

8 December 2025

Drilling Preparations Underway at Scotty Lithium Project, Nevada

Key Highlights

- Desert Minerals is advancing drill preparations for the Scotty Lithium Project in Nevada's premier lithium district, commencing systematic exploration drilling in the near term and progressing towards a maiden mineral resource estimate.
- The Scotty Lithium Project features a JORC (2012) Exploration Target of 460–837 million tonnes at 1,145–1,175 ppm lithium, located in Nevada's premier lithium basin ⁽¹⁾.
- Located adjacent to Nevada Lithium's Bonnie Claire Project, one of North America's largest lithium resources, the Scotty Lithium Project is shallow and highly prospective for near-surface lithium mineralisation, offering the potential for early success with conventional mining methods and efficient exploration capital.
- Scotty offers substantial upside, with robust drill targets defined by extensive soil geochemistry, magnetotelluric surveys, and encouraging initial drilling outcomes.
- The Scotty Project remains open for expansion. Recent drilling has delivered thick, high-grade lithium intercepts, including:
 - 124.97m @ 1,237 ppm Li (SC23-003)
 - 82.3m @ 1,106 ppm Li (SC23-002)
 - 117.35m @ 813 ppm Li (SC23-001)
- Desert Minerals is well-funded, having recently raised \$5.0 million, in a fully subscribed IPO, to advance both the Scotty Lithium and Mt Monger projects ⁽²⁾.

Desert Minerals Limited ("Desert Minerals" or "the Company") is pleased to announce it is advancing drill preparations for the Scotty Lithium Project in Nevada's premier lithium district, commencing systematic exploration drilling in the near term and progressing towards a maiden mineral resource estimate. The Scotty Lithium Project features an initial JORC (2012) Exploration Target of 460–837 million tonnes at 1,145–1,175 ppm lithium ⁽¹⁾, located in Nevada's premier lithium basin. Located adjacent to Nevada Lithium's Bonnie Claire Project, one of North America's largest lithium resources, the Scotty Lithium Project is shallow and highly prospective for near-surface lithium mineralisation, offering the potential for early success with conventional mining methods and efficient exploration capital. Scotty offers substantial upside, with robust drill targets defined by extensive soil geochemistry, magnetotelluric surveys, and encouraging initial drilling outcomes.

Investors are cautioned that the potential quantity and grade of the Exploration Target are conceptual in nature and there has been insufficient exploration drilling conducted to estimate a Mineral Resource. At this stage, it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Together, these datasets have highlighted multiple high-priority lithium zones and provide a strong foundation for the next phase of exploration. The Scotty Project remains open for expansion. Recent drilling has delivered thick, high-grade lithium intercepts, including 124.97m at 1,237 ppm Li (SC23-003), 82.3m at 1,106 ppm Li (SC23-002), and 117.35m at 813 ppm Li (SC23-001)⁽¹⁾. Desert Minerals is well-funded, having recently raised \$5.0 million in a fully subscribed IPO to advance both the Scotty Lithium and Mt Monger projects.

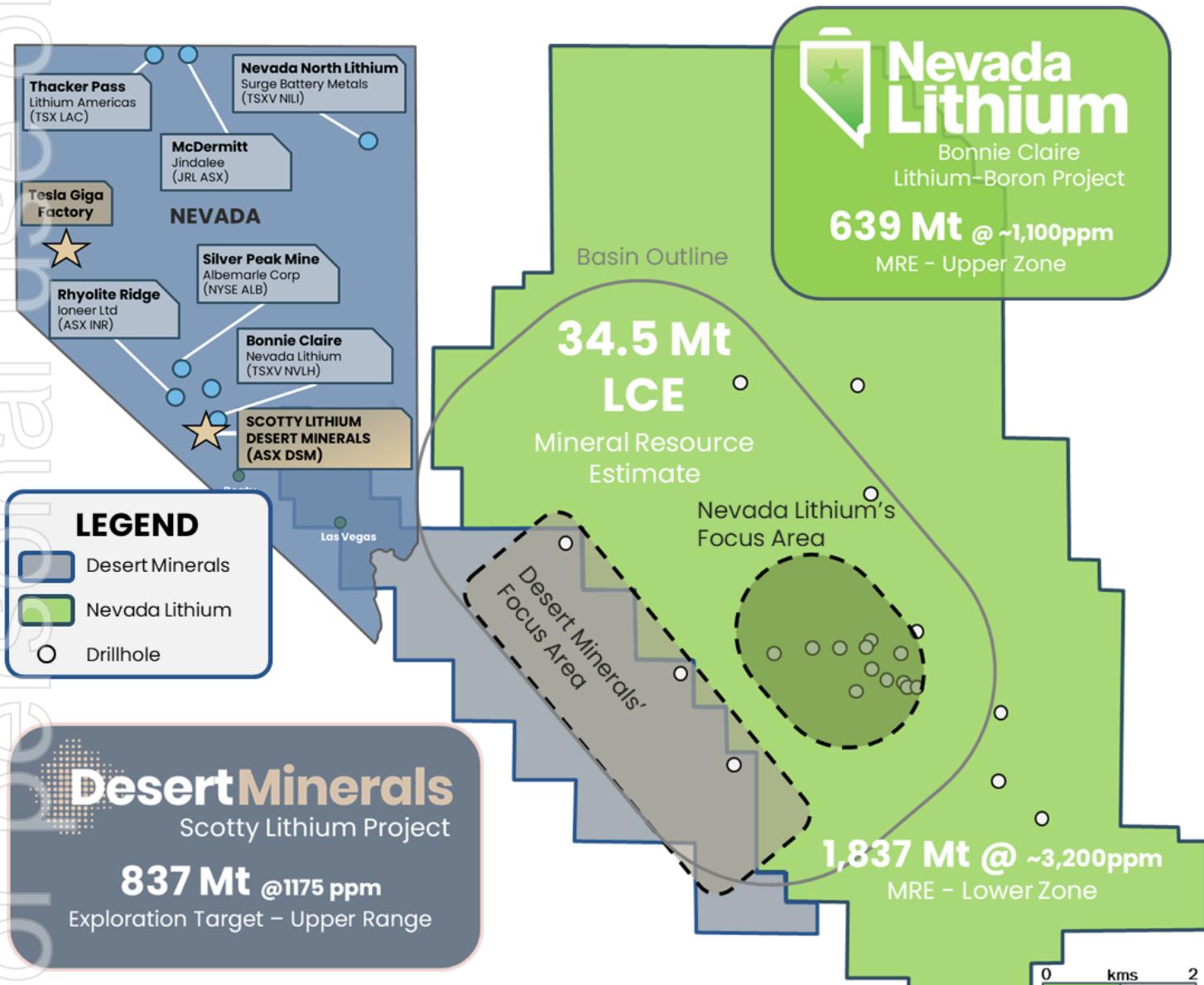


Image 1: Overview of Desert Minerals' Scotty projects, showing Scotty' focus area⁽¹⁾.

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Desert Minerals' Executive Chairman, Mr. Peretz Shapiro, commented:

It's especially rewarding to see the Scotty Lithium Project coming back to life after a period of dormancy. Breathing new energy into this asset, with a team as passionate and skilled as ours, is a real privilege. We've assembled a group with deep technical and market expertise, and a proven track record in advancing exploration projects. The scale and prospectivity of Scotty—set in Nevada's premier lithium district and already delivering outstanding early results—give us genuine confidence in our ability to create value for shareholders. With strong funding and a clear strategy, we're ready to accelerate exploration and unlock the full potential of both our lithium and gold portfolio.

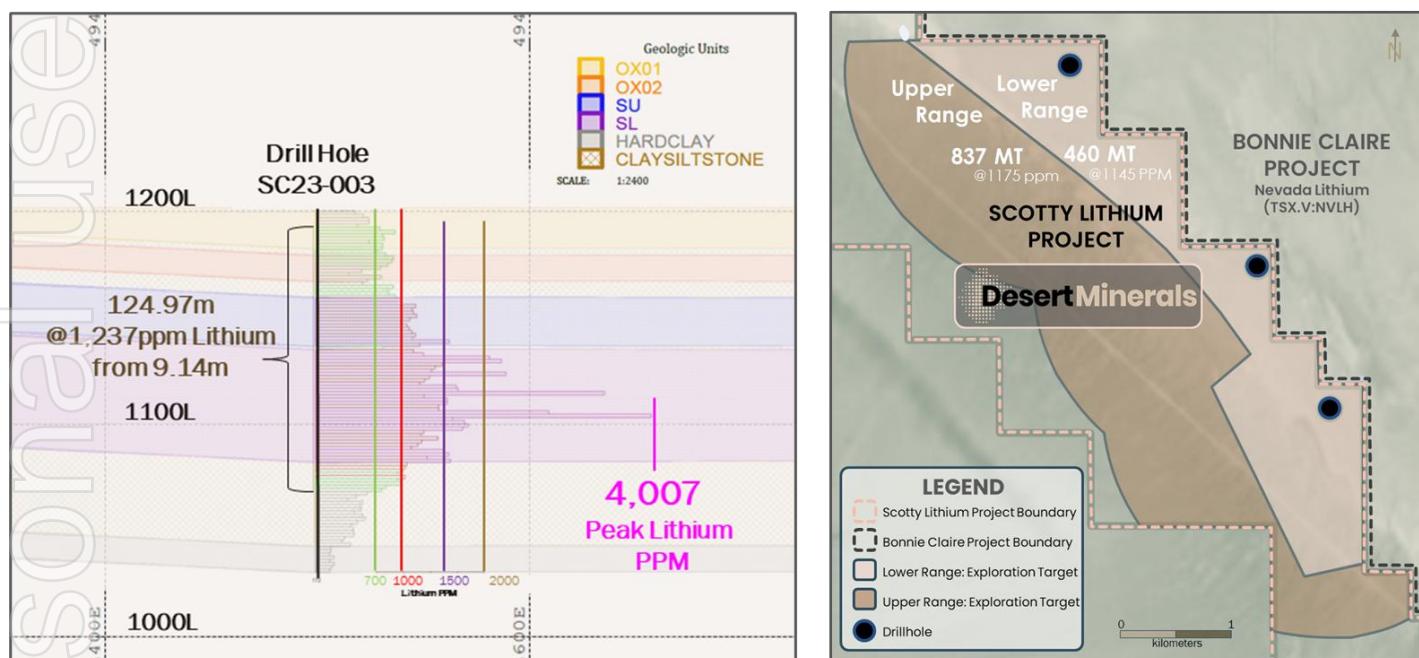


Image 2: Desert Minerals' Scotty Lithium Project Exploration Target location and cross section of drillhole SC23-003⁽¹⁾.

Next Steps for Scotty Lithium Project:

Desert Minerals is focused on advancing systematic exploration at the Scotty Lithium Project, with drill permitting now well underway. The Company's immediate priority is to secure approvals for a comprehensive drill programme targeting high-priority lithium zones defined by recent soil geochemistry, magnetotelluric surveys, and initial drilling success. Planned activities include further ground surveys and geophysical work to refine targets, as well as step-out and infill drilling designed to test the continuity and scale of mineralisation across the basin. This disciplined approach aims to unlock further value from Scotty, with the goal of progressing towards a maiden Mineral Resource estimate and delivering new discoveries in this highly prospective district.

With robust funding, an experienced team, and a portfolio spanning proven gold and critical minerals jurisdictions, Desert Minerals is well placed to deliver on its exploration strategy. The Company remains committed to systematic, value-driven exploration and looks forward to updating shareholders as drilling and permitting milestones are achieved at Scotty and across its broader portfolio.

About Desert Minerals

Desert Minerals Limited (ASX: DSM) is a well-structured resource exploration company focused on projects in Tier 1 mining jurisdictions across Australia and North America. Through systematic, technology-driven exploration, the Company is committed to advancing its gold and lithium assets—including the Mt Monger Gold Project in Western Australia and the Scotty Lithium Project in Nevada, USA—with the aim of growing and delineating JORC-compliant resources and delivering value for shareholders.

Streamlined Competent Persons Statement

This report contains information extracted from previous ASX releases which are referenced in the report. The Company is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented have not been materially modified from the original market announcement. The original market announcements are listed in the section "List of References" in this announcement.

Authorised for release by the Board of Desert Minerals Limited

List of References:

1. LLM Announcement 21 August 2025 – Lodgement of Prospectus
2. DSM Announcement 17 October 2025 – Pre-Quotation Disclosure

Compliance Statements

The Exploration Target for the Scotty Lithium Project was first reported in the Company's prospectus dated 21 August 2025 and released to ASX on 17 October 2025 (**Prospectus**). The Company confirms that it is not aware of any new information or data that materially affects the information relating to the estimate included in the Prospectus and that all material assumptions and technical parameters underpinning the estimate in the Prospectus continue to apply and have not materially changed. Refer to the Prospectus for full details of the individual grades for all metals included in the metal equivalents calculations, assumed commodity prices, assumed metallurgical recoveries, the Company's opinion on the reasonable potential of the elements in the metal equivalents calculation being recovered and sold and the calculation formula used.

The Exploration Results for the Scotty Lithium Project were first reported in the Company's Prospectus dated 21 August 2025 and released to ASX on 17 October 2025. The Company confirms that it is not aware of any new information or data that materially affects the information relating to the exploration results included in the Prospectus.

Competent Person's Statement

The Exploration Target for the Scotty Lithium Project was first reported in the Company's Prospectus dated 21 August 2025 and released to ASX on 17 October 2025. The information in this announcement that relates to the Exploration Target for the Scotty Lithium Project is based on, and fairly reflects, information compiled by Mr Jacob Anderson a Competent Person who is a member of the Australasian

Institute of Mining and Metallurgy (**AusIMM**) and the American Institute of Professional Geologists. Mr Jacob Anderson is an employee of Dahrouge Geological Consulting USA Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**JORC Code**). Mr Jacob Anderson consents to the inclusion of the matters based on his information in the form and context in which it appears in this Announcement.

Disclaimer and Forward-Looking Statements

This Announcement contains forward-looking statements which are identified by words such as 'believes', 'estimates', 'expects', 'targets', 'intends', 'may', 'will', 'would', 'could', or 'should' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements. The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Announcement, except where required by law. The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.