

Annual Report

DESERT METALS LIMITED

2026

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Contents

At a Glance – FY2026	1
Review of Operations.....	2
Directors' Report.....	14
Operating and Financial Review	18
Remuneration Report	21
Auditor's Independence Declaration	28
Independent Auditor's Report	29
Consolidated Entity Disclosure Statement	34
Directors' Declaration	35
Consolidated Statement of Profit or Loss and Other Comprehensive Income.....	36
Consolidated Statement of Financial Position	38
Consolidated Statement of Changes in Equity.....	39
Consolidated Statement of Cash Flows.....	40
Notes to the Financial Statements	41
Additional Securities Exchange Information	66
Schedule of Tenements.....	71

At a Glance – FY2026

Exploration Success

- **Adzope Gold Project, Côte d'Ivoire (DM1 80%)**
 - o Results from the second diamond drilling program confirmed a substantial, high-grade gold system at the King Kong prospect
 - o A maiden permit-wide stream sediment sampling program defined two coherent gold-in-stream anomalies, the largest located along strike, within the same interpreted structural trend and only 7km south-west of King Kong
 - o First-pass soil sampling over that anomaly defined the new Nyan prospect — a +7km long gold-in-soil corridor with peak values of 6.04g/t and 3.63g/t gold, which is entirely untested by drilling
 - o Nyan represents an exciting untested target with potential to host significant high-grade gold mineralisation
- **Tengrela South Gold Project, Côte d'Ivoire (DM1 80%)**
 - o Located 30km from, and on strike to, Perseus Mining's (ASX: PRU) operating Sissingué gold mine
 - o Follow-up aircore drilling extended the Tiogo gold corridor to approximately 1.5km of semi-continuous strike, with gold mineralisation intersected on every line
 - o Multiple holes ended in quartz vein-hosted mineralisation at or near total depth. No drill holes to date have penetrated fresh bedrock, leaving the primary gold system untested
 - o Soil sampling defined the new Tiogo North target, extending the total Tiogo corridor to +5.5km of strike
 - o Wide-spaced high-grade aircore intercepts at Tiogo demonstrate the near-surface and depth potential of this significant but relatively untested prospect
- **Agboville Gold-Lithium Project, Côte d'Ivoire (DM1 100%)**
 - o Acquired 100% of two permits covering ~598km² of prospective Birimian greenstone belt
 - o The acquisition expands the Company's south-eastern Côte d'Ivoire position to three permits covering approximately 827km²

Outlook for FY2027

- o Drill-test the Nyan gold anomaly at Adzope, supported by the completion of infill soil sampling and ground geophysics
- o Extend the Tiogo gold corridor at Tengrela South with further aircore infill and step-out drilling, and complete first-pass aircore drilling at the Tiogo North target
- o Advance to reverse circulation and/or diamond drilling to 150m–250m depth at Tiogo to test the fresh bedrock expression of the gold system for the first time
- o Commence first-pass exploration across the newly acquired Agboville permits

Review of Operations

Desert Metals Limited (“Desert Metals”, “DM1” or “the Company”) delivered substantial exploration progress during the 2026 financial year, converting two established discoveries into materially larger gold systems and generating an entirely new, district-scale target from grassroots exploration.

At Adzope, the Company reported the final results of its second diamond drilling program at the King Kong prospect, confirming a high-grade, free-gold-bearing system over a +1.2km strike length. Desert Metals then looked beyond King Kong, completing a permit-wide stream sediment survey across the entire 229km² licence, which defined a coherent gold-in-stream anomaly 7km south-west of King Kong. First-pass soil sampling that followed returned a +7 km-long gold-in-soil corridor with peak values of 6.04g/t gold at surface. Named the Nyan prospect, this target is entirely untested by drilling and sits on the same structural trend that hosts King Kong.

At Tengrela South, follow-up aircore drilling at the Tiogo prospect closed gaps left by the 2025 first-pass program and returned the strongest intercept recorded at the Tiogo prospect to date — 4m at 19.48g/t gold. Drilling intersected gold mineralisation on every line drilled, defining a semi-continuous corridor of approximately 1.5km. Subsequent soil sampling defined the new Tiogo North target, commencing 1.8km north of the northernmost 2025 drill line and extending the anomalous corridor more than 3km further north, taking the combined Tiogo system to more than 5.5km of strike, of which only a fraction has been drill tested.

The Company also strengthened its project interests and ground position in Côte d'Ivoire. Desert Metals completed its earn-in obligations to hold an 80% interest in both the Adzope and Tengrela South projects, and acquired 100% of the two Agboville gold-lithium permits outright — superseding an earn-in joint venture and consolidating a three-permit, approximately 827km² package in south-eastern Côte d'Ivoire. These transactions were funded without cash consideration and were supported by two equity raisings totalling approximately \$1.58 million (before costs).

Côte d'Ivoire remains one of the most attractive and rapidly growing gold jurisdictions in West Africa, hosting operating mines and active discoveries by peers including Perseus Mining Limited (ASX: PRU), Endeavour Mining plc (LSE: EDV), Turaco Gold Limited (ASX: TCG) and Aurum Resources Limited (ASX: AUE). Desert Metals' permits sit within the same Palaeoproterozoic Birimian greenstone terrains of the West African Craton — one of the world's most prolific orogenic gold provinces — that hosts these gold operations.

CÔTE D'IVOIRE PROJECTS

Adzope Gold Project (DM1 80%)

The Adzope Gold Project is located approximately 90km north-north-east of Abidjan in southern Côte d'Ivoire and is accessible year-round via a well-maintained national highway. Exploration permit PR-960 covers approximately 229km² within the Comoé Basin, a sequence of Birimian metasediments intruded by granitoids. Gold mineralisation at Adzope is characterised by hydrothermal quartz veins associated with shear zones, and to date exploration has confirmed high-grade, structurally controlled mineralisation containing visible free gold.

During FY2026, the Company pursued two complementary streams of work at Adzope: reporting the final results of the second phase of diamond drilling at the established King Kong prospect, and — for the first time — systematically assessing the remainder of the permit, the large majority of which had never been explored for gold using modern techniques. Both activities returned encouraging results.

King Kong Prospect — Phase 2 Diamond Drilling

Desert Metals completed 17 diamond drill holes for 3,472m at the King Kong prospect, with final results reported during the September 2025 quarter. The program was designed to follow up the gold intersections defined by the maiden 2024 campaign along an interpreted +1.4km long gold corridor, which included the high-grade intercept of 17m at 7.5g/t gold from 262m — some 190m vertically below surface.

Fifteen of the 17 holes intersected gold mineralisation over a +1.2km strike length, confirming the potential of the prospect to host a significant, high-grade gold system. Standout results included:

- 3m at 20.6g/t gold from 114m, including 1m at 35.6g/t gold from 114m;
- 2m at 16.9g/t gold from 273m, including 1m at 31.2g/t gold from 273m; and
- 7.5m at 3.52g/t gold from 37m, including 1.5m at 9.27g/t gold from 38.5m.

The high-grade intercepts, together with visible gold observed in core, confirmed that significant gold mineralisation occurs at King Kong as free gold within north-east-south-west trending structural corridors, hosted in quartz-related sulphides and in volcanoclastic units. At the southern end of the corridor, geological interpretation delineated a 400m long semi-continuous mineralised zone.

The identification of free gold within the mineralised system — and particularly at depth — established a new geological target for future drilling. The expanded +3km long gold corridor, together with the +2.1km cross-cutting artisanal “Beach” zone which remains untested, and the parallel southern zone where mineralisation, chargeability anomalies and gold-in-soil geochemistry are strongly correlated, were all prioritised for further work.

Drilling was undertaken by a local contractor using a Rock-800 diamond rig selected for its low environmental footprint, significantly reducing the need for access road construction and drill pad preparation.

Permit-Wide Stream Sediment Sampling — a New Exploration Corridor

With King Kong well established, Desert Metals commenced first-pass exploration of the remainder of the Adzope permit. A regional stream sediment sampling program commenced in January 2026 and was completed in March 2026, representing the first systematic assessment of the entire licence. The program was designed to develop a pipeline of new exploration targets beyond the lead prospect.

A total of 241 samples were collected across the 229km² permit over a six-week period, at a sampling density of approximately one sample per square kilometre, and submitted to Intertek for Bulk Leach Extractable Gold (BLEG) analysis at a 1ppb detection limit.

Results announced in May 2026 were highly encouraging. A total of 116 of the 241 samples returned gold values at or above the 1ppb detection limit, with a peak value of 44ppb gold — a moderate-to-strong regional BLEG signature for a West African Birimian terrain. More than 10% of all assays returned values

above 15ppb gold and are considered strongly to very strongly anomalous. Two coherent gold-in-stream trends were defined at a ≥ 10 ppb gold cut-off:

- Target 1 (T1), the central anomaly, is the largest and most intense gold anomaly on the licence, covering approximately 5km x 1.5km. It contains ten samples at or above 10ppb gold — including the licence maximum of 44ppb gold — and five samples at or above 20ppb gold within a compact footprint. Critically, T1 lies only 7km on strike and to the south-west of King Kong.
- Target 2 (T2), the south-western anomaly, covers approximately 2.5km x 1.5km with a peak value of 33ppb gold. Although smaller in scale, T2 sits within the same regional corridor and is interpreted to share a common controlling structure.

Integration of the stream sediment results with the regional aeromagnetic dataset showed that Target 1 sits on a 5km long, fault-bounded magnetic-high segment along a previously unrecognised north-north-east–south-south-west structural trend. This provided Desert Metals with a meaningful new exploration corridor on the Adzope permit and a compelling case for immediate follow-up.

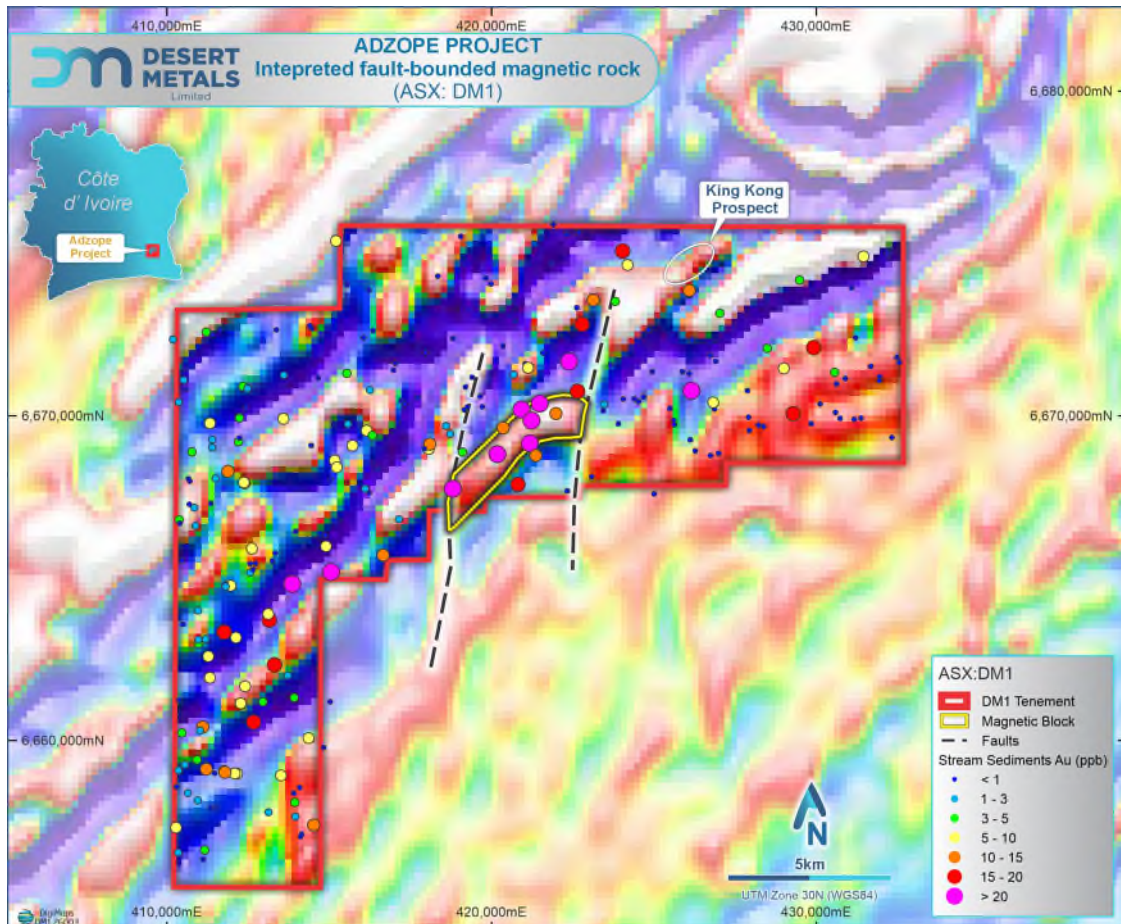


Figure 1: Adzope stream sediment results over regional aeromagnetics, showing the fault-bounded magnetic block hosting Target 1 south-west of King Kong.

Nyan Prospect — Maiden Soil Sampling Defines a +7km Gold Corridor

Following community consultation, Desert completed first-pass soil sampling over Target 1. The results, reported in June 2026, were exceptional and defined an entirely new prospect named Nyan.

The maiden program comprised 335 residual and eluvial soil samples collected at 40cm depth on north-west-south-east oriented lines spaced approximately 400m apart, with samples taken at approximately 100m intervals along each line. The grid orientation was designed to traverse the interpreted north-east trending structural grain coincident with the strongest stream sediment anomalism. Samples were submitted for fire assay with an AAS finish at Intertek in Tarkwa, Ghana.

At a 100ppb gold cut-off, the Nyan response is not a single isolated point but a continuous north-east-south-west corridor that extends for more than 7km across the survey grid and remains open along strike in both directions. The ≥ 100 ppb anomaly is up to approximately 1.5km wide and encloses a footprint of approximately 9.7km².

Of the 335 samples collected, 55 (16.4%) returned ≥ 100 ppb gold, 22 returned ≥ 250 ppb gold and nine returned ≥ 500 ppb gold. The intensity and continuity of this response are characteristic of an in-situ or near in-situ bedrock gold source rather than scattered, transported anomalism. Within the corridor, two discrete high-grade zones are evident:

- Zone A (principal) is centred on soil samples of 6,036ppb (6.04g/t) gold and 3,626ppb (3.63g/t) gold, with a ≥ 500 ppb gold signature developed over approximately 165m of width and supported by adjacent values of 610ppb, 521ppb and 713ppb gold. These are exceptional tenors for surface soil samples.
- Zone B, located approximately 650m to the north-east, is an approximately 570m x 600m cluster with a peak value of 993ppb gold, supported by strong adjacent values of 829ppb, 724ppb and 650ppb gold.

The Nyan anomaly trends parallel to the regional Birimian structural fabric and comprises multiple coherent high-tenor samples within a well-defined halo. This geometry, together with the common association of the strongest samples with quartz float, is consistent with a structurally controlled, likely quartz vein-hosted orogenic gold source at or near surface.

Most significantly, Nyan lies on the same structural trend as, and immediately along strike to the south-west of, the King Kong prospect where drilling returned 17m at 7.5g/t gold. The scale, tenor and structural setting of the Nyan soil anomaly provide a compelling analogue to King Kong at the pre-drilling stage — and at roughly twice the size of the King Kong surface signature. The anomaly is entirely untested by drilling.

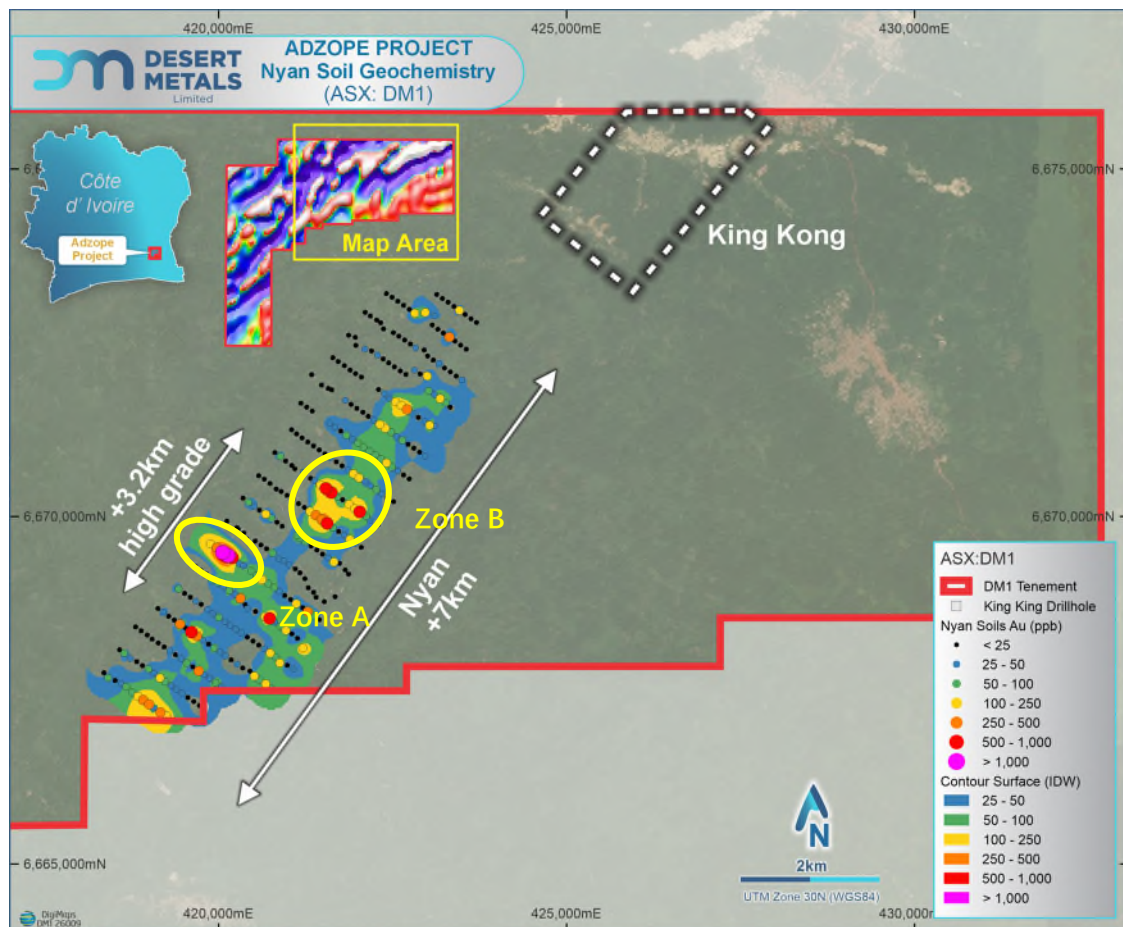


Figure 2: Nyan prospect gold-in-soil results, showing the +7km anomalous corridor along strike to the south-west of King Kong

Next Steps at Adzope

Desert Metals is planning a first-pass program to drill-test Nyan as quickly as practicable, comprising:

- Infill soil sampling on a 200m x 50m grid between the high-grade 400m lines, together with ground induced polarisation and magnetics surveys over the high-grade zones, to assist with drill hole targeting;
- A maiden oxide aircore program of approximately 135 holes for 6,750m on 400m x 50m fences, tightened to 200m centres over the two high-grade zones, with holes inclined at -60° to an average depth of approximately 50m. Line cutting will be undertaken concurrently with the infill sampling and geophysics;
- Strike-extension soil sampling to close off the corridor to the north-east and south-west, where the anomaly remains open into untested ground; and
- Target ranking at higher 250ppb and 500ppb gold cut-offs to prioritise the highest-tenor zones, with follow-up reverse circulation and/or diamond drilling to test the bedrock source where warranted.

Follow-up work on Target 2 is being considered, and the untested Beach zone and southern parallel corridor at King Kong remain priority targets for the next phase of drilling at Adzope.

Tengrela South Gold Project (DM1 80%)

The Tengrela South Gold Project is located in the far north of Côte d'Ivoire, within the northern portion of the gold-prolific Syama–Boundiali Greenstone Belt which hosts numerous multi-million-ounce gold deposits including Sissingué (1.5Moz), Syama (11Moz) and Tongon (4.5Moz).

Exploration permit PR-683 covers 212km² and sits on the southern boundary of Perseus Mining Limited's (ASX: PRU) operating Sissingué gold mine permit, with the Tiogo prospect only 30km on strike from that operation, and is strategically located directly between Sissingué and Aurum Resources Limited's (ASX: AUE) 3.0Moz Boundiali gold project. During the year, Perseus invested \$23.69 million in Aurum Resources via an equity placement, with the majority of those funds directed to drilling at Boundiali — underlining the calibre of the region in which Tengrela South is located.

Prior to FY2026, Desert Metals had defined two parallel north-south gold-in-soil anomalies in the north-eastern area of the permit — the 3.6km long western Tiogo anomaly and the 2.1km long eastern Kakologo anomaly — and had completed a first-pass, wide-spaced aircore drilling program across both. That program returned high-grade results at Tiogo from two lines 900m apart: 12m at 4.20g/t gold from 32m in hole 25TSAC011 and 8m at 6.47g/t gold from 6m in hole 25TSAC019. At Kakologo, drilling returned wide oxide intersections including 18m at 1.02g/t gold from 38m and 26m at 0.59g/t gold.

Ground Geophysics

In July 2025, Desert Metals reported the results of a Gradient Array Induced Polarisation (GAIP) ground geophysics survey completed across the Tiogo and Kakologo prospects. The survey comprised 73 lines at 100m spacing for a total of 103.275 line kilometres over an area of 11.0km², covering 6.7km² at Tiogo over a strike length of 4.1km and 4.3km² at Kakologo over a strike length of 2.9km. It was designed to penetrate the overlying weathered oxide layer and highlight the gold-bearing structures and potential sulphide mineralisation in the underlying bedrock in order to generate drill targets.

The processed results at both prospects identified chargeability and resistivity anomalies in the underlying bedrock that may reflect sulphide-bearing silicified vein systems — key indicators of gold mineralisation in this region. At Tiogo, multiple north-south trending linear anomalies with north-west-south-east cross structures were defined, and the two high-grade 2025 aircore intercepts were shown to lie on the margin of a large anomaly extending over more than 4km of strike. The geophysics provided both the confidence and the targeting framework for the drilling that followed.

Tiogo Aircore Drilling

In March 2026, following the northern Côte d'Ivoire wet season, Desert Metals commenced a Phase 1 aircore drilling program at Tiogo. The program was designed to follow up the high-grade 2025 intercepts by targeting the 900m corridor between holes 25TSAC011 and 25TSAC019 which had never been drilled, to further test the induced polarisation anomalies coincident with gold-in-soil anomalism, and to define the mineralised corridors ahead of a potential maiden resource drill-out.

The completed program comprised 40 aircore holes for 2,032m, drilled as seven east-west lines across a 1.7km strike length. Hole depths ranged from 42m to 60m and all holes were drilled at -60° dip toward 090°,

near-perpendicular to the interpreted north-south structural corridor and consistent with the 2025 program. Samples were submitted for gold analysis by the Chrysos™ PhotonAssay technique.

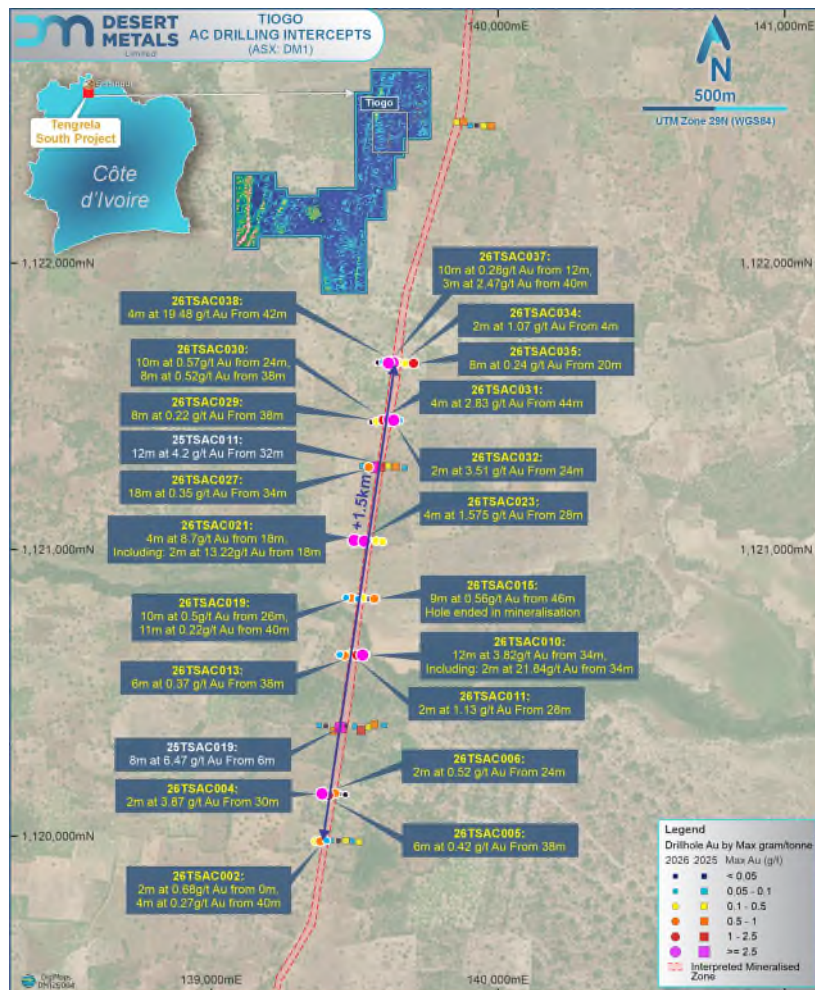


Figure 3: Tiogo drill hole plan showing 2025 and 2026 aircore drilling results over the +1.5km mineralised corridor

Results reported in May 2026 were outstanding. Significant gold mineralisation was returned on every line drilled, confirming the continuity of the Tiogo gold corridor. Standout results included:

- **26TSAC038: 4m at 19.48g/t gold from 42m** — the strongest single intercept across the entire Tiogo program to date, located on the northernmost 2026 line in quartz vein-hosted mineralisation near total depth;
- **26TSAC010: 12m at 3.81g/t gold from 34m, including 2m at 21.84g/t gold** — a wide, high-grade interval on an infill line drilled between the 2025 high-grade lines, demonstrating excellent grade continuity;
- **26TSAC021: 4m at 8.70g/t gold from 18m, including 2m at 13.22g/t gold;** and
- **26TSAC031: 4m at 2.83g/t gold from 44m** — quartz vein-hosted mineralisation near total depth which, together with 26TSAC038, establishes that high-grade mineralisation at depth is not confined to a single line but recurs across multiple lines.

Geological logging confirmed that all high-grade gold intercepts of 1g/t gold or better in the 2026 program are associated with quartz vein material, consistent with the 2025 interpretation of Tiogo as a structurally controlled, quartz vein-hosted gold system within the Birimian metasedimentary sequence of the Syama–Boundiali Greenstone Belt.

The regolith profile across the Tiogo corridor is deep, with the saprolite zone typically persisting to 40m to 60m depth. Mineralisation in the 2026 program is concentrated in the lower saprolite and saprolitic bedrock transition zone at depths of 18m to 50m, with several intercepts terminating near bedrock at total depth. This strongly implies that the highest-grade parts of the system have not yet been tested and potentially reside in fresh, unweathered bedrock below the current drilling.

The combined 2025 and 2026 dataset now defines a semi-continuous mineralised strike length of approximately 1.5km at Tiogo, with every line drilled returning at least one significant intercept. This level of continuity at first-pass to early infill stage is highly encouraging and supports the potential for a future Mineral Resource. Importantly, the gold system remains substantially open to the north, to the south and at depth, and the 4m at 19.48g/t gold result on the northernmost line suggests grade may intensify in that direction.

Soil Sampling Defines the Tiogo North Target

Desert Metals also completed a systematic soil sampling program across six previously untested areas at Tengrela South, with results reported in May 2026. The program comprised 1,774 samples collected across six grids — five oriented east-west and one oriented west-north-west to east-south-east, reflecting the interpretation of local structure. Sample spacing was 50m on all grids, with line spacing varying between 300m, 400m and 600m depending on target priority and terrain. All samples were collected at 40cm depth and assayed by fire assay at Intertek in Tarkwa, Ghana, with a 5ppb gold lower detection limit.

The program defined a new high-priority target, Tiogo North, characterised by a coherent gold-in-soil anomaly commencing 1.8km north of the northernmost 2025 aircore drilling line and extending semi-continuously for more than 3km north of that line. The anomaly has a peak value of 617ppb gold surrounded by a well-defined halo of moderate-to-strong anomalism of 10ppb to 50ppb gold, which defines a continuous anomalous footprint of approximately 800m north-south by 400m east-west. A second cluster of strong values within the same envelope, including 327ppb and 151ppb gold, confirms spatial coherence.

Tiogo North shares the same north-north-east structural orientation and geological setting as the drill-defined Tiogo corridor to the south, consistent with its interpretation as a northward continuation of the same quartz vein-hosted gold system. The scale and intensity of the anomaly are directly comparable to the original Tiogo soil anomaly prior to drill testing — the anomaly that subsequently returned first-pass intercepts of 8m at 6.47g/t gold and 12m at 4.20g/t gold — providing a meaningful analogue for the potential of Tiogo North.

With the addition of Tiogo North, the total Tiogo gold corridor now extends semi-continuously for more than 5.5km of strike. Only 1.5km of that corridor has been drill tested, and Tiogo North has never been drilled.

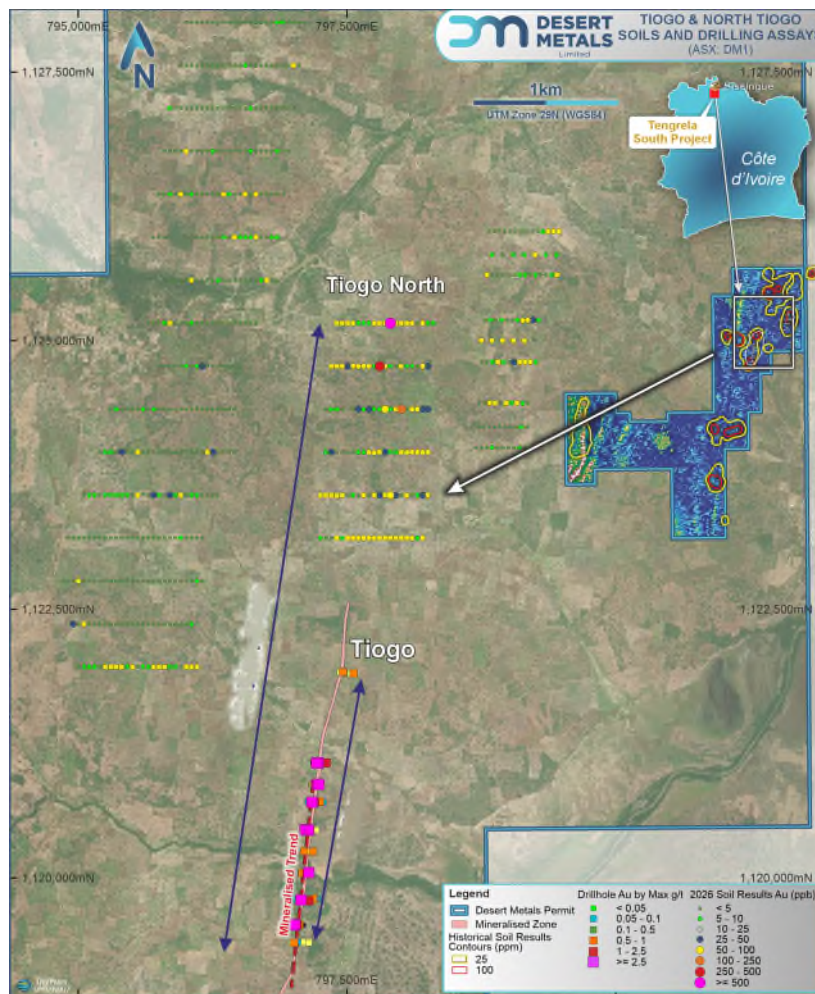


Figure 4: Tengrela South soil sampling results, showing the Tiogo North anomaly extending north of the drill-defined Tiogo corridor

Next Steps at Tengrela South

The next phase of exploration at Tengrela South will focus on converting the scale defined during FY2026 into drilled strike length and, ultimately, depth with:

- Aircore drilling at Tiogo North to test the soil anomaly in the upper oxide zone and evaluate the continuity of the gold system across the +3km northern extension;
- Aircore infill and step-out drilling at the main Tiogo prospect to close the remaining 200m and 400m line gaps, test the northern strike extension beyond the 2025 high-grade line, and extend southward along the anomalous soil corridor, which remains open and untested at its southern end;
- Reverse circulation and/or diamond drilling to 150m to 250m depth to test the bedrock expression of the Tiogo gold system below the current aircore depth of approximately 50m to 60m, targeting the primary source of the high-grade quartz vein-hosted mineralisation; and
- Continuation of the broader 120-hole, 6,000m aircore program, including follow-up drilling at the Kakologo prospect to the north-east along the same structural trend.

Agboville Gold-Lithium Project (DM1 100%)

In June 2026, 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. The Company acquired 100% of the issued capital of Ivorinvest Pty Ltd, the Australian holding company that owns the permits through its Ivorian subsidiary Ivoire Lithium Resources SARL.

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.

The Agboville permits sit within the same Birimian greenstone terrain as, and 20km north-west of, the Adzope Gold Project. Unverified historical government sampling of the eastern pegmatite fields has previously identified lithium, beryllium, tantalum and rare earth mineralisation, while Atlantic Lithium Limited (ASX: A11) reported a lithium discovery in the adjacent Agboville-Rubino area in October 2025, confirming the district's lithium prospectivity.

Total consideration was satisfied through the issue of 18,125,000 fully paid ordinary DM1 shares at a deemed issue price of A\$0.008 per share — equivalent to approximately A\$145,000 — with no cash consideration payable. The transaction superseded the previous joint venture under which Desert Metals had the right to earn 85% of the projects by incurring A\$250,000 in exploration expenditure over three years.

Acquiring the permits outright rather than earning into them is a more capital-efficient outcome for shareholders, securing full ownership immediately rather than committing to staged exploration expenditure for a partial interest. With the addition of Agboville, Desert Metals' south-eastern Côte d'Ivoire position now comprises three permits covering approximately 827km². Consolidating 100% ownership removes the joint venture overlay, simplifies the Company's corporate structure in Côte d'Ivoire, and positions Desert Metals to explore, partner or monetise the enlarged package with maximum flexibility.

New Project Opportunities

Desert Metals continued to review new project opportunities throughout the year, with a focus on gold and critical minerals projects that complement the existing portfolio.

During FY2026, the Company lodged an exploration permit application over the Bondoukou area in Côte d'Ivoire (application 1892DMICM13/05/2026, held 100% through Mocha Gold SARL), which remained pending grant at year end.

CORPORATE

Project Ownership Consolidated

During FY2026, Desert Metals satisfied the earn-in obligations under its joint venture arrangements at both flagship permits, increasing its interest in each of the Tengrela South permit PR-683 and the Adzope permit PR-960 from 51% to 80%. Combined with the outright acquisition of the Agboville permits in June 2026, the

Company ended the year holding either an 80% or 100% interest in every permit in its portfolio — a materially simpler and stronger ownership position than at the start of the year. In conjunction with the completion of the earn-in, permit PR-683 was transferred to local holding company Leo Resources SARL and permit PR-960 to Adzope Gold SARL, reflecting the revised ownership structure.

Share Placement

In December 2025, Desert Metals received firm commitments for a \$1.25 million share placement (before costs) to new and existing sophisticated and professional investors, via the issue of 192,307,692 fully paid ordinary shares at an issue price of A\$0.0065 per share. The placement was managed by CPS Capital Group Pty Ltd and was strongly supported by existing shareholders while also introducing new investors to the register.

Tranche 1, comprising 64,000,000 shares to raise \$416,000, was issued under the Company's existing placement capacity on 15 December 2025. Tranche 2, comprising 128,307,692 shares to raise a further \$834,000, was issued in January 2026 following receipt of shareholder approval. Proceeds were applied to aircore drilling at Tengrela South, permit-wide stream sediment sampling at Adzope, the continuing assessment of new project opportunities, costs of the offer and general working capital.

Entitlement Offer

In April 2026, Desert Metals announced a fully underwritten pro-rata non-renounceable entitlement issue of up to 325,377,022 new options, on the basis of one new option for every two shares held at the record date, at an issue price of \$0.001 per option and exercisable at \$0.015 each on or before 31 December 2027, to raise up to approximately \$325,377 (before costs).

The Company received valid applications for 177,746,685 new options, raising approximately \$177,747, with the remaining 147,630,337 shortfall options taken up by the underwriter and its sub-underwriters to raise a further \$147,630. The offer was fully underwritten by CPS Capital Group Pty Ltd and the options were issued on 6 May 2026. Funds raised were applied to the ongoing aircore drilling program at the Tiogo and Kakologo prospects, working capital and the expenses of the offer.

Shares Issued for Services and Acquisitions

Desert Metals continued its drill-for-equity arrangement with its local drilling contractor, under which the Company elected to settle a portion of drilling costs through the issue of shares, priced by reference to the 10-day volume weighted average price (VWAP) following the monthly submission of invoices.

During the September 2025 quarter, the Company issued 16,159,517 fully paid ordinary shares as partial consideration for drilling services completed at the King Kong prospect, under its existing placement capacity.

In June 2026, Desert Metals issued 18,125,000 fully paid ordinary shares as consideration for the acquisition of the Agboville permits. These arrangements allowed the Company to preserve cash for field activity while continuing to advance its drilling programs.

OUTLOOK

At Adzope, the immediate priority is to drill-test Nyan. A +7km gold-in-soil corridor with 6.04g/t gold at surface, sitting along strike from a drilled high-grade discovery and entirely untested by drilling, is a rare opportunity for a company of Desert Metals' size. Infill soil sampling, ground geophysics and a maiden aircore program of approximately 135 holes for 6,750m are planned, together with strike-extension sampling to close the corridor where it remains open in both directions. King Kong itself retains substantial untested upside in the Beach zone, the parallel southern corridor and at depth.

At Tengrela South, the objective is to grow the drilled strike length and, for the first time, to drill beneath the base of oxidation. Aircore drilling at Tiogo North and further infill and step-out drilling at Tiogo will progressively test a corridor now defined over more than 5.5km, while reverse circulation and/or diamond drilling to 150m to 250m depth will test the fresh bedrock system that the aircore programs have consistently pointed to but never reached. Every indication from the 2026 program — high grades in the lower saprolite, holes ending in mineralisation, and continuity across every line — suggests the primary system lies below.

At Agboville, first-pass exploration will commence across the newly consolidated 598km² package, assessing both the gold potential of the Birimian greenstone stratigraphy and the lithium potential of the eastern pegmatite fields.

Desert Metals is finalising plans to secure funding for the next phase of exploration and will continue to review new gold and critical minerals opportunities that complement the existing portfolio. With a supportive gold price environment, an 80% to 100% interest across its permits, and three drill-ready target areas, the Company is well positioned for an active year ahead.

COMPETENT PERSON STATEMENT

The information in this report 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 report of the matters based on his information in the form and context in which it appears.

Information relating to Previous Disclosure

This report contains information extracted from previous ASX market announcements reported in accordance with the 2012 JORC Code and is available for viewing at www.desertmetals.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in these earlier market announcements referred to above and further confirms that all material assumptions underpinning the exploration results contained in those market announcements continue to apply and have not materially changed.

Directors' Report

The Directors of Desert Metals Limited submit herewith the annual financial report of Desert Metals Limited ("Company") and its controlled entities ("Group" or "Consolidated Entity") for the year ended 30 June 2026 and the independent auditor's report thereon. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names and particulars of the directors of the Company during or since the end of the financial year are as follows. Directors were in office for the entire period unless otherwise stated:

- Patrick John Flint (Non-Executive Chairman)
- Stephen Michael Ross (Managing Director)
- Fatou Sylla Gueye (Non-Executive Director)

Board of Directors

The Company's Directors in office as at 30 June 2026 and up to the date of this report were:

Mr Patrick John Flint

Independent Non-Executive Chairman

Mr Flint is a qualified accountant and a member of the Australian Institute of Company Directors. He has been involved in the resources sector for the past 25 years as a director or company secretary of ASX and Toronto Stock Exchange-listed companies with mineral projects in Australia, Africa, and Asia. He has significant experience in managing and administering publicly listed companies exploring and developing mineral projects in francophone Africa.

Directorships held in other listed entities (last 3 years):

DRC Gold Corp (listed in Canada) (appointed 1 December 2025)

Mr Stephen Michael Ross

Non-Independent Managing Director

Mr Ross is a geologist, independent consultant, and public company director with 30 years of experience in the international minerals industry, spanning technical, business development, and corporate roles. Stephen has sourced significant investments for junior explorers and pre-development resource companies worldwide while holding managing director and technical positions based in Central Asia, West Africa, and Sri Lanka. He is a member of the Australasian Institute of Mining and Metallurgy, a Fellow of the Chartered Institute for Securities & Investment, and a member of the Australian Institute of Company Directors.

Directorships held in other listed entities (last 3 years):

Trigg Minerals Ltd (appointed 20 June 2023, resigned 29 August 2024)

Summit Minerals Ltd (appointed 17 February 2022, resigned 7 February 2024)

Pinnacle Minerals Ltd (appointed 3 November 2021)

Power Minerals Ltd (appointed 9 July 2021)

Ms Fatou Sylla Gueye

Independent Non-Executive Director

Ms. Gueye is the Co-Founder and Director of Sanu Gold Corporation (CSE: SANU | OTCQB: SNGCF) and has extensive experience as a senior executive in financial services, consulting, and mining roles in Australia, the US, and Africa. She helped assemble Sanu Gold's portfolio of gold projects in Guinea and has gained considerable experience in exploration and mining finance, particularly for West African explorers and developers.

Ms. Gueye has an extensive network across government and administration in several West African countries and has provided expert advice to numerous publicly traded and privately held mining and finance companies operating in Africa and Australia.

Directorships held in other listed entities (last 3 years):

Sanu Gold Corporation (listed in Canada) (appointed 21 October 2021).

Meetings of Directors

Particulars of the number of meetings of the Company's Directors during the financial year, and the number of those meetings attended by each Director (as applicable), are detailed in the table below.

Directors	Board Meeting	
	Eligible to attend	Attended
Patrick Flint	6	6
Stephen Ross	6	6
Fatou Gueye	6	6

Interests of Directors

The following table sets out each director's relevant interests in shares and options of the Company or in any related body corporate as at the date of this report:

Directors	Fully paid ordinary shares Number	Share options Number	Performance Rights Number
Patrick Flint	5,150,000	2,575,000	3,000,000
Stephen Ross	9,964,103	9,982,052	7,500,000
Fatou Gueye	1,025,641	512,821	2,000,000

Company Secretary

The following person acted as Company Secretary of the Company during the financial year and up to the date of this report:

Mr Paul Jurman

Mr Jurman is a Certified Practising Accountant with over 20 years' experience and has been involved with a diverse range of Australian public listed companies in company secretarial and financial roles. He is also company secretary of ASX listed Carnavale Resources Limited, Platina Resources Limited, Lord Resources Limited, Diablo Resources Limited and Tempest Minerals Limited.

Mr Jurman is a member of CPA Australia and holds a Bachelor of Commerce degree.

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Company and its controlled entities during the financial year, other than as noted in this Annual Report.

Indemnification of officers and auditors***Indemnification***

During or since the end of the financial year, the Company has paid the premiums in respect of a contract to insure Directors and other officers of the Company against liabilities incurred in the performance of their duties on behalf of the Company. The officers of the Company covered by the insurance policy include any natural person acting in the course of duties for the Company who is or was a Director, secretary or executive officer, as well as senior and executive staff.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Insurance premiums

During the financial year the Company has paid a premium of \$15,558 in respect of a contract to insure the directors and officers of the Company against any liability incurred in the course of their duties to the extent permitted by the Corporation Acts 2001.

Dividends

No dividends were paid or declared during the financial year. No recommendation for payment of dividends has been made.

Options

Unissued shares under options issued during the period

On 27 January 2026, the Company issued 45,000,000 options at \$0.0001 in consideration for lead manager services provided by CPS Capital Group Pty Ltd in relation to the capital raising completed in December 2025 and January 2026. The terms of these options are set out at Note 21 to the financial statements.

On 6 May 2026, the Company issued 177,746,685 options to existing eligible shareholders as part of an Entitlement Offer. The terms of these options are set out at Note 21 to the financial statements.

On 13 May 2026, the Company issued 147,630,337 options arising from the shortfall of the Entitlement Offer to investors introduced by the Underwriter. The terms of these options are set out at Note 21 to the financial statements.

Shares issued on exercise of options

None.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is attached to and forms part of this Directors' report.

Non-Audit Services

There have been no non-audit services provided by the Group's auditor during the year ended 30 June 2026.

Corporate Governance

The directors support and adhere to the principles of corporate governance, recognising the need for the highest standard of corporate behaviour and accountability. The Company's Corporate Governance Statement and its compliance with ASX guidelines can be found on the Company's website at www.desertmetals.com.au. The policies and compliance as stated were in place for the whole year and are current as at the date of this report.

The Company considers it is not of a sufficient size to establish an audit and risk committee, remuneration committee and nomination committee. Accordingly, no meetings were held by these committees.

The Board currently carries out the duties that would ordinarily be assigned to these committees under the written terms of reference for that committee in its Corporate Governance Plan as published on its website.

As an Audit and Risk Committee has not been established, the processes the Board employs to independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner, and the process it employs for overseeing the Company's risk management framework are carried out by the Board as a whole in accordance with Schedule 3 – Audit and Risk Committee Charter of the Company's Corporate Governance policy.

Operating and Financial Review

Operating Results

The net loss of the Group after tax for the year ended 30 June 2026 was \$1,237,169 (2025: \$1,688,616).

The Group is currently engaged in mineral exploration for metals in Côte d'Ivoire. A review of the Group's operations, including information on exploration activity and results thereof, financial position, strategies and projects of the Group during the year ended 30 June 2026 is provided in this Annual Report and, in particular, in the "Review of Operations" section immediately preceding this Directors' Report. The Group's financial position, financial performance and use of funds information for the financial year is provided in the financial statements that follow this Directors' Report.

As an exploration entity, the Group has limited operating revenue or earnings and consequently the Group's performance cannot be gauged by reference to those measures. Instead, the Directors consider the Group's performance based on the success of exploration activity, acquisition of additional prospective mineral interests, joint venture arrangements over mineral interests and, in general, the value added to the Group's mineral portfolio during the course of the financial year.

Whilst performance can be gauged by reference to market capitalisation, that measure is also subject to numerous external factors. These external factors can be specific to the Group, generic to the mining industry and generic to the stock market as a whole and the Board and management would only be able to control a small number of these factors.

The Group's business strategy for the financial year ahead and, in the foreseeable future, is to continue exploration activity on the Group's existing mineral projects, (including through joint venture arrangements where appropriate), identify and assess new mineral project opportunities throughout the world and review development strategies where individual projects have reached a stage that allows for such an assessment. Due to the inherent risky nature of the Group's activities, the Directors are unable to comment on the likely results or success of these strategies.

Key Business Risks

The Group is subject to various risk factors. Some of these are specific to its business activities while others are of a more general nature. Individually, or in combination, these risk factors may affect the future operating and financial performance of the Group. This is not an exhaustive list of risks faced by the Group or an investment in it. There are other risks generic to the stock market and the world economy as whole and other risks generic to the mining industry, all of which can impact on the Group.

Occupational health and safety risks

The Group seeks to ensure that it provides a safe workplace to minimise risk of harm to its employees and contractors. It achieves this through an appropriate safety culture, safety systems, training, and emergency preparedness.

Exploration risk

Exploration and Mineral Resource development incorporates a high degree of technical and geological risk. The natural endowment of the ground being explored is the limiting factor and there always remains a risk of insufficient natural endowment to make an economic discovery.

Detailed planning of exploration programs, with external consultant input where required, ensures the highest quality exploration targets are tested. The Board approves all exploration programs and budgets to

achieve outcomes in the Company's (and shareholders) best interests, with regular reporting provided to the Board of the results of exploration programs.

The Group undertakes business development activities to source new projects for the Group with the objective of acquiring assets with a high potential for exploration success.

Environmental risks

The Group is committed to best practice in environmental management, based upon current community expectations, applicable legislation and regulatory standards, all of which can change over time.

Community and social risks

The Group operates in jurisdictions with varying community, heritage and social laws and cultural practices. Community expectations are continually evolving and are managed through the development of robust strategies, maintaining strong relationships with communities and delivering on commitments.

Cyber Risks

The Group takes a risk-based approach to managing cyber security, with a focus on ensuring good practice across standard processes. The Group utilises tools and services provided by external information technology consultants to actively manage its cyber risks, noting the increasing risk trend in the external environment.

Financial risks

The Group faces risks relating to the cost and access to funds, movement in interest rates and foreign exchange rates (refer to Note 15 to the financial statements). The Group recognises the importance of maintaining a strong balance sheet that enables flexibility to pursue strategic objectives. The Group maintains policies which define appropriate financial controls and governance which seek to ensure financial risks are recognised, managed and recorded in a manner consistent with generally accepted industry practice and governance standards.

Regulatory and compliance risk

New or evolving regulations and international standards are outside the Group's control and are often complex and difficult to predict. The potential development of opportunities can be jeopardised by changes to fiscal or regulatory regimes, adverse changes to tax laws, difficulties in interpreting or complying with local laws, material differences in sustainability standards and practices, or changes to existing political, judicial or administrative policies and changing community expectations.

Security of tenure including licence renewal

The Group's mineral licences are subject to periodic renewal. The renewal of the term of these licences is subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority.

Government policy changes

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Group.

Retention of key staff

As a junior exploration company the Group has a small number of permanent staff. There can be no assurance given that there will be no detrimental impact on the Group if one or more of these employees cease their employment.

Capital requirement and lack of future funding

The Group's capital requirements depend on numerous factors. Equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Group is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be.

Business interruption risk

Circumstances may arise which preclude operations at certain sites including natural weather events or disasters, material disruption to the Group's logistics chain, critical plant failure or industrial action.

The Group maintains an insurance program that may offset a portion of the financial impact of a major business interruption event

Corporate

In December 2025, the Company advised it had 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"). Tranche 1 of the Placement comprising 64,000,000 Shares was completed in December 2025 raising \$416,000 (before costs). Tranche 2 of the Placement, comprising 128,307,692 Shares was completed in January 2026, following shareholder approval, raising \$834,000 (before costs).

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) subscribed for 45 million options exercisable at \$0.013, expiring 30 June 2027 at an issue price of \$0.00001 ('Options').

Matters subsequent to the end of the financial year

There were no material events subsequent to the balance date and up until the authorisation of the financial statements for issue.

Remuneration Report

(Audited)

This report sets out remuneration information for Key Management Personnel who have the authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly, including any director (whether executive or otherwise) of the Company. The prescribed details for each person covered by this report are detailed under the following headings:

- key management personnel
- remuneration policy
- relationship between the remuneration policy and Company performance
- service agreements
- remuneration of key management personnel

Key Management Personnel

The directors and other key management personnel ("KMP") of the Company during or since the end of the financial year were:

Directors	Position
Patrick Flint	Non-Executive Chairman
Stephen Ross	Managing Director
Fatou Gueye	Non-Executive Director

Except as noted, the named persons held their current position for the whole of the financial year and since the end of the financial year.

Remuneration Policy

The remuneration policy of Desert Metals Limited has been designed by the Board taking into consideration the stage of development of the Company and the activities undertaken. The guidance is to align KMP objectives with shareholder and business objectives by providing a fixed remuneration component or a fee-for-service (where applicable) and offering specific long-term incentives based on key performance areas that affect the Company's financial results or operational milestones. Remuneration levels for KMP are set to attract, retain and incentivise appropriately qualified and experienced directors and executives. The Company rewards executives with a level and mix of remuneration appropriate to their position, responsibilities and performance, in a way that aligns with the business strategy.

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and director and KMP performance.

Non-Executive Director remuneration

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability.

No non-executive director shall be paid as part or the whole of their remuneration a commission on, or a percentage of, profits or a percentage of operating revenue. The total aggregate fixed sum per annum to be paid to the non-executive directors from time to time will not exceed the sum determined by the shareholders in general meeting.

The maximum aggregate amount of fees that can be paid to non-executive directors in accordance with clause 15.7 of the Company's constitution shall initially be no more than \$250,000 and may be varied by ordinary resolution of the Shareholders in general meeting. Non-executive directors are entitled to receive equity based remuneration (subject to shareholder approval) as it is considered an appropriate method of providing sufficient reward whilst maintaining cash reserves.

Executive Director remuneration

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The Board considers that the key performance indicator in assessing the performance of executive directors ("executives") and their contribution towards increasing shareholder value is share price performance over the review period.

Overall remuneration policies are subject to the discretion of the Board. Executive remuneration and other terms of employment are reviewed annually by the Board having regard to their performance, relevant comparative information and expert advice.

The Board's remuneration policy reflects its obligations to align executive remuneration with shareholder interests and to retain appropriately qualified executive talent for the benefit of the Company. The main principles are:

- a) remuneration reflects the competitive market in which the Company operates;
- b) individual remuneration should be linked to performance criteria if appropriate; and
- c) executives should be rewarded for both financial and non-financial performance.

The total remuneration of executives consists of the following:

- a) salary - executives receive a fixed sum payable monthly in cash;
- b) executives may participate in share and option schemes generally made in accordance with thresholds set in plans approved by shareholders if deemed appropriate, however, the Board considers it appropriate to issue shares and options to executives outside of approved schemes in exceptional circumstances; and
- c) other benefits - executives may, if deemed appropriate by the Board, be provided with a mobile phone and other forms of in-kind remuneration.

The Board has not formally engaged the services of a remuneration consultant to provide recommendations when setting the remuneration received by KMP during the financial year.

Relationship between the Remuneration Policy and Company Performance

The table below shows measures of the Company's financial performance over the last five years as required by the Corporations Act 2001 (Cth). However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMP. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

	30 June 2026 \$	30 June 2025 \$	30 June 2024 \$	30 June 2023 \$	30 June 2022 \$
Net loss after tax	(1,237,169)	(1,688,616)	(9,943,781)	(706,374)	(567,262)
Share price at end of year	0.0090	0.0200	0.0200	0.1800	0.1800
Basic/diluted loss per share (cents per share)	(0.227)	(0.544)	(6.211)	(1.029)	(0.990)

Service Agreements

Remuneration and other terms of employment for the executive directors and other KMP are formalised in employment or service agreements. The major provisions of the agreements relating to remuneration for the year ended 30 June 2026 are set out in the table below.

Name	Agreement	Base Salary of Fees (p.a)	STIP/LTIP		Duration
Patrick Flint	Employment	75,000	-		Ongoing
Stephen Ross*	Consulting	299,700	-		Ongoing
Fatou Gueye	Employment	50,000	-		Ongoing

* Mr Ross is entitled to remuneration of \$299,700 per annum. The Agreement may be terminated by either Mr Ross or the Company by providing six months' notice in writing.

Remuneration of Key Management Personnel

Details of the remuneration of the directors, the KMP of the Company (as defined in AASB 124 Related Party Disclosures) and specified executives of Desert Metals Limited are set out in the following tables.

	Short-term employee benefits		Post-employment benefits	Share based payment	Total \$	% of remuneration performance related
	Salary & fees \$	Consulting fees \$	Superannuation \$	Performance Rights \$		
2026						
Directors						
Patrick Flint	75,000	-	9,000	23,282	107,282	21.7%
Stephen Ross	299,700	-	-	60,324	360,024	16.8%
Fatou Gueye	56,000	-	-	15,522	71,522	21.7%
Total	430,700	-	9,000	99,128	538,828	

2025	Short-term employee benefits		Post-employment benefits	Share based payment	Total	% of remuneration performance related
	Salary & fees	Consulting fees	Superannuation	Options		
	\$	\$	\$	\$	\$	
Directors						
Mark Stewart	20,278	-	2,332	-	22,610	0%
Robert Stuart	3,978	-	458	-	4,436	0%
Patrick Flint	52,194	-	6,002	32,950	91,146	36.2%
Stephen Ross	299,700	-	-	77,666	377,366	20.6%
Fatou Gueye	43,071	-	-	21,966	65,037	33.8%
Total	419,221	-	8,792	132,582	560,595	

Bonuses and share-based payments granted as compensation for the current financial year

Bonuses

No bonuses were paid to KMP during the financial year (2025: Nil).

Incentive share-based payment arrangements

No share options were exercised by KMP during the year (2025: Nil).

Options awarded, vested and lapsed during the year

No options were granted during the year.

Share options do not carry any voting or dividend rights.

Performance rights awarded, vested and lapsed during the year

The table below discloses the number of performance rights that lapsed during the year.

	Performance rights lapsed during the year No.	Award date	Fair value per performance right at award date	Vesting condition	Number vested at year end	Expiry date	Value of performance rights lapsed during the year
Patrick Flint	1,500,000	28 Nov 2024	\$0.0219	1	-	28 Nov 2028	\$32,917
Stephen Ross	1,500,000	28 Nov 2024	\$0.0219	1	-	28 Nov 2028	\$32,917
Fatou Gueye	1,000,000	28 Nov 2024	\$0.0219	1	-	28 Nov 2028	\$21,944

- The Company achieving a 10 day VWAP of \$0.0375 or more on or before the date that is 1 year from the date of issue of the Performance Rights (28 November 2025). The vesting condition was not met and the Performance Rights were cancelled during the period.

The table below discloses the number of performance rights at year end.

	Performance rights at year end.	Award date	Fair value per performance right at award date	Vesting condition	Number vested at year end	Expiry date	Value of performance rights expensed during the year
Stephen Ross	1,500,000	28 Nov 2024	\$0.0208	2	-	28 Nov 2028	\$15,630
Stephen Ross	2,000,000	28 Nov 2024	\$0.0204	3	-	28 Nov 2028	\$10,203
Stephen Ross	2,000,000	28 Nov 2024	\$0.0230	4	-	28 Nov 2028	\$23,000
Stephen Ross	2,000,000	28 Nov 2024	\$0.0230	5	-	28 Nov 2028	\$11,492
Patrick Flint	1,500,000	28 Nov 2024	\$0.0208	2	-	28 Nov 2028	\$15,630
Patrick Flint	1,500,000	28 Nov 2024	\$0.0204	3	-	28 Nov 2028	\$7,653
Fatou Gueye	1,000,000	28 Nov 2024	\$0.0208	2	-	28 Nov 2028	\$10,420
Fatou Gueye	1,000,000	28 Nov 2024	\$0.0204	3	-	28 Nov 2028	\$5,102

- The Company achieving a 10 day VWAP of \$0.06 on or before the date that is 2 years from the date of issue of the Performance Rights.
- The Company achieving a 10 day VWAP of \$0.09 on or before the date that is 4 years from the date of issue of the Performance Rights.
- The Company announcing a JORC compliant mineral resource estimate of >500,000 ounces at $\geq 1.5\text{g/t}$ gold (at a 0.5g/t au lower cut off) at any one of its gold projects in Côte d'Ivoire in existence now or during the term of the Performance Rights on or before the date that is 24 months from the date of issue of the Performance Rights.
- The Company announcing a JORC compliant mineral resource estimate of >1,000,000 ounces at $\geq 1.5\text{g/t}$ gold (at a 0.5g/t au lower cut off) at any one of its gold projects in Côte d'Ivoire in existence now or during the term of the Performance Rights on or before the date that is 47 months from the date of issue of the Performance Rights.

Refer to note 21 for details of the valuation of these performance rights.

Performance rights do not carry any voting or dividend rights.

Other than the above, no performance rights in Desert Metals Limited were granted to, were forfeited by, or were exercised by Key Management Personnel of the Company (as part of their remuneration).

The Company has not granted any performance rights since the end of the financial year to any Key Management Personnel as part of their remuneration.

Other Transactions with KMP

Accounting, secretarial and corporate service fees of \$134,570 were paid or payable during the year ended 30 June 2026 (2025: \$121,832) on normal terms and conditions to Corporate Consultants Pty Ltd, a company in which Mr Patrick Flint is a director and has a beneficial interest. Rent for office space and use of supporting office equipment of \$25,704 was paid or payable during the year ended 30 June 2026 (2025: \$21,342) on normal terms and conditions to Oxford Capital Partners Pty Ltd, a company in which Mr Stephen Ross is a director and has a beneficial interest.

Key Management Personnel Equity Holdings

Fully paid ordinary shares of Desert Metals Limited

2026	Balance at 1 July 2025 or at date of appointment No.	Granted as compensation No.	Received on exercise of options / performance rights No.	Share placement purchases No.	Balance at 30 June 2026 No.	Balance vested at 30 June 2026 No.
Patrick Flint	5,150,000	-	-	-	5,150,000	5,150,000
Stephen Ross	9,964,103	-	-	-	9,964,103	9,964,103
Fatou Gueye	1,025,641	-	-	-	1,025,641	1,025,641

Share options of Desert Metals Limited

2026	Balance at 1 July 2025 or at date of appointment No.	Granted as compensation No.	Net other change No.**	Balance at 30 June 2026 No.	Balance vested at 30 June 2026 No.
Patrick Flint	250,000	-	2,325,000	2,575,000	2,575,000
Stephen Ross	5,000,000	-	4,982,052	9,982,052	9,982,052
Fatou Gueye	-	-	512,821	512,821	512,821

Each option is convertible into one ordinary share of Desert Metals Limited.

Performance rights of Desert Metals Limited

2026	Balance at 1 July 2025 or at date of appointment No. *	Granted as compensation No.	Net other change No.**	Balance at 30 June 2026 No.	Balance vested at 30 June 2026 No.
Patrick Flint	4,500,000	-	(1,500,000)	3,000,000	-
Stephen Ross	9,000,000	-	(1,500,000)	7,500,000	-
Fatou Gueye	3,000,000	-	(1,000,000)	2,000,000	-

* In November 2024, the Company issued a total of 17.5 million performance rights with an expiry date of 28 November 2028 as part of the remuneration packages of the Board, pursuant to shareholder approval received on 28 November 2024. 1,000,000 Performance Rights issued to Stephen Ross vested as the relevant performance condition was satisfied during the year ended 30 June 2025.

** During the year, Tranche A Performance Rights lapsed as the specific vesting condition was not met, namely within 12 months from the date of issue the Company's daily weighted average price of Shares (as that term is defined in the ASX Listing Rules) exceeds \$0.0375 over 10 consecutive Trading Days.

This is the end of the audited remuneration report.

Options and Performance Rights

At the date of this report, unissued ordinary shares of the Company under option and performance rights are:

Grant date	Expiry date	Exercise price \$	Number of options/performance rights
16 Nov 2023	16 Nov 2026	0.15	1,250,000
19 Jan 2024	31 Dec 2026	0.06	7,500,000
22 Jan 2024	22 Jan 2027	0.0625	5,000,000
8 October 2024	8 October 2028	-	3,500,000
28 November 2024	28 November 2028	-	13,850,000
16 April 2025	16 April 2028	0.035	26,500,000
10 June 2025	16 April 2028	0.035	4,000,000
27 January 2026	30 June 2027	0.013	45,000,000
6 and 13 May 2026	31 December 2027	0.015	325,377,022
			431,977,022

These options and performance rights do not entitle the holder to participate in any share issue of the Company or any other body corporate.

During the financial year, the Company issued options as follows:

- In December 2025, CPS Capital Group Pty Ltd, who was Lead Manager to the Placement and acts as Corporate Advisor to the Company, subscribed for 45 million options (exercisable at \$0.013, on or before 30 June 2027) at \$0.0001 in part consideration for its services.
- On 6 May 2026, existing eligible shareholders as part of an Entitlement Offer were issued 177,746,685 options (exercisable at \$0.015, on or before 31 December 2027).
- On 13 May 2026, the Company issued 147,630,337 options (exercisable at \$0.015, on or before 31 December 2027, to the underwriter and its sub-underwriters to cover the shortfall of the Entitlement Offer.

No options or performance rights have been issued after 30 June 2026 and up to the date of this report.

During the financial year, there were no shares issued as a result of the exercise of options or performance rights.

No person entitled to exercise an option has participated or has any right by virtue of the option to participate in any share issue of any other body corporate. For details of options and performance rights issued to Directors and executives as remuneration, refer to the remuneration report.

This Directors' Report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the directors



Mr Stephen Ross
Managing Director

Dated this 30th day of September 2026

Auditor's Independence Declaration

Under Section 307C of the Corporations Act 2001

To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the audit of the financial statements of Desert Metals Limited for the year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully



HALL CHADWICK WA AUDIT PTY LTD



**D M BELL FCA
Director**

Dated this 30th day of September 2026
Perth, Western Australia

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DESERT METALS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Desert Metals Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the director's declaration.

In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 3.3 in the financial report which indicates that the Consolidated Entity incurred a net loss of \$1,237,169 during the year ended 30 June 2026. As stated in Note 3.3, these events or conditions, along with other matters as set forth in Note 3.3, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters which in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Exploration and Evaluation Expenditure As disclosed in Note 10 to the financial statements, the Consolidated Entity's exploration and evaluation expenditure balance at 30 June 2026 was \$8,753,306. Exploration and evaluation is a key audit matter due to: • The significance of the balance to the Consolidated Entity's consolidated financial position. • The level of judgement required in evaluating management's application of the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset.	Our procedures included, amongst others: • Assessing management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the consolidated entity holds an interest and the exploration programmes planned for those tenements. • For each area of interest, we assessed the Consolidated Entity's rights to tenure with reference to supporting documentation; • We tested the additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entity's accounting policy and the requirements of AASB 6; • We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets for each area of interest. • We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure: ○ the licenses for the right to explore expiring in the near future or are not expected to be renewed; ○ substantive expenditure for further exploration in the specific area is

Key Audit Matter	How our audit addressed the Key Audit Matter
	neither budgeted or planned; ○ decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and ○ data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale. • We assessed the appropriateness of the related disclosures in note 10 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the remuneration report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error, and the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of the Company, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.



HALL CHADWICK WA AUDIT PTY LTD



D M BELL FCA
Director

Dated this 30th day of September 2026
Perth, Western Australia

Consolidated Entity Disclosure Statement

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001. It includes certain information for each entity that was part of the Consolidated Entity at the end of the financial year.

Determination of Tax Residency

Section 295 (3A) of the Corporation Acts 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Consolidated Entity has applied the following interpretations:

Australian tax residency

The Consolidated Entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the Consolidated Entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency and ensure compliance with applicable foreign tax legislation.

Partnerships and Trusts

Australian tax law does not contain specific residency tests for partnerships and trusts. Generally, these entities are taxed on a flow-through basis, so there is no need for a general residence test. Some provisions treat trusts as residents for certain purposes, but this does not mean the trust itself is an entity that is subject to tax.

Details of entities within the consolidated group

Name of entity	Type of entity	Trustee partner or participant in joint venture	Country of incorporation	% of share capital held	Tax residency
Desert Metals Limited	Body Corporate	N/A	Australia	N/A	Australian
CDI Resources Pty Ltd	Body Corporate	N/A	Australia	100	Australian
CDI Minerals Pty Ltd	Body Corporate	N/A	Australia	100	Australian
Smart Mineral Explorer SARL	Body Corporate	N/A	Côte d'Ivoire	80	Côte d'Ivoire
Savana Minerals SARL	Body Corporate	N/A	Côte d'Ivoire	100	Côte d'Ivoire
Leo Resources SARL	Body Corporate	N/A	Côte d'Ivoire	80	Côte d'Ivoire
Mocha Gold SARLU	Body Corporate	N/A	Côte d'Ivoire	100	Côte d'Ivoire
Adzope Gold SARL	Body Corporate	N/A	Côte d'Ivoire	80	Côte d'Ivoire
Samson Gold SARLU	Body Corporate	N/A	Côte d'Ivoire	100	Côte d'Ivoire
CDI Lithium Pty Ltd	Body Corporate	N/A	Australia	100	Australian
Ivorinvest Pty Ltd	Body Corporate	N/A	Australia	100	Australian
Ivoire Lithium Resources SARL	Body Corporate	N/A	Côte d'Ivoire	100	Côte d'Ivoire

Directors' Declaration

The directors declare that:

- a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 3.1 to the financial statements;
- c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position as at 30 June 2026 and performance of the Group for the year ended on that date; and
- d) the directors have been given the declarations required by s.295A of the Corporations Act 2001.
- e) the information disclosed in the attached Consolidated Entity Disclosure Statement is true and correct.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the directors



Mr Stephen Ross
Managing Director

Dated this 30th day of September 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2026

	Note	2026 \$	2025 \$
Continuing operations			
Revenue and other income			
Other revenue		96,276	100,417
		96,276	100,417
Depreciation	11	(3,947)	(14,218)
Directors' fees	16	(439,700)	(428,013)
Exploration and evaluation written off as incurred		(61,843)	(148,818)
Overseas exploration office expenses		(269,310)	(245,403)
Foreign exchange costs		(22,556)	(2,108)
Loss on sale of fixed assets		-	(45,000)
Professional fees		(57,185)	(211,331)
Public relations and marketing		(67,677)	(125,000)
Share based payments	22	(138,808)	(249,648)
Administrative and other expenses	6	(272,419)	(319,494)
		(1,333,445)	(1,789,033)
Loss before tax		(1,237,169)	(1,688,616)
Income tax benefit	7	-	-
Net loss for the year from continuing operations		(1,237,169)	(1,688,616)
Loss for the year attributable to:			
Non-controlling interest		(37,668)	(95,085)
Owners of the parent		(1,199,501)	(1,593,531)
		(1,237,169)	(1,688,616)

Consolidated Statement of Profit or Loss and Other Comprehensive Income (continued)

for the year ended 30 June 2026

	Note	2026 \$	2025 \$
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss			
Exchange differences as translation of foreign operations		(86,231)	38,687
Total comprehensive income, net of tax		(86,231)	38,687
Loss after income tax for the year attributable to equity holders of the company		(1,323,400)	(1,649,929)
Total comprehensive income for the year attributable to:			
Non-controlling interest		(53,579)	(72,378)
Owners of the parent		(1,269,821)	(1,577,551)
		(1,323,400)	(1,649,929)
Loss per share:			
Basic and diluted (cents per share)	8	(0.227)	(0.544)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

as at 30 June 2026

	Note	2026 \$	2025 \$
<i>Current Assets</i>			
Cash and cash equivalents	17	409,355	1,920,138
Receivables	9	99,835	96,672
Total Current Assets		509,190	2,016,810
<i>Non-Current Assets</i>			
Exploration and evaluation expenditure	10	8,753,306	6,468,052
Property, plant and equipment	11	27,106	16,083
Total Non-Current Assets		8,780,412	6,484,135
Total Assets		9,289,602	8,500,945
<i>Current Liabilities</i>			
Trade and other payables	13	409,065	331,004
Total Current Liabilities		409,065	331,004
Total Liabilities		409,065	331,004
Net Assets		8,880,537	8,169,941
<i>Equity</i>			
Issued capital	14	21,799,652	20,429,209
Reserves	21	1,418,653	1,117,657
Accumulated losses		(14,205,015)	(13,281,840)
Total Equity attributable to owners of the parent		9,013,290	8,265,026
Non-controlling interest		(132,753)	(95,085)
Total Equity		8,880,537	8,169,941

The consolidated statement of financial position is to be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2026

Note	Issued Capital	Share Options Reserve	Performance Rights Reserve	Translation Reserve	Accumulated Losses	Non-controlling Interest	Total
	\$	\$	\$	\$	\$		\$
Balance as at 1 July 2024	17,519,987	661,345	-	(10,411)	(11,771,109)	-	6,399,812
Loss for the year	-	-	-	-	(1,593,531)	(95,085)	(1,688,616)
Other comprehensive income for the year	-	-	-	38,687	-	-	38,687
Total comprehensive income for the year	-	-	-	38,687	(1,593,531)	(95,085)	(1,649,929)
<i>Transactions with owners, directly in equity</i>							
Shares and options issued during the period	14,21.3	3,456,788	305	-	-	-	3,457,093
Issue of options as share-based payments	21.3	-	356,955	-	-	-	356,955
Issue of performance rights as share-based payments	21,22	-	-	153,576	-	-	153,576
Expiry of options	21.3	-	(82,800)	-	82,800	-	-
Share issue costs	14	(547,566)	-	-	-	-	(547,566)
Balance at 30 June 2025	20,429,209	935,805	153,576	28,276	(13,281,840)	(95,085)	8,169,941
Balance as at 1 July 2025	20,429,209	935,805	153,576	28,276	(13,281,840)	(95,085)	8,169,941
Loss for the year	-	-	-	-	(1,199,501)	(37,668)	(1,237,169)
Other comprehensive income for the year	-	-	-	(86,231)	-	-	(86,231)
Total comprehensive income for the year	-	-	-	(86,231)	(1,199,501)	(37,688)	(1,323,400)
<i>Transactions with owners, directly in equity</i>							
Shares and options issued during the period	14,21.3	1,741,196	325,827	-	-	-	2,067,023
Issue of options as share-based payments	21.3	-	198,918	-	-	-	198,918
Expiry of options	21	-	(208,231)	-	208,231	-	-
Expensing of performance rights as share-based payments	21,22,21.5	-	-	184,143	-	-	184,143
Expiry of performance rights	21, 22,21.5	-	-	(113,430)	68,095	-	(45,335)
Share issue costs	14	(370,753)	-	-	-	-	(370,753)
Balance at 30 June 2026	21,799,652	1,252,319	224,289	(57,955)	(14,205,015)	(132,753)	8,880,537

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

for the year ended 30 June 2026

	Note	2026 \$	2025 \$
<i>Cash flows from operating activities</i>			
Option fee received		-	25,000
Interest received		25,971	68,518
Payments to suppliers and employees		(1,181,641)	(1,327,798)
Net cash used in operating activities	17.1	(1,155,670)	(1,234,280)
<i>Cash flows from investing activities</i>			
Payments for exploration and evaluation activities		(1,810,542)	(2,531,134)
Payments for property, plant and equipment		(21,587)	(12,386)
Payments for subsidiary company		-	(74,425)
Payment of security deposit		-	(14,203)
Cash acquired on acquisition of subsidiary		10,826	73,806
Refund of security deposit		-	12,760
Proceeds from sale of exploration assets		50,000	-
Proceeds from sale of property, plant & equipment		-	23,300
Net cash used in investing activities		(1,771,303)	(2,522,282)
<i>Cash flows from financing activities</i>			
Proceeds from issue of shares		1,250,000	3,250,000
Proceeds from issue of options		325,827	305
Payments for share issue costs		(137,081)	(239,683)
Net cash provided by financing activities		1,438,746	3,010,622
Net (decrease) / increase in cash held		(1,488,227)	(745,940)
Cash and cash equivalents at the beginning of the year		1,920,138	2,668,186
Effects of exchange rate changes on cash held in foreign currencies		(22,556)	(2,108)
Cash and cash equivalents at the end of the year	17	409,355	1,920,138

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the Financial Statements

for the year ended 30 June 2026

1. General information

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The financial statements are for the Consolidated Entity (or “Group”) consisting of Desert Metals Limited (“Company”) and the entities it controlled from time to time throughout the year. For the purpose of preparing the consolidated financial statements, Desert Metals Limited (or the “Company”) is a for profit company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange. The addresses of its registered office and principal place of business are disclosed in the corporate directory to the annual report.

A description of the nature of operations and principal activities of the Group is included in the Directors’ Report.

2. Application of new and revised Accounting Standards

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial year.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Accounting Standards that are mandatorily effective for the current reporting year

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2025.

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2026, the directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group’s operations and effective for annual reporting periods beginning on or after 1 July 2025. As a result of this review, the Directors have determined that there is no material impact of any new and revised Standards and Interpretations issued by the AASB.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the year ending 30 June 2026. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted by the Group and therefore no material change is necessary to company accounting policies.

3. Summary of material accounting policies

3.1 Statement of compliance

These financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001 and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Group comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the directors on 30 September 2026.

3.2 Basis of preparation

The financial statements have been prepared on the basis of historical cost, except for certain financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Group takes into account the characteristics of the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2, leasing transactions that are within the scope of AASB 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 2 or value in use in AASB 136.

3.3 Going Concern Basis

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group incurred a loss for the year of \$1,237,169 (2025: \$1,688,616) and net cash outflows from operating and investing activities of \$2,926,973 (2025: \$3,756,562). As at 30 June 2026, the Group's cash and cash equivalents were \$409,355 (2025: \$1,920,138) and it had working capital of \$100,125 (2025: \$1,685,806).

The ability of the Group to continue as a going concern is principally dependent on the Company raising capital and managing working capital requirements in line with available funds. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern.

3. Summary of material accounting policies (continued)

3.3 Going Concern Basis (continued)

The Directors have prepared a cash flow forecast which indicates that the Group will have sufficient cash to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report. The Directors believe it is appropriate to prepare these accounts on a going concern basis because of the following factors:

- the Directors have an appropriate plan to raise additional funds as and when they are required, and
- the Group has the ability to scale down its operations in order to curtail expenditure, in the event that any capital raisings are delayed or insufficient cash is available to meet projected expenditure.

Based on the cashflow forecast and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate, in particular given the Company's history of raising capital to date. The Directors are confident of the Company's ability to raise funds as and when required.

Should the Group not be able to fund its operations in accordance with the factors set out above, there is material uncertainty whether it would be able to continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classifications of liabilities that might be necessary should the Group not be able to continue as a going concern.

3.4 Employee benefits

Short-term and long-term employee benefits

A liability is recognised for benefits accrued to employees in respect of wages and salaries and annual leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to the reporting date.

3. Summary of material accounting policies (continued)

3.5 Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

3.5.1 Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.5.2 Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3.5.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

3. Summary of material accounting policies (continued)

3.6 Exploration and evaluation expenditure

The Group accounts for exploration and evaluation expenditure by applying the following policy.

Exploration and evaluation costs represent intangible assets. Exploration, evaluation and development costs, and acquisition costs related to an area of interest are capitalised in the Statement of Financial Position and carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations in, or in relation to, the areas of interest are continuing.

Capitalised costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

Costs of site restoration are provided for over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for restoration costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed.

3.7 Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value.

Costs include expenditures that are directly attributable to the acquisition of the asset.

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The costs of the day-to-day servicing of plant and equipment are recognised in profit and loss as incurred.

Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period the item is derecognised.

3.8 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3. Summary of material accounting policies (continued)

3.8 Provisions (continued)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.9 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of a financial instrument.

Financial instruments (except for trade receivables) are measured initially at fair value adjusted by transaction costs, except for those carried "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets and financial liabilities are described below.

Trade receivables are initially measured at the transaction price if the receivables do not contain a significant financing component in accordance with AASB 15.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

3.9.1 Financial assets

Financial assets are amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as fair value through profit or loss (FVPL)):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

3. Summary of material accounting policies (continued)

3.9 Financial instruments (continued)

Financial assets at fair value through other comprehensive income (Equity instruments)

The Group measures debt instruments at fair value through Other Comprehensive Income (OCI) if both of the following conditions are met:

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
- the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling the financial asset.

For debt instruments at fair value through OCI, interest income, and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI.

Upon initial recognition, the Group entity can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 Financial Instruments: Presentation and are not held for trading.

Financial assets at fair value through profit or loss (FVPL)

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

3.9.2 Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVPL' or 'other financial liabilities'.

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at FVPL.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value are recognised in profit or loss.

3.9.3 Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by AASB, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

3. Summary of material accounting policies (continued)

3.10 Comparative amounts

When current period balances have been classified differently within current period disclosures when compared to prior periods, comparative disclosures have been restated to ensure consistency of presentation between periods.

3.11 Government Grant

An unconditional government grant is recognised in the statement of profit or loss as other income when the grant becomes receivable. Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the same period in which the expenses are recognised.

Research and development tax incentives are recognised in the statement of profit or loss as other income when received or when the amount to be received can be reliably estimated.

3.12 Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax, except:

- i where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

Impairment of exploration and evaluation expenditure

Exploration and evaluation expenditure is reviewed for impairment if there is any indication that the carrying amount may not be recoverable.

The directors are required to exercise judgement on future events and the likelihood of defining an economic reserve. Assumptions made are altered as exploration and evaluation continues and more information becomes available. Where it is evident that the value of exploration and evaluation expenditure cannot be recovered, the capitalised amount will be impaired through the statement of profit or loss and other comprehensive income.

4. Critical accounting judgements and key sources of estimation uncertainty (continued)

Share-based payments

Fair value is measured by the use of Black-Scholes model. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest.

5. Segment information

The Company operates in the mineral exploration industry. AASB 8 "Operating Segments" states that similar operating segments can be aggregated to form one reportable segment. Also, based on the quantitative thresholds included in AASB 8, there is only one reportable segment, namely the mineral exploration industry. None of the other operating segments currently meet any of the prescribed quantitative thresholds and as such do not have to be reported separately.

The Company has therefore decided to aggregate all its reporting segments into one reportable operating segment.

The revenue and results of this segment are those of the Company as a whole and are set out in the statement of profit and loss and other comprehensive income. The segment assets and liabilities are those of the Company and set out in the statement of financial position.

6. Loss for the year

Loss for the year has been arrived at after charging the following items of expense:

Administration costs:

	2026 \$	2025 \$
Insurance	21,748	26,000
Information technology costs	25,545	28,671
Occupancy costs	25,503	45,028
Travel costs	40,418	51,461
Postage, printing and stationery	6,763	2,843
Admin fees	33,165	38,398
Other	38,633	63,530

Total administration costs

191,775 255,931

Compliance costs:

ASX expenses	39,088	31,269
Share registry expenses	27,351	18,029
ASIC expenses	7,465	6,842
AGM expense	6,740	7,423

Total compliance costs

80,644 63,563

Total administration and other expenses

272,419 319,494

7. Income taxes relating to continuing operations

7.1 Income tax recognised in profit or loss

	2026 \$	2025 \$
Current tax	-	-
Deferred tax	-	-
	-	-

The income tax expense for the year can be reconciled to the accounting loss as follows:

	2026 \$	2025 \$
Loss before tax from continuing operations	(1,237,169)	(1,688,616)
Income tax expense calculated at 25% (2025: 30%)	(309,292)	(506,585)
Effect of expenses that are not deductible in determining taxable loss	74,523	114,709
Effect of deductible capitalised expenditure	(34,369)	(30,933)
Other	20,027	74,796
Effect of unused tax losses not recognised as deferred tax assets	249,111	348,013
	-	-

The tax rate used for the 2026 reconciliation above is the corporate tax rate of 25% (2025: 30%) payable by Australian corporate entities on taxable profits under Australian tax law.

7.2 Unrecognised deferred tax assets

	2026 \$	2025 \$
Unused revenue tax losses for which no deferred tax assets have been recognised at 25% (2025: 30%)	3,733,817	4,154,311

Desert Metals Ltd is considered a base rate entity for income tax purposes for the 2026 income year and is therefore subject to income tax at a rate of 25% (2025: 30%).

Desert Metals Ltd and its wholly owned Australian subsidiaries have Australian carried forward losses of \$14,690,075 (2025: \$13,602,510) as at 30 June 2026.

Desert Metals Ltd and its wholly owned Australian subsidiaries are currently not consolidated for tax purposes. The tax note has been prepared on the basis that Desert Metals Ltd will not be forming a tax consolidated group.

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised. The Group's ability to use losses in the future is subject to the Group satisfying the relevant tax authority's criteria for using these losses.

The deductible temporary differences and tax losses do not expire under current tax legislation. The utilisation of tax losses is dependent on the Group satisfying the continuity of ownership test or the same or similar business test at the time the tax losses are applied against taxable income.

8. Loss per share

	2026 cents	2025 cents
Basic and diluted loss per share	(0.227)	(0.544)

The loss and weighted average number of ordinary shares used in the calculation of the basic and diluted loss per share are as follows:

	2026 \$	2025 \$
Loss for the year attributable to owners of the Company	(1,237,169)	(1,688,616)

	2026 \$	2025 \$
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	545,225,769	310,517,153

9. Trade, other receivables and prepayments

	2026 \$	2025 \$
Trade receivables	31,629	-
Prepayments	34,773	44,764
GST receivable	19,230	37,705
Rent bond	14,203	14,203
	99,835	96,672

At the reporting date, none of the receivables were past due or impaired.

10. Exploration and evaluation expenditure

	2026 \$	2025 \$
Brought forward exploration and evaluation expenditure	6,468,052	3,963,879
Expenditure incurred and capitalised during the year	2,151,080	2,504,173
Acquired	134,174	-
Carried forward exploration and evaluation expenditure	8,753,306	6,468,052

11. Property, plant and equipment

	2026 \$	2025 \$
<i>Carrying amounts of</i>		
Plant and equipment	12,452	-
Computer & office equipment and software	14,654	16,083
	27,106	16,083

	Plant & equipment \$	Computer equipment & software \$	Motor vehicle \$	Total \$
30 June 2026				
Cost or deemed cost				
Balance at 1 July 2025	-	33,164	-	33,164
Additions	14,898	6,689	-	21,587
Disposals	-	-	-	-
FX adjustment	(1,016)	(1,082)	-	(2,098)
Balance at 30 June 2026	13,882	38,771	-	52,653
Depreciation				
Balance at 1 July 2025	-	17,081	-	17,081
Disposals	-	-	-	-
Capitalised depreciation	1,430	3,298	-	4,728
Depreciation for the year	-	3,947	-	3,947
FX adjustment	-	(209)	-	(209)
Balance at 30 June 2026	1,430	24,117	-	25,547

Carrying amounts				
at 1 July 2025	-	16,083	-	16,083
at 30 June 2026	12,452	14,654	-	27,106

	Plant & equipment \$	Computer equipment & software \$	Motor vehicle \$	Total \$
30 June 2025				
Cost or deemed cost				
Balance at 1 July 2024	51,759	64,926	53,919	170,604
Additions	-	12,386	-	12,386
FX adjustment	-	792	-	792
Disposals	(51,759)	(44,940)	(53,919)	(150,618)
Balance at 30 June 2025	-	33,164	-	33,164
Depreciation				
Balance at 1 July 2024	22,969	42,611	19,542	85,122
Disposals	(27,659)	(32,715)	(21,943)	(82,317)
FX adjustment	-	58	-	58
Depreciation for the year	4,690	7,127	2,401	14,218
Balance at 30 June 2025	-	17,081	-	17,081

Carrying amounts				
at 1 July 2024	28,790	22,315	34,377	85,482
at 30 June 2025	-	16,083	-	16,083

12. Commitments for expenditure

	2026 \$	2025 \$
Exploration expenditure on granted tenements		
Not longer than one year	252,396	-
Two to five years	1,367,797	977,597
	1,620,193	977,597

In order to retain the rights of tenure to its granted tenements, the Company is required to meet the minimum statutory expenditure requirements but may reduce these at any time by reducing the size of the tenements. The figures quoted above assume that no new tenements are granted and that only compulsory statutory area reductions are made.

If the Company decides to relinquish certain leases and/or does not meet these obligations, assets recognised in the statement of financial position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out exploration rights to third parties will reduce or extinguish these obligations.

13. Trade and other payables

	2026 \$	2025 \$
Trade and other payables	347,650	259,110
Accrued expenses	61,415	71,894
	409,065	331,004

14. Issued capital

	2026 \$	2025 \$
668,878,801 fully paid ordinary shares (30 June 2025: 442,286,592)	21,799,652	20,429,209

Fully paid ordinary shares	2026		2025	
	No.	\$	No.	\$
Balance at beginning of year	442,286,592	20,429,209	265,425,693	17,519,987
Issue of shares ⁽ⁱ⁾	-	-	2,000,000	47,000
Issue of shares ⁽ⁱⁱ⁾	-	-	58,394,884	1,138,700
Issue of shares ⁽ⁱⁱⁱ⁾	-	-	108,271,783	2,111,300
Issue of shares ^(iv)	-	-	8,194,232	159,788
Issue of shares ^(v)	16,159,517	346,196	-	-
Issue of shares ^(vi)	192,307,692	1,250,000	-	-
Issue of shares ^(vii)	18,125,000	145,000	-	-
Share issue costs	-	(370,753)	-	(547,566)
	668,878,801	21,799,652	442,286,592	20,429,209

14. Issued capital (continued)

- (i) Issue of fully paid ordinary shares as a result of Performance Rights vesting and exercised.
- (ii) Issue of fully paid ordinary shares at \$0.0195 each on 27 February 2025 pursuant to a placement to sophisticated investors in the Company.
- (iii) Issue of fully paid ordinary shares at \$0.0195 each on 16 April 2025 pursuant to a placement to sophisticated investors in the Company.
- (iv) Issue of fully paid ordinary shares at \$0.0195 each on 16 April 2025 as partial consideration for drilling services.
- (v) Issue of fully paid ordinary shares at an average price of \$0.0214 each in August and September 2025 as partial consideration for drilling services.
- (vi) Issue of fully paid ordinary shares at \$0.0065 each in December 2025 and January 2026 pursuant to a placement to sophisticated investors in the Company.
- (vii) Issue of fully paid ordinary shares at a deemed price of \$0.008 each on 3 June 2026 as consideration for the acquisition of 100% of the issued capital of Ivorlinvest Pty Ltd, the Australian holding company that owns two permits in southeastern Côte d'Ivoire through its Ivorian subsidiary, Ivoire Lithium Resources SARL.

Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and on a poll each share is entitled to one vote. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

15. Financial Instruments

15.1 Capital management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital management requires the maintenance of a strong cash balance to support ongoing exploration.

Given the nature of the business, the Company monitors capital on the basis of current business operations and cash flow requirements. There were no changes in the Company's approach to capital management during the year.

15.2 Categories of financial instruments

	2026 \$	2025 \$
Financial assets		
Cash and cash equivalents	409,355	1,920,138
Trade and other receivables (non-interest bearing)	99,835	96,672
	509,190	2,016,810
Financial liabilities		
Trade and other payables (non-interest bearing)	409,065	331,004
Net financial assets	100,125	1,685,806

The carrying value of the above financial instruments approximates their fair values.

15.3 Financial risk management objectives

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of those risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods, unless otherwise stated in this note.

The Board has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Company's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the Company where such impacts may be material. The Board receives monthly financial reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

15.4 Market risk

Market risk for the Company arises from the use of interest bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (see 15.5 below).

15.5 Interest rate risk management

Interest rate risk arises on cash and cash equivalents and receivables from related parties. The Company does not enter into any derivative instruments to mitigate this risk. As this is not considered a significant risk for the Company, no policies are in place to formally mitigate this risk.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's loss for the year ended 30 June 2026 would decrease / increase by \$7,355 (2025: \$16,931).

15.6 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Company. The Company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

15.7 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity by maintaining adequate banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

		Contractual cash flows					
		Carrying amount \$	Less than 1 month \$	1-3 months \$	3-12 months \$	1 year to 5 years \$	Total contractual cash flows
2026	Trade and other payables	409,065	407,349	1,716	-	-	409,065
2025	Trade and other payables	331,004	329,288	1,716	-	-	331,004

16. Key management personnel

Any person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company, are considered key management personnel.

The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

	2026 \$	2025 \$
Financial assets		
Short-term employee benefits	430,700	419,221
Post-employment benefits	9,000	8,792
Share-based payment	99,128	132,582
	538,828	560,595

Detailed remuneration disclosures are provided in the remuneration report.

Short-term employee benefits

These amounts include fees paid to non-executive and executive directors and also include fees paid to entities controlled by the directors. The compensation of each member of the key management personnel of the Company is set out in the remuneration report.

Other Transactions with Key Management Personnel

A number of Key Management Personnel, or their related parties, held positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities. Transactions between related parties are on normal commercial terms and conditions unless otherwise stated.

- During the year ending 30 June 2026, Oxford Capital Partners, a legal firm of which Mr Stephen Ross is a director and has a beneficial interest in was paid for office space and supporting office equipment by the Group of \$25,704 (2025: 21,342). An amount of \$1,650 was payable at balance date.
- During the year ending 30 June 2026, Corporate Consultants Pty Ltd, a firm of which Mr Patrick Flint is a director and unitholder was paid for accounting and company secretarial services by the Group of \$134,570 (2025: \$121,832). An amount of Nil was payable at balance date.

17. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2026 \$	2025 \$
Cash and bank balances	409,355	1,920,138

17.1 Reconciliation of loss for the year to net cash flows from operating activities

	2026 \$	2025 \$
Cash flow from operating activities		
Loss for the year	(1,237,169)	(1,688,616)
Adjustments for:		
Depreciation	3,947	14,218
Share based payments	138,808	249,648
Loss on sale of fixed assets	-	45,000
Foreign exchange movements	(61,786)	40,062
Movements in working capital		
Increase in trade, other receivables and prepayments	(23,708)	(45,040)
Decrease / (increase) in trade and other payables	24,238	150,448
Net cash outflow from operating activities	(1,155,670)	(1,234,280)

Non-cash financing activities

During August and September 2025, the Company issued 16,159,517 fully paid ordinary shares at a deemed average price of \$0.0214 each as partial consideration for drilling services. On 9 June 2026, the Company issued 18,125,000 fully paid ordinary shares at a deemed price of \$0.008 each with a fair value of \$145,000 to purchase 100% of the issued capital of Ivorlinvest Pty Ltd the Australian holding company that owns two permits in southeastern Cote d'Ivoire. There were no other non-cash financing or investing activities during the year.

18. Contingent liabilities and contingent assets

In FY 2025 Desert Metals assigned the joint venture rights to MetalsGrove Limited for the Vavoua, Vavoua West and Kounahiri West projects.

Desert Metals is entitled to the following deferred consideration:

1. A\$50,000 cash upon the grant of either the Vavoua West or Kounahiri West licence (whichever is granted first);
2. 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
3. 1% net smelter royalty regarding production from the three gold projects capped at the greater of A\$3 million or the royalty amount in respect of the first 125,000 ounces of gold production

The directors are not aware of any other contingencies at balance date.

19. Remuneration of auditors

	2026 \$	2025 \$
Audit and review of financial reports	36,949	41,085

The auditor of the Company is Hall Chadwick WA Audit Pty Ltd.

20. Events after the reporting period

There were no material events subsequent to the balance date and up until the authorisation of the financial statements for issue.

21. Reserves

	2026 \$	2025 \$
Share Options Reserve – refer 21.1 to 21.4	1,252,319	935,805
Performance Rights Reserve – refer to 21.5	224,289	153,576
Translation Reserve – refer 21.6	(57,955)	28,276
Total	1,418,653	1,117,657

21.1 Share Options Reserve

The share option reserve represents amounts received in consideration for the issue of options to subscribe for ordinary shares in the Company and the value of options issued to third parties for services rendered.

21.2 Options on issue at reporting date

The following options were on issue at the reporting date:

Options	Number	Grant date	Grant date Fair value \$	Exercise Price \$	Expiry Date	Vesting date
DM1OPT7	1,250,000	16 Nov 2023	0.0196	0.1500	16 Nov 2026	16 Nov 2023
DM1OPT8	7,500,000	19 Jan 2024	0.0306	0.0600	31 Dec 2026	19 Jan 2024
DM1OPT10	5,000,000	22 Jan 2024	0.0231	0.0625	22 Jan 2027	22 Jan 2024
DM1OPT11	26,500,000	16 Apr 2025	0.0116	0.0350	16 Apr 2028	16 Apr 2025
DM1OPT12	4,000,000	16 Apr 2025	0.0123	0.0350	16 Apr 2028	16 Apr 2025
DM1OPT13	45,000,000	27 Jan 2026	0.0044	0.0130	30 Jun 2027	27 Jan 2026
DM1OPT14	177,746,685	6 May 2026	0.0000	0.0150	31 Dec 2027	6 May 2026
DM1OPT15	147,630,337	13 May 2026	0.0000	0.0150	31 Dec 2027	13 May 2026

The fair value of the equity-settled share options granted is estimated as at the date of grant using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

	Series DM1OPT7	Series DM1OPT8	Series DM1OPT10	Series DM1OPT11	Series DM1OPT12	Series DM1OPT13	Series DM1OPT14	Series DM1OPT15
Dividend yield (%)	-	-	-	-	-	-	-	-
Expected volatility (%)	121.70%	126.50%	126.49%	110.51%	105.92%	111.33%	-	-
Risk-free interest rate (%)	4.23%	3.87%	3.84%	3.38%	3.25%	4.21%	-	-
Expected life of options (years)	3	2.95	3	3	2.85	1.42	-	-
Exercise price (cents)	0.1500	0.0600	0.0625	0.0350	0.0350	0.013	-	-
Grant date share price (cents)	0.051	0.044	0.035	0.020	0.022	0.010	-	-

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

21.3 Options granted during the year

Unlisted options	2026		2025	
	No.	\$	No.	\$
Balance at beginning of year	103,167,308	935,805	77,558,216	661,345
Issue of options ⁽ⁱ⁾	-	-	26,500,000	308,148
Issue of options ⁽ⁱⁱ⁾	-	-	4,000,000	49,112
Issue of options ⁽ⁱⁱⁱ⁾	45,000,000	199,368	-	-
Lapsed during the year	(58,917,308)	(208,231)	(4,890,908)	(82,800)
	89,250,000	926,942	103,167,308	935,805

Listed options	2026		2025	
	No.	\$	No.	\$
Balance at beginning of year	-	-	-	-
Issue of options ^(iv)	177,746,685	177,747	-	-
Issue of options ^(v)	147,630,337	147,630	-	-
	325,377,022	325,377	103,167,308	935,805

The following options were granted during the year ended 30 June 2026 and 30 June 2025:

- (i) This represents the value attributed to 26,500,000 unlisted options exercisable at \$0.035 expiring 16 April 2028 (\$307,883) subscribed for at \$0.0001 by the lead manager for total proceeds of \$265 as a partial fee for raising equity.
- (ii) This represents the value attributed to 4,000,000 unlisted options exercisable at \$0.035 expiring 16 April 2028 subscribed for at \$0.0001 for total proceeds of \$40 as consideration for corporate advisory services.
- (iii) This represents the value attributed to 45,000,000 unlisted options exercisable at \$0.013 expiring 20 June 2027 subscribed for at \$0.0001 by the Lead Manager for total proceeds of \$450 as a partial fee for raising equity.
- (iv) This represents the value attributable to 177,746,685 listed options exercisable at \$0.015 expiring 31 December 2027 subscribed for at \$0.001 by existing eligible shareholders as part of an Entitlement Offer.
- (v) This represents the value attributable to 147,630,337 listed options exercisable at \$0.015 expiring 31 December 2027 placed with investors introduced by the Underwriter of the Entitlement Offer at \$0.001 to cover the shortfall of the Entitlement Offer.

21.4 Share options exercised during the year

No share options were exercised during the year (2025: Nil).

21.5 Performance Rights Reserve

Performance rights in the capital of the Company have been granted as follows:

Performance Rights	2026		2025	
	No.	\$	No.	\$
Balance at beginning of year	22,500,000	153,576	-	-
Issue of performance rights - directors ⁽ⁱ⁾	-	-	17,500,000	132,582
Issue of performance rights - employees and consultants and expensed during the year ⁽ⁱⁱ⁾	-	184,143	7,000,000	67,994
Vested during the year ⁽ⁱⁱⁱ⁾	-	-	(2,000,000)	(47,000)
Lapsed during the year	(5,150,000)	(113,430)	-	-
	17,350,000	224,289	22,500,000	153,576

- (i) In November 2024, the Company issued a total of 17.5 million performance rights with an expiry date of 28 November 2028 as part of the remuneration packages of the Board, pursuant to shareholder approval received on 28 November 2024.
- (ii) In November 2024, the Company issued a total of 7 million performance rights under the Performance Rights plan with an expiry date of 28 November 2028 as part of the remuneration packages of consultants. This represents the amount charged to the profit and loss during the year related to unvested performance rights.
- (iii) In FY2025 2,000,000 Performance Rights vested as the relevant performance condition was satisfied, and as a result 2,000,000 ordinary fully paid shares were issued to Mr Stephen Ross (Managing Director, 1,000,000 Shares) and to Mr Richard Tomlinson (Group Exploration Manager, 1,000,000 Shares).

21.6 Translation Reserve

The translation reserve is used to record exchange differences from the translation of the financial statements of foreign operations.

	2026	2025
	\$	\$
Opening balance	28,276	(10,411)
Currency translation differences arising during the year	(86,231)	38,687
Total	(57,955)	28,276

22. Share-based payments

Options and performance rights granted during the year detailed in Note 21.3 and Note 21.5 as Share-based Payments are as follows:

	2026	2025
	\$	\$
Total share-based payments for the year	337,726	557,531
Share-based payments recognised as capital raising costs	(198,918)	(307,883)
Share-based payments expense	138,808	249,648

Movement in share-based payment arrangements during the year

a) A summary of the movements of all Company options issued as share-based payments is as follows:

	2026		2025	
	No.	Weighted average exercise price	No.	Weighted average exercise price
Balance at beginning of year	18,975,000	0.0829	19,865,908	0.1213
Granted	-	-	4,000,000	0.035
Exercised ⁽ⁱ⁾	-	-	-	-
Expired	(1,225,000)	0.3949	(4,890,908)	0.5164
	17,750,000	0.0614	18,975,000	0.0829
<i>Reconciliation to total Company options not expensed to profit and loss</i>				
Balance at beginning of year	84,192,308		57,692,308	
Share-based payments options granted during the year	-		26,500,000	
Non-share-based payments options granted during the year - listed	325,377,022			
Non-share-based payments options granted during the year - unlisted	45,000,000			
Share-based payment options expired	(57,692,308)		-	
Total Company options on issue	414,627,022		103,167,308	

- (i) No share-based payment options were exercised during the year.
- (ii) The weighted average remaining contractual life of share-based payment options outstanding at year end was 0.82 years (2025: 0.86 years)
- (iii) The fair value of the options granted to directors and employees is deemed to represent the value of the employee services received over the vesting period.
- b) A summary of the movements of all Company performance rights issued as share-based payments is as follows:

	No.
Balance at beginning of year	22,500,000
Granted	-
Exercised	-
Expired	(5,150,000)
Total Company performance rights on issue	17,350,000

23. Asset acquisition

During the year ended 30 June 2026, the Company completed the acquisition of 100% of the issued capital of Ivorlinvest Pty Ltd (Ivorlinvest).

The acquisition of Ivorlinvest has been accounted for as an asset acquisition. The acquisition does not meet the definition of a business combination in accordance with AASB 3 Business Combinations (as Ivorlinvest has been determined for accounting purposes not to be a business). As such, the acquisition has been accounted for as a share-based payment transaction in accordance with AASB 2 Share-based Payment.

The assets acquired at the date of the acquisition and share-based payments are outlined as follows:

	2026 \$
Purchase consideration	
Shares issued for Ivorlinvest shares	145,000
Total purchase consideration	145,000
Fair value of assets and liabilities acquired	
Cash and cash equivalents	10,826
Other assets	-
Liabilities	-
	10,826
Excess consideration allocated to exploration and evaluation expenditure	134,174
Net assets acquired	145,000

24. Desert Metals Ltd parent entity information

a) Balance Sheet

	2026 \$	2025 \$
Assets		
Current assets	336,082	1,745,487
Non-current assets	8,652,311	6,498,288
Total Assets	8,988,393	8,243,775
Liabilities		
Current liabilities	107,856	73,834
Total Liabilities	107,856	73,834
Net Assets	8,880,537	8,169,941
Equity		
Issued capital	24,117,483	22,376,287
Share issue costs	(2,317,831)	(1,947,078)
	21,799,652	20,429,209
Reserves	1,476,608	1,089,381
Accumulated losses	(14,395,723)	(13,348,649)
Total Equity	8,880,537	8,169,941

24. Desert Metals Ltd parent entity information (continued)

b) Interest in Subsidiaries

Company name	Country of incorporation	Percentage owned (%)	
		2026	2025
Parent Entity			
Desert Metals Limited	Australia		
Subsidiaries*			
CDI Resources Pty Ltd	Australia	100	100
CDI Minerals Pty Ltd	Australia	100	100
Smart Mineral Explorer SARL ⁽ⁱ⁾	Côte d'Ivoire	80	51
Savana Minerals SARL	Côte d'Ivoire	100	100
Leo Resources SARL	Côte d'Ivoire	80	-
Adzope Gold SARL	Côte d'Ivoire	80	-
Mocha Gold SARLU	Côte d'Ivoire	100	-
Samson GOLD SARLU	Côte d'Ivoire	100	-
CDI Lithium Pty Ltd	Australia	100	100
Ivorlinvest Pty Ltd ⁽ⁱⁱ⁾	Australia	100	-
Ivoire Lithium Resources SARL	Côte d'Ivoire	100	-

- (i) During the year the Company reached the expenditure requirements to increase its ownership interest to 80% however the administrative detail of new shares being issued to CDI Minerals Pty Ltd has not yet occurred.
- (ii) Refer to Note 23 for details of the acquisition of the subsidiaries during the year ended 30 June 2026.

25. Approval of financial statements

The financial statements were approved by the Board of directors and authorised for issue on 30 September 2026.

Additional Securities Exchange Information

as at 25 September 2026

Ordinary share capital – DM1

668,878,801 fully paid ordinary shares are held by 1,028 shareholders.

Distribution of holdings

Category (size of holding)	Number of Ordinary Shares	Number of Holders	% Holding
1 - 1,000	31,896	68	0.00
1,001 - 5,000	489,192	174	0.07
5,001 - 10,000	866,470	108	0.13
10,001 - 100,000	12,140,879	279	1.82
100,001 and over	655,350,364	399	97.98
	668,878,801	1,028	100%
Holders with an unmarketable parcel		584	

Each ordinary share is entitled to vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

There are no current on-market buy-back arrangements for the Company.

Substantial Holders

An extract of the Company's register of substantial shareholders is set out below.

Shareholder	Number of Shares
Jason Peterson	34,890,386
Easy Drill SARL	29,738,364

Listed Options – DM10

325,377,022 options exercisable at \$0.015, expiring 31 December 2027 are held by 192 option holders.

Distribution of holdings

Category (size of holding)	Number of Listed Options	Number of Holders	% Holding
1 - 1,000	3,338	9	0.00
1,001 - 5,000	28,411	9	0.01
5,001 - 10,000	15,000	2	0.00
10,001 - 100,000	1,851,635	35	0.57
100,001 and over	323,478,638	137	99.42
	325,377,022	192	100%

The Listed options of the Company do not have any voting rights attaching.

Options

The unlisted options of the Company summarised below do not have any voting rights attaching.

- 1,250,000 unlisted \$0.15 options expiring 16 November 2026 are held by 1 holder.

The holder is Diversified Asset Holdings Pty Ltd.

- 7,500,000 unlisted \$0.06 options expiring 31 December 2026 are held by 16 holders.

Distribution of holdings

Category (size of holding)	Number of Unlisted Options	Number of Holders	% Holding
1 - 1,000	-	-	0.00
1,001 - 5,000	-	-	0.00
5,001 - 10,000	-	-	0.00
10,001 - 100,000	478,100	11	6.37
100,001 and over	7,021,900	5	93.63
	7,500,000	16	100%

As required under listing rule under ASX listing rule 4.10.16, two optionholders hold over 20% of this class of options. The holders are:

- Celtic Capital Pty Ltd <INCOME A/C>
- CPS Capital No 5 Pty Ltd

- 5,000,000 unlisted \$0.0625 options expiring 22 January 2027 are held by 1 holder.

The holder is Roman Resource Management Pty Ltd.

- 30,500,000 unlisted \$0.035 options expiring 16 April 2028 are held by 13 holders.

Distribution of holdings

Category (size of holding)	Number of Unlisted Options	Number of Holders	% Holding
1 - 1,000	-	-	0.00
1,001 - 5,000	-	-	0.00
5,001 - 10,000	-	-	0.00
10,001 - 100,000	227,769	4	0.75
100,001 and over	30,272,231	9	99.25
	30,500,000	13	100%

As required under listing rule under ASX listing rule 4.10.16, two optionholders hold over 20% of this class of options. The holders are:

- Celtic Capital Pty Ltd <INCOME A/C>
- Zenix Nominees Pty Ltd

1. 45,000,000 unlisted \$0.013 options expiring 30 June 2027 are held by 11 holders.

Distribution of holdings

Category (size of holding)	Number of Unlisted Options	Number of Holders	% Holding
1 - 1,000	-	-	0.00
1,001 - 5,000	-	-	0.00
5,001 - 10,000	-	-	0.00
10,001 - 100,000	-	-	0.00
100,001 and over	45,000,000	11	100.00
	45,000,000	11	100%

As required under listing rule under ASX listing rule 4.10.16, one optionholder holds over 20% of this class of options. The holder is Celtic Finance Corp Pty Ltd <INCOME A/C>

Twenty (20) largest shareholders – fully paid shares

#	Name	Number of Shares Held	% of Issued Capital
1	EASY DRILLING SARL	29,738,364	4.45%
2	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	28,205,996	4.22%
3	MR PHILLIP RICHARD PERRY	24,500,001	3.66%
4	CELTIC CAPITAL PTE LTD <INVESTMENT 1 A/C>	18,909,022	2.83%
5	CITICORP NOMINEES PTY LIMITED	17,291,412	2.59%
6	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	15,981,364	2.39%
7	YARRAANDOO PTY LTD <YARRAANDOO SUPER FUND A/C>	15,000,000	2.24%
8	CRC MINERALS PTY LTD	15,000,000	2.24%
9	MULTIPLE RESOURCES PTY LTD	13,000,000	1.94%
10	MR DIARRA YACOUBA	11,725,000	1.75%
11	MRS BINTANG MARISI HASUGIAN	10,738,565	1.61%
12	MR FLYNN FEFE HUANG	10,000,000	1.50%
13	MR MOHAMED NIARE	9,650,000	1.44%
14	RED DOG FUND PTY LTD <ARCHIBALD FUND A/C>	9,326,923	1.39%
15	ROMAN RESOURCE MANAGEMENT PTY LTD	8,964,103	1.34%
16	ONE MANAGED INVESTMENT FUNDS LIMITED <TI GROWTH A/C>	8,907,693	1.33%
17	MR CAIGEN WANG	7,884,615	1.18%
18	CHELSEA LANE CAPITAL PTY LTD <PLACEMENTS A/C>	7,781,305	1.16%
19	LADYMAN SUPER PTY LTD <LADYMANSUPERFUND A/C>	7,341,200	1.10%
20	TOLTEC HOLDINGS PTY LTD <NO 2 A/C>	6,595,151	0.99%
		276,540,714	41.35%

Twenty (20) largest option holders – Listed Options – DM10

#	Name	Number of Options Held	% of Issued Capital
1	CELTIC FINANCE CORP PTY LTD	35,052,222	10.77%
2	MR CAIGEN WANG	33,942,308	10.43%
3	PLUTUS VENTURES PTY LTD	15,406,747	4.74%
4	EASY DRILLING SARL	14,869,182	4.57%
5	MR PHILLIP RICHARD PERRY	12,250,001	3.76%
6	CELTIC CAPITAL PTE LTD <INVESTMENT 1 A/C>	10,000,000	3.07%
7	CELTIC CAPITAL PTY LTD <CELTIC CAPITAL NO 2 A/C>	10,000,000	3.07%
8	MR SHANE TIMOTHY BALL <THE BALL A/C>	10,000,000	3.07%
9	MULTIPLE RESOURCES PTY LTD	6,500,000	2.00%
10	NYSHA INVESTMENTS PTY LTD <SANGHAVI FAMILY A/C>	6,261,647	1.92%
11	MRS BINTANG MARISI HASUGIAN	5,184,844	1.59%
12	GOFFACAN PTY LTD	5,000,000	1.54%
13	REEVE VENTURES PTY LTD <THE VEGA A/C>	5,000,000	1.54%
14	MALAHIDE MANAGEMENT PTY LTD	5,000,000	1.54%
15	LA PAZ RESOURCES PTY LTD <TWO EIGHT FEB 20 FAMILY A/C>	5,000,000	1.54%
16	RED DOG FUND PTY LTD <ARCHIBALD FUND A/C>	4,663,462	1.43%
17	ROMAN RESOURCE MANAGEMENT PTY LTD	4,482,052	1.38%
18	ONE MANAGED INVESTMENT FUNDS LIMITED <TI GROWTH A/C>	4,453,847	1.37%
19	CHAMPAGNE CAPITAL PTY LTD <OYSTER SUPER FUND A/C>	4,269,231	1.31%
20	660 PARTNERS PTY LTD	3,999,997	1.23%
		201,335,540	61.87%

Schedule of Tenements

Schedule of tenements held at the date of this report

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 0170DMICM26/01/23	Agboville	Exploration	Granted	100%	Ivoire Lithium Resources SARL
		Exploration	Application	100%	

* 100% owned subsidiary CDI Minerals Pty Ltd is earning an interest in all Côte d'Ivoire licenses through various joint venture agreements with the holder of the licenses. See **ASX Announcement 4 December 2023** for earn-in agreement details.



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