undertaken.</li> </ul>



Criteria	JORC Code explanation	Commentary
<p><i>Quality of assay data and laboratory tests</i></p>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><i>For geophysical tools, spectrometers, handheld XRF instruments, etc. the parameters used in determining the analysis including instrument make model, reading times, calibration factors applied and their derivation etc.</i></li> <li><i>Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Samples underwent portable XRF analysis in the field with a unit that has been calibrated for analyzing Rare Earth elements (REEs).</li> <li>• The Competent Person considers the accuracy and precision of the geochemical data to be indicative only. The method is useful for confirming or disproving the presence of REEs, but is not used to define accurate quantities of the targeted elements</li> </ul>
<p><i>Verification of assaying</i></p>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The XRF results are indicative only and have not been verified by laboratory analysis.</li> </ul>
<p><i>Location of data points</i></p>	<ul style="list-style-type: none"> <li><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li><i>Specification of the grid system used.</i></li> <li><i>Quality and adequacy of topographic control</i></li> </ul>	<ul style="list-style-type: none"> <li>• sample locations were surveyed using handheld GPS.</li> <li>• Expected accuracy for collar surveys is <math>\pm 3</math> m.</li> <li>• The grid system is MGA GDA94 (zone 50), local easting and northing are MGA.</li> <li>• Topographic surface uses handheld GPS elevation data, which is adequate for the current stage of the project.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample composting has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The sampling was reconnaissance in nature; the spacing is insufficient to make any conclusions as to the context, size, or extent of the mineralisation.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of the sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Reconnaissance traverses were intended to orthogonally cross the remote sensing and radiometric anomaly being field checked.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Samples were analyzed <i>in situ</i> in the field.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No audits or reviews have been conducted at this stage.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>• <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li>• <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Surveys were conducted within DM1 100%-owned Exploration Licenses E52/3665</li> <li>• The tenement is in good standing with DMIRS. DM1 is unaware of any impediments for exploration on the license.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>• <i>Acknowledgment and appraisal of exploration by other parties</i></li> </ul>	<ul style="list-style-type: none"> <li>• The tenement has had very limited published or open file exploration work for REE type deposits.</li> <li>• Limited exploration undertaken to date by past explorers was mostly focused on iron ore, and, to a lesser extent, gold.</li> <li>• The main exploration that is relevant to Desert Metals is described in the prospectus downloadable from the Company's website.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The project covers regions of the Narryer Terrane in the Yilgarn Craton, said to represent reworked remnants of greenstone sequences that are prospective for intrusion-hosted Ni-Cu-(Co)-(PGEs) and orogenic gold mineralisation. REE deposits have recently been discovered in the region.</li> <li>• The REE mineralisation is considered to occur in deeply weathered lateritic and saprolitic clay layers of the Narryer terrane.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Drill hole information</i>	<ul style="list-style-type: none"> <li>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:               <ul style="list-style-type: none"> <li>○ easting and northing of the drill hole collars</li> <li>○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole</li> <li>○ dip and azimuth of the hole</li> <li>○ down hole length and interception depth</li> <li>○ hole length</li> </ul> </li> </ul> <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	<ul style="list-style-type: none"> <li>• Refer to table in body of the report.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting average techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporated short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregation shown in detail.</li> <li>• The assumption used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• Results from grab (usually whole rock) samples</li> <li>• Assay results of REE are reported in ppm and the conversion of elemental analysis (REE parts per million) to stoichiometric oxide (REO parts per million) was undertaken using stoichiometric oxide conversion factors.</li> </ul>
<i>Relationship between mineralisation</i>	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>• The relationship between outcrop orientations and mineralisation is unknown at this stage.</li> </ul>
<i>widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>• The relationship between outcrop orientations and mineralisation is unknown at this stage.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>• Refer to Figure in body of text.</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>• All results are reported transparently in the report.</li> </ul>



Criteria	JORC Code explanation	Commentary
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>All new and relevant data have been reported.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>An extensive follow-up drill program is being planned to define the extent of the mineralisation</li> </ul>