



DRILLING UNDERWAY AT SPECTRUM

Diamond drilling has commenced at the Spectrum REE-Au-Cu Project

HIGHLIGHTS

- Maiden Diamond Drilling (DD) has commenced at the Spectrum REE-Au-Cu Project, with all pads now completed for the initial program, located in the Pine Creek Region of the Northern Territory.
- Spectrum is fully drill permitted¹ for a 20-hole Reverse Circulation (RC) and DD drill program.
- Drilling will target:
 - Vesper EM prospect: four (4) large, shallow untested EM and magnetic anomalies with supporting 8km-long copper MMI anomaly.
 - Quantum: Historic REE Discovery: 50m @ 1.55% TREO, incl. 12m @ 4.51% TREO (TDD8)².



Figure 1 – Drilling underway at the Spectrum REE-Au-Cu Project, location in the Northern Territory.

Commenting on the drill start at Spectrum, MD Chris Swallow: *“The Company is excited to be drilling at Spectrum, with multiple drill targets comprising both the geophysical targets at Vesper which are supported by an 8km-long copper MMI soil anomaly and the historic REE discovery at Quantum. DeSoto is now drilling on two continents concurrently, with drilling ongoing at the Company’s Siguri Basin gold projects in Guinea and in the Northern Territory, all supported by its experienced Board, responsible for some of the most exciting mineral discoveries in West Africa.”*

¹DeSoto’s drilling program is fully permitted, including all Native Title and Environmental clearances.

²See DES ASX Announcement: Acquisition of High-Grade Rare Earths Project in the NT (29th May 2024)

Next Steps

- Drill pads have been completed ahead of the maiden drilling program at the Spectrum Cu-Au- REE Project.
- Spectrum is fully permitted for a 20-hole RC and Diamond Drill DD program, with drilling to continue through the entirety of the 2025 exploration season.
- 550m Diamond Drill (DD) hole completed at Fenton South is being transported to the lab for assay.
- The Company will continue to keep market updated on drilling and assay progress.

For further information visit our website at Desotoresources.com or contact:

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DeSoto Resources Limited (ASX:DES or 'Company') is pleased to advise that DD drilling has commenced at its Spectrum Project, located approximately 150km south of Darwin, and 50 km west of Pine Creek (Figure 2) in the Northern Territory.

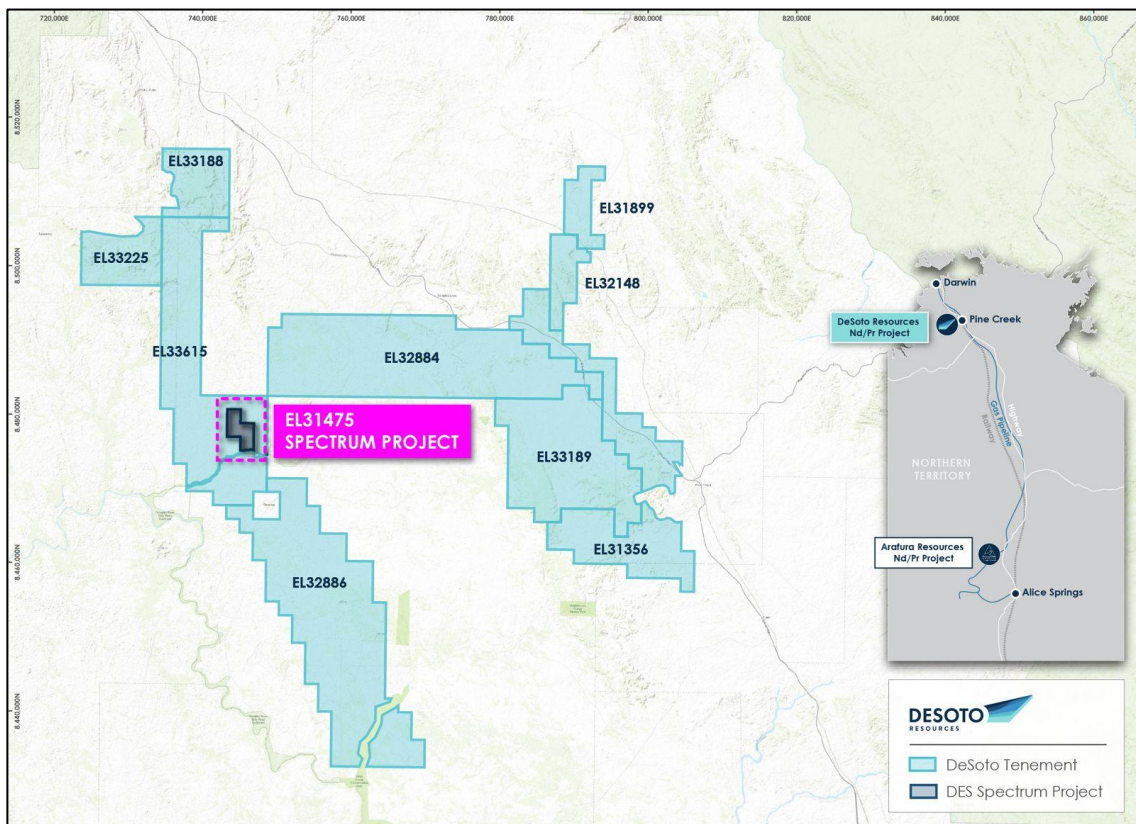


Figure 2 – DeSoto's Northern Territory Project Portfolio.

Spectrum Background

The Spectrum Project (EL31475) is strategically located within DeSoto's existing Fenton tenement position. Notably, this expansion integrates seamlessly with the Company's ongoing exploration efforts, leveraging significant anomalies identified in previous exploration conducted by DeSoto.

Originally identified by DeSoto from its SkyTEM survey flown in late 2023, the Spectrum Project contains the Vesper target, a 2km-long by 0.5km-wide EM anomaly located approximately 1.5km to the southwest of the Quantum REE-Au discovery.

DeSoto has employed gravity and aeromagnetic gradients ("worms") to guide the Company's undercover interpretation, integrated with the mapping of key faults and structures. Longer faults typically have deeper roots and can be more mineralised or provide pathways for mineralising fluids to focus along. Hence, a proxy for deep faults is the inferred strike length. The Company's analysis highlights long NNW-SSE trending structures along the structural grain of the basement and a series of intersecting NE-SW faults (Figure 3).

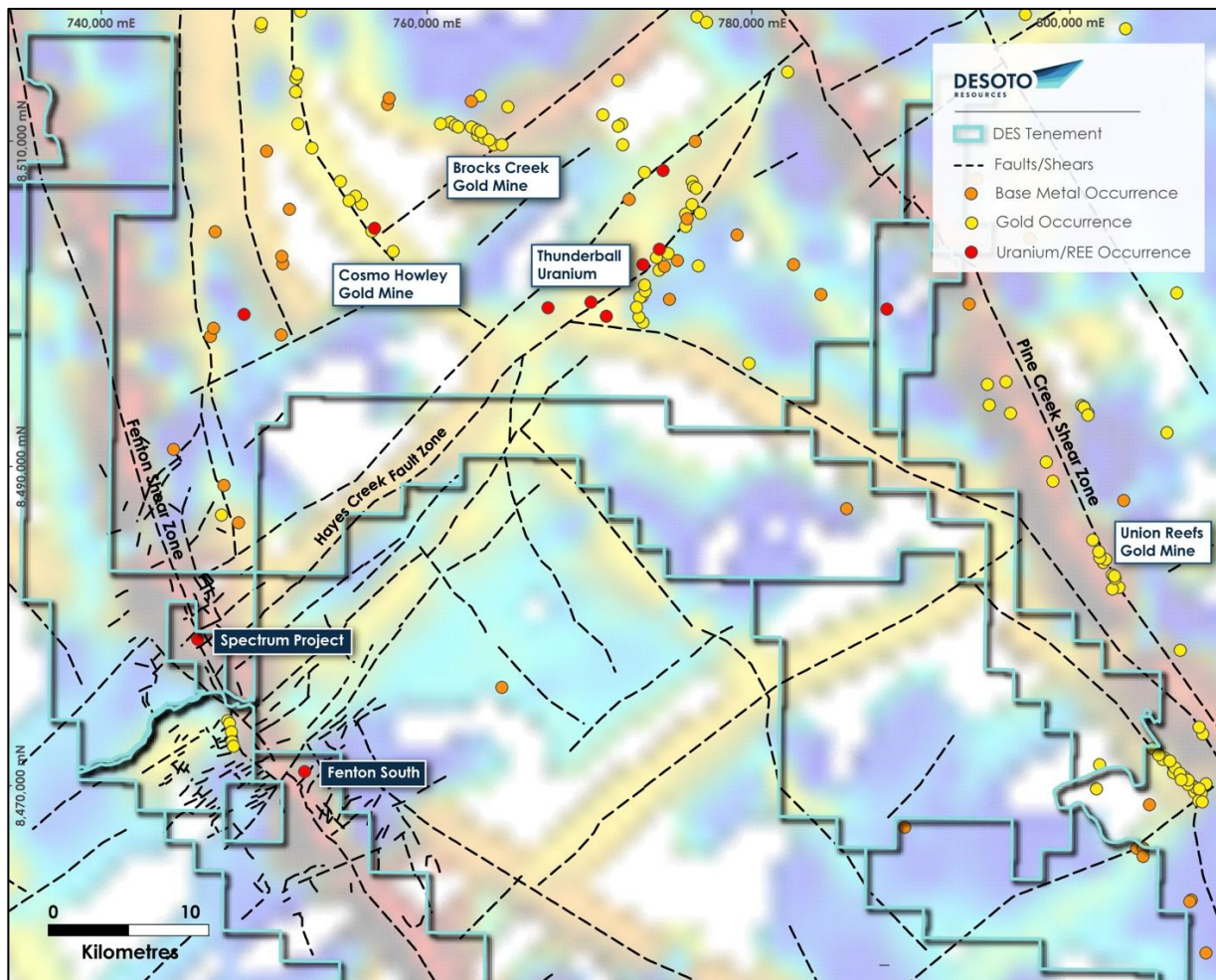


Figure 3 - Regional structural setting of the Spectrum Project at the intersection of the Fenton Shear Zone and the Hayes Creek Fault Zone and locations of known gold, base metal and uranium+/-REE mineralisation. The underlying colour image is of interpreted fault length (longer faults shown as warmer colours). This highlights long and by inference deep structures. The fault length image is derived from integrated interpretation of magnetic, gravity and mapped fault data sets.

The Fenton Shear Zone (FSZ) is a major feature along the western edge of the Pine Creek inlier. In addition, the NE-SW trending cross-cutting structures control the emplacement of Cullen Suite granitoids and can localise Uranium and Gold occurrences, such as along the Hayes Creek Fault (HCF) zone.

The structural, geochemical and geophysical setting of the Spectrum Project has been assessed to develop a mineralisation model and better understand the potential of the project. There is strong evidence that the Quantum REE-Au mineralisation and the Vesper EM anomaly are part of the same, complex mineralisation system that is associated with intersection of the Fenton Shear Zone (FSZ) and the Hayes Creek Fault (HCF) system.

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This release is authorised by the Board of Directors of DeSoto Resources Limited.

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COMPETENT PERSONS STATEMENT

The information in this report that relates to exploration results is based on and fairly represents information and supporting documentation prepared by Mr Nick Payne.

Mr Payne is an employee of the company, is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Payne consents to the inclusion in this report of the matters based on this information in the form and context in which they appear.