

FENTON AEM SURVEY UNDERWAY

DeSoto Resources Limited (ASX:DES or 'Company') is pleased to report that an Airborne Electro-Magnetic (AEM) Survey has commenced at the Fenton Gold Project, located in the Northern Territory (Fig.1).

HIGHLIGHTS

- Geophysical contractor SkyTEM Australia appointed to complete ~830-line km of AEM over the gold-endowed Fenton Shear Zone corridor.
- High resolution AEM and Magnetic survey is 26km-long by 8km wide and will infill an existing regional scale (1.5-5km-line spaced) Rum Jungle TEMPEST survey at 200m-line spacings.
- The results of this survey will help constrain depth to top of basement and map conductive responses within the gold-prospective Paleoproterozoic Pine Creek basement.
- The survey is being co-funded under an exploration grant for Innovative Targeting under the Resourcing the Territory initiative, with the NT Government co-contributing \$96,283 towards the survey.
- Three diamond core holes have recently been drilled at the Fenton Gold Project for 1,897m. Assay results are pending.



Figure 1 - Fenton Gold Project, SkyTEM AEM survey underway.

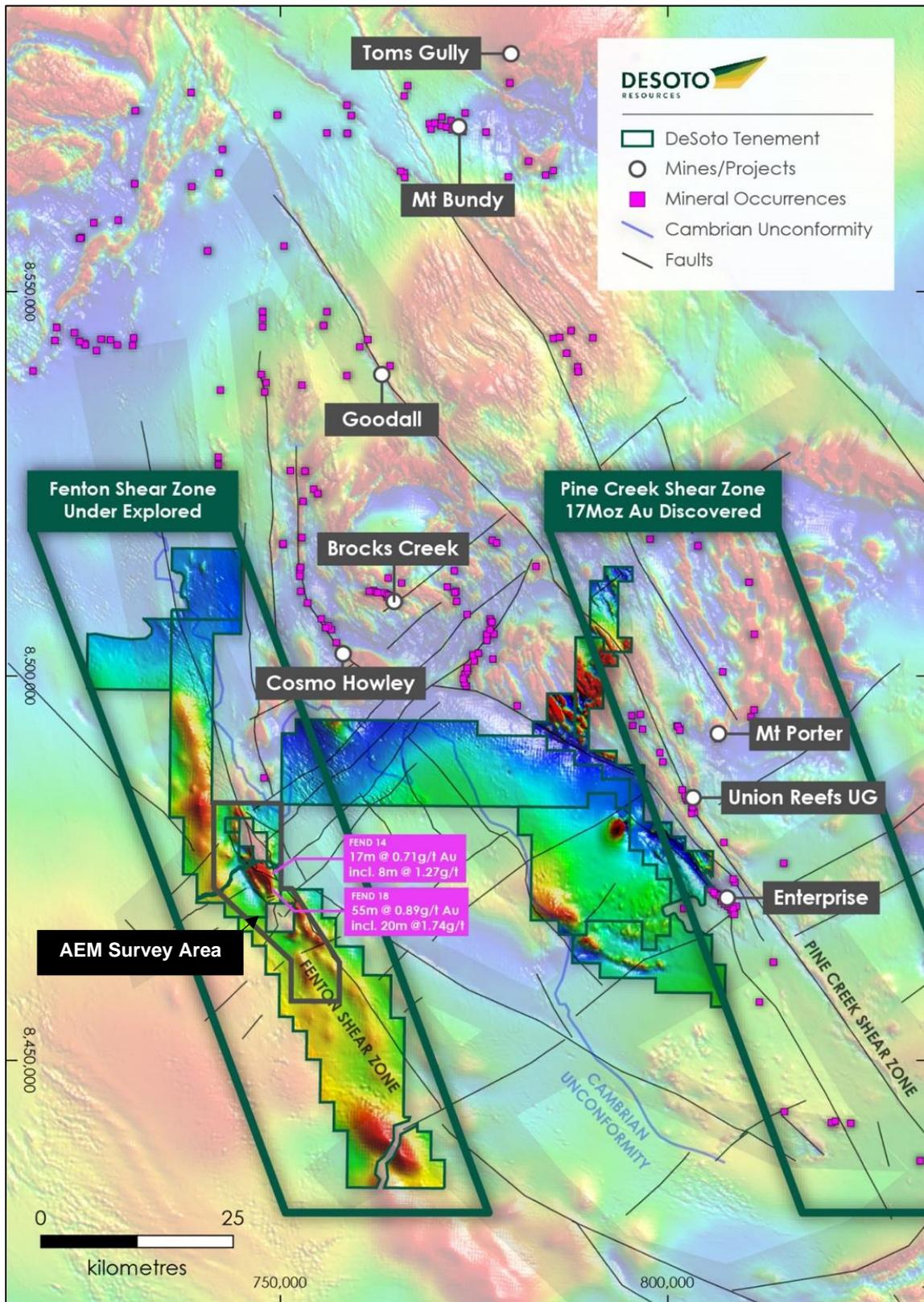


Figure 2 - Fenton Shear Zone, host to the Fenton Gold Project parallel to the 17Moz Pine Creek Shear Zone, AEM Survey shown in black.

ABOUT FENTON GOLD PROJECT

The Fenton Gold Project is an under-cover, structurally complex Palaeoproterozoic gold target zone that extends for over 20km along strike by 4km across strike on the western edge of the Pine Creek inlier. It is covered by 50-200m of Cambrian limestones and mudstones of the Daly Basin.

A major structure, called the Fenton Shear Zone (FSZ), is interpreted from regional geophysics (gravity and magnetics) along the eastern edge of the Fenton anticlinorium. It is comparable in scale to the Pine Creek Shear Zone (Fig. 2) through the central part of the Pine Creek Orogen which hosts significant gold resources.

Observations on historic drillcore by Homestake Mining Company (Homestake) demonstrate the correlation of elevated gold intervals with intensely sheared pyrrhotite-rich zones. Deformation has produced a strong foliation in the sulphide enriched rocks and was likely a focus for fluid flow and gold mineralisation.

The deformed zones in Homestake's FEND18 and FEND14 drill holes are located towards the end of hole and are interpreted as a continuous shear zone (FSZ). This structure is correlated with high magnetic susceptibility in core and a strong aeromagnetic gradient is detected along the eastern edge of the folded stratigraphy.

The potential ore zones are predicted to have a high conductivity response to Electrical Magnetic surveys and a high resistivity/chargeability response to an Induced Polarisation (IP) geophysical survey.

The Company is acquiring a high resolution AEM survey over the FSZ corridor. This has two specific objectives- to map the depth to basement interface and to map the conductivity response in the basement. The program is designed as an infill (on 200m line spacing) to the existing regional scale Rum Jungle TEMPEST survey (1.5km and 5 km spaced lines; Fig. 3).

Re-processing of selected lines from the regional survey demonstrate the ability of AEM to map each of these responses in an undercover environment. It is anticipated that the infill AEM survey will significantly increase the geological understanding of an underexplored, highly prospective margin to the Pine Creek Orogen.

These geophysical techniques are expected assist the Company more effectively targeting the prospective FSZ under cover.

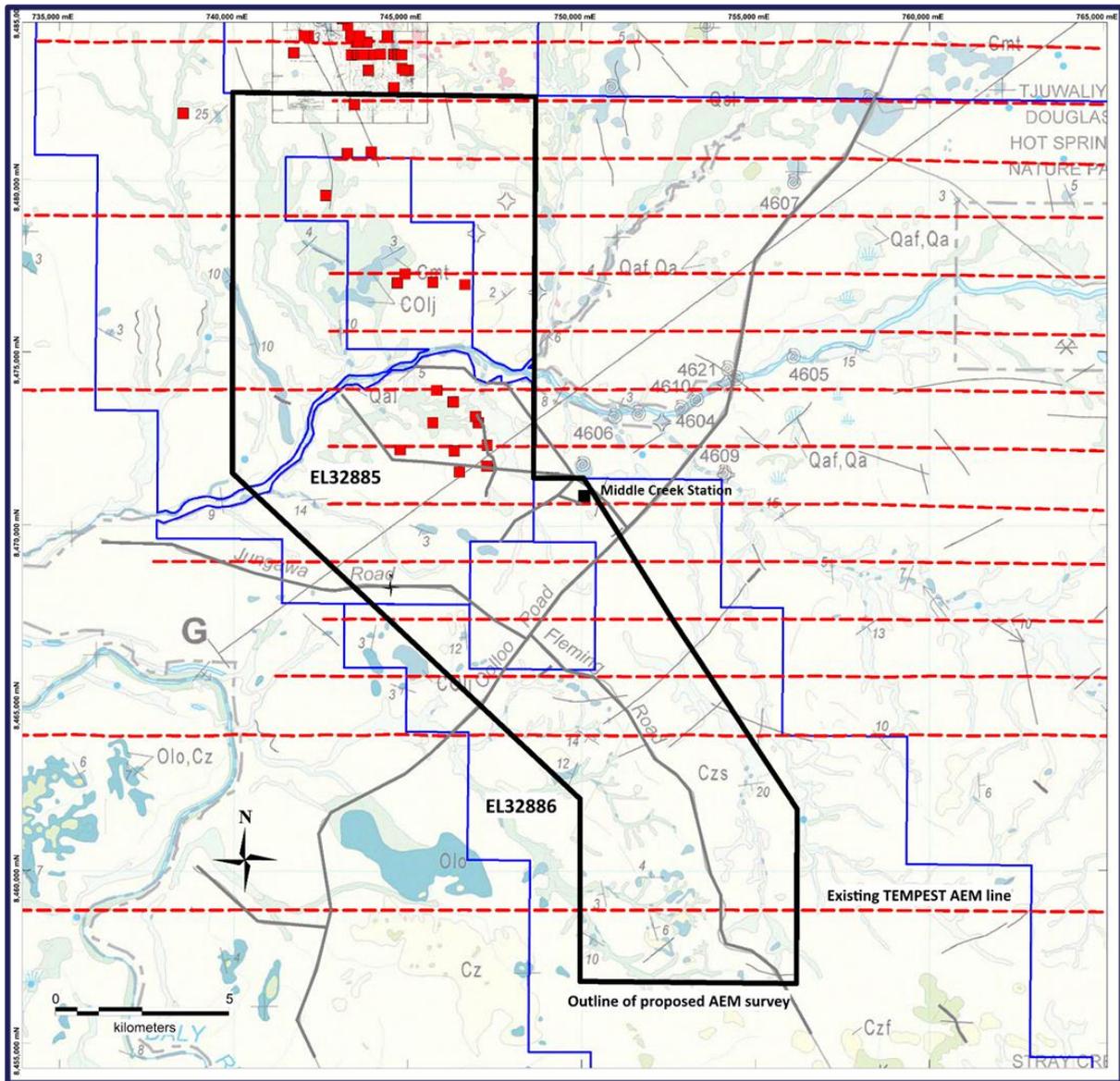


Figure 3. Location of Fenton AEM survey on 1:250K Pine Creek geology showing proposed AEM survey (black rectangle), existing Rum Jungle TEMPEST lines (red dashed lines), historic drilling (red dots) and company tenure (blue lines).

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

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

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ABOUT DES AND PROJECTS

DeSoto is a gold and battery-metal exploration Company with a 1,893km² landholding located in the Northern Territory's prolific Pine Creek gold and pegmatite province. The Company's immediate focus is the ongoing exploration of these exciting assets with an experienced Board that uses a distinctive exploration method and capability which sets us apart from our peers.

With strong mineral-finding capability and a systematic geophysics and geochemical approach to gold exploration, DeSoto is well positioned to make new mineral discoveries. The Company has already identified important indicators of lithium potential in our Northern Territory projects, including pegmatites in some historical core and known tin occurrences.

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 Ms Bianca Manzi. Ms Manzi 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. Ms Manzi consents to the inclusion in this report of the matters based on this information in the form and context in which they appear.

COMPLIANCE STATEMENT

DeSoto advises that it is not aware of any new information or data that materially affects the previous exploration results or mineral resource estimate contained in this announcement and all material assumptions and technical parameters underpinning the mineral resource estimate continue to apply and have not materially changed.