

ASX RELEASE 18 DECEMBER 2020

ASX RELEASE:
18 December 2020

ASX CODE: DM1

BOARD:
Mr Mark Stewart
Chairman

Dr Robert Stuart
Managing Director

Mr Tony Worth
Director

HEAD OFFICE
Level 2, 41-43 Ord St.
West Perth WA 6005

Phone:
+61 8 6458 4200

Email:
admin@desertmetals.com.au

Website:
www.desertmetals.com.au



DESERT METALS LTD COMMENCES TRADING ON ASX - HIGH PRIORITY NICKEL SULPHIDE TARGETS TO BE TESTED IN Q1 2021

- Desert Metals to commence trading under ticker code DM1 following oversubscribed \$5 million IPO
- Strong conductors in ultramafic rocks at Irridia Hill and Innouendy prospects to be drill tested in Q1 2021
 - Department of Mines Programme of Work approval granted
 - Heritage clearance received at Irridia Hill
 - State Government Exploration Incentive Scheme (EIS) grant received to co-fund drilling - \$150,000
- 2,800 line kilometre Airborne Electromagnetic (EM) survey to commence in January 2021
- Large ~1,665km² tenement package in the Narryer terrain on edge of Yilgarn Craton, prospective for Ni-Cu sulphide and gold mineralization

Desert Metals Limited ("Desert" or the "Company") is pleased to announce that it will commence trading on the ASX on Friday 18 December 2020 under the ticker code "DM1". Desert Metals is exploring for intrusive hosted nickel and copper on the north-west margin of the Yilgarn craton in Western Australia. The Company's oversubscribed IPO raised \$5 million at \$0.20 per share and Desert's market capitalisation is \$11 million at the IPO Price.

Exploration Strategy

The Company's immediate focus is to drill test its two most advanced prospects at Innouendy and Irridia, where several high conductance EM anomalies have been identified. In parallel to this Desert has commissioned an extensive airborne EM survey with the expectation that this survey will generate additional targets.

All of the necessary approvals for drilling at Irridia Hill have been received, with heritage clearance negotiations underway for drilling at Innouendy. The drilling costs will be partly covered by a \$150,000 EIS grant from the State Government.

ASX RELEASE 18 DECEMBER 2020

A large EM survey is scheduled to commence in January 2021, Which will cover the prospective area between Irrida and Innouendy, as well as a large section of the craton margin covered by Desert's tenements (Figure 1).

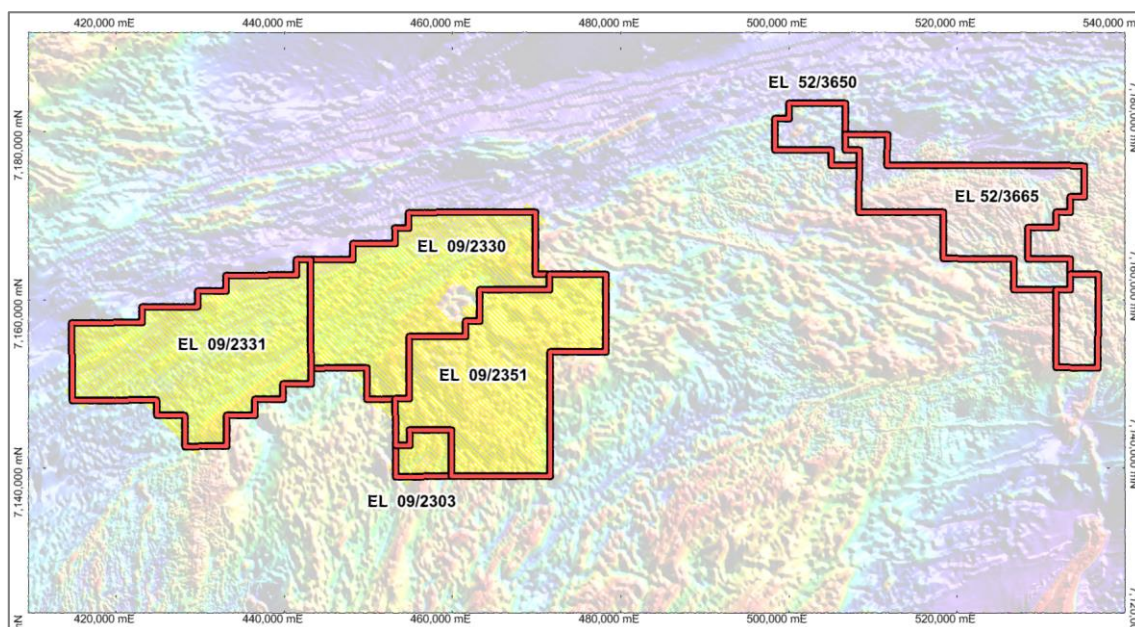


Figure 1. EM Survey Coverage in Yellow

For more information a presentation can be downloaded from the company website www.desertmetals.com.au

Authorised by the Board of Desert Metals Limited

Rob Stuart

Managing Director

Phone: +61 (8) 6458 4200

Tony Worth

Director

Phone: +61 (8) 6458 4200

Competent Person Statement

The information in this announcement is based on, and fairly represents, information and supporting documentation prepared by Mr Tony Worth, a competent person who is a member of the Australasian Institute of Mining and Metallurgy. Mr Worth 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 Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Worth is a related party of the Company, being a Director, and holds securities in the Company. Mr Worth has consented to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. The information in this announcement was first released by the Company in its IPO prospectus dated 18 December 2020, and released on the ASX market announcements platform on 18 December 2020 (Prospectus). The Company confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus.