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TSX-V: DSR July 20, 2016

For Immediate Release

Desert Star Announces Warrant Extensions and Warrant Listing

Vancouver, B.C., July 20, 2016. Desert Star Resources Ltd. (TSX-V: DSR) ("Desert Star" or the "Company") announces that it has extended the terms of certain share purchase warrants exercisable at $0.25 (the "Warrants") and has applied for listing of the Warrants on the TSX Venture Exchange ("TSXV") as a supplemental listing. A total of 22,749,905 Warrants are exercisable until June 5, 2017 (the "Expiry Date"), each exercisable into one common share of the Company at an exercise price of $0.25 per common share. These Warrants represent share purchase warrants previously issued by the Company under private placements and the Company's 2015 amalgamation. All Warrants were extended to the same Expiry Date to facilitate the listing. The Warrants are issued under a warrant indenture with Computershare Trust Company of Canada (which has been filed on SEDAR). The Warrants bear CUSIP number 25044W120.

The Warrants will be listed under the symbol "DSR.WT" and are expected to commence trading on July 21, 2016.

The Company is also extending 8,208,333 share purchase warrants exercisable at $0.15. These warrants had an expiry date of February 25, 2017 and the Company is extending them to October 25, 2017, subject to TSXV approval.

About Desert Star

Desert Star is a Vancouver-based mineral exploration company focused on the identification, acquisition and development of copper and gold projects located in top-tier mineral belts in the southwestern United States that contain significant historical production, existing mining infrastructure and an established mining culture.

Vince Sorace
President and CEO, Desert Star Resources Ltd.

For further information regarding Desert Star, please email info@desertstar.ca or visit our website at www.desertstar.ca.

Cautionary Note Regarding Forward-Looking Statements

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains certain statements that may be deemed "forward-looking statements". Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although Desert Star believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, are subject *to risks and uncertainties, and actual results or realities may differ materially from those in the forward-looking statements. Such material risks and uncertainties include, but are not limited to, Desert Star's ability to raise sufficient capital to fund its obligations under its property option agreements, to maintain its mineral tenures and concessions in good standing, to explore and develop its projects, to repay its debt and for general working capital purposes; changes in economic conditions or financial markets; the ability of Desert Star to obtain the necessary permits and consents required to explore, drill and develop the projects and if obtained, to obtain such permits and consents in a timely fashion relative to Desert Star's plans and business objectives for the projects; the general ability of Desert Star to drill test its projects and find mineral resources; if any mineral resources are discovered or acquired, the Company's ability to monetize any such mineral resources; and changes in environmental and other laws or regulations that could have an impact on the Company's operations. Forward-looking statements are based on the reasonable beliefs, estimates and opinions of Desert Star's management on the date the statements are made. Except as required by law, Desert Star undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.*