

DRILLING APPROVALS RECEIVED FOR SPECTRUM REE-AU-CU PROJECT

HIGHLIGHTS

- Environmental (Mining) Licence drilling approval granted for Spectrum REE-Au-Cu Project (EL31475).
- Drilling is fully permitted for a 20-hole program planned to commence as soon as the wet season allows in H1 2025 (Fig.1-2).
- Spectrum has no environmental concerns or Native Title determinations and is located within Tipperary Pastoral Station, a working cattle property for which the Company has an access agreement to conduct exploration activities.
- During 2024, the Company completed:
 - Extensive ground gravity and IP geophysical programs across Spectrum and the wider Fenton Shear Zone area including Fenton South, with the program identifying high priority drill targets at Vesper and Quantum¹.
 - Geochemical soil sampling at Spectrum confirmed and outlined an 8km-long copper-in-soil anomaly.
- 2025 drilling will target:
 - Vesper: 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.
- DES awarded \$68,000 in co-funding from the Northern Territory's Resourcing the Territory Round 17 grant, to drill one deep exploration hole at Vesper.

Ongoing Exploration and target generation work

- During the 2023 drill season, DES drilled 72m @ 0.43g/t Au, incl. 5m @ 1.02g/t Au (FMD0004)³ at Fenton North ~4.5km south of the Spectrum Project. Both prospects are located on the highly prospective and underexplored Fenton Shear Zone.
- Re-assaying of the Company's 2023 drill core from Fenton North is underway, targeting REE's and base-metals to investigate the potential that Fenton North and Spectrum are part of the same mineralised system.

¹See DES ASX Announcement: High Priority Geophysical Targets Identified for Immediate Drill Testing (13th September 2024)

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

³See DES ASX Announcement: Drilling and geophysics confirm scale of Fenton gold mineralised system (29th January 2024)

- As part of the Northern Territory Geological Survey (NTGS) Pine Creek regional ground gravity survey which covers the DES licences, the Company has contracted the NTGS to infill areas along the Fenton Shear Zone as well as the eastern Pine Creek licences at 1000m x 1000m, and 500m x 500m in specific areas.
- While the survey is not yet complete, the Fenton Shear Zone preliminary data has just been released and will now be merged with DES's 2024 detailed ground gravity survey⁴ and processed.

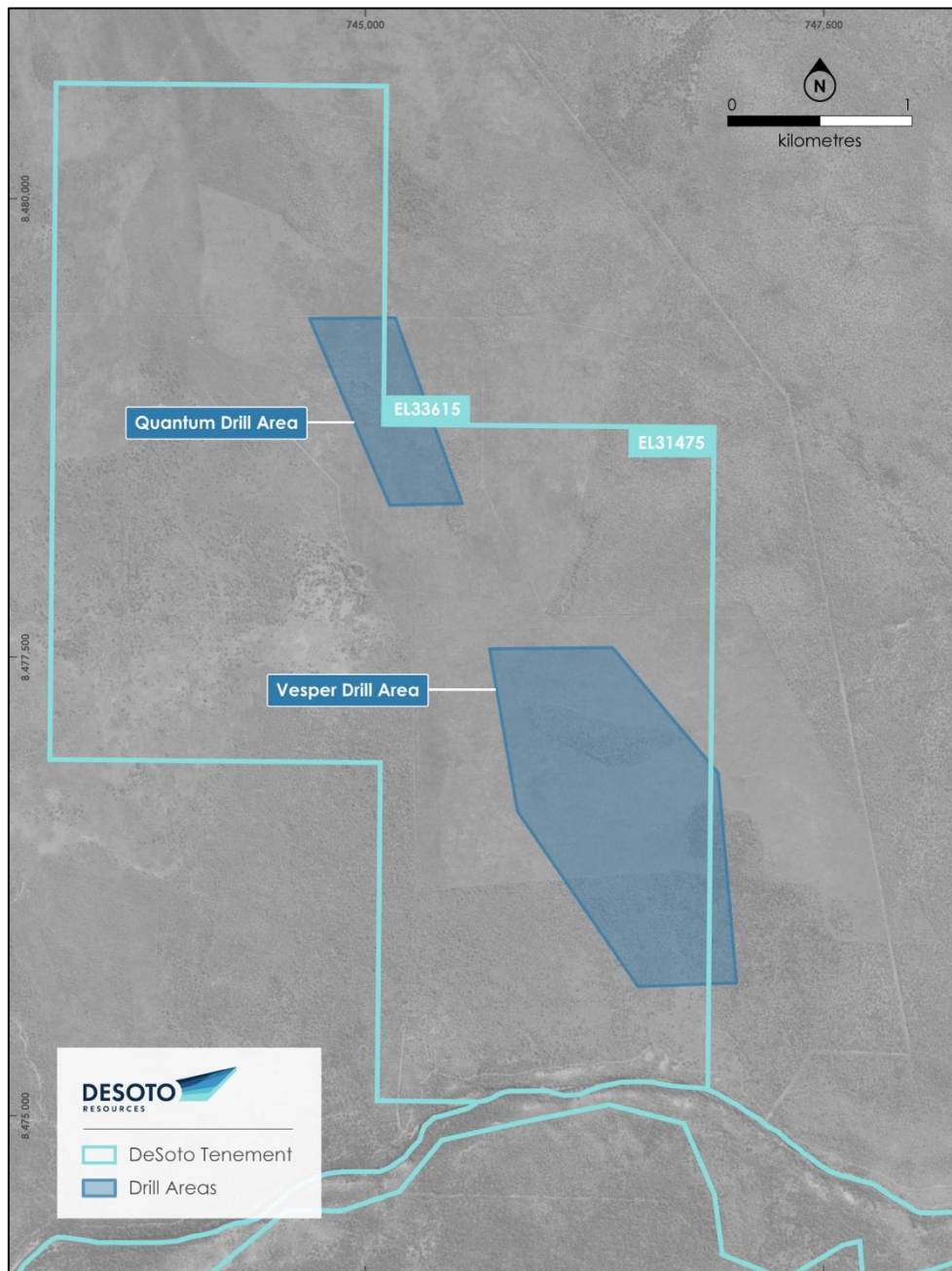


Figure 1 – DeSoto 2025 approved drill activity areas.

⁴See DES ASX Announcement: Compelling Gravity Targets Generated At Spectrum and Fenton South (1st August 2024)

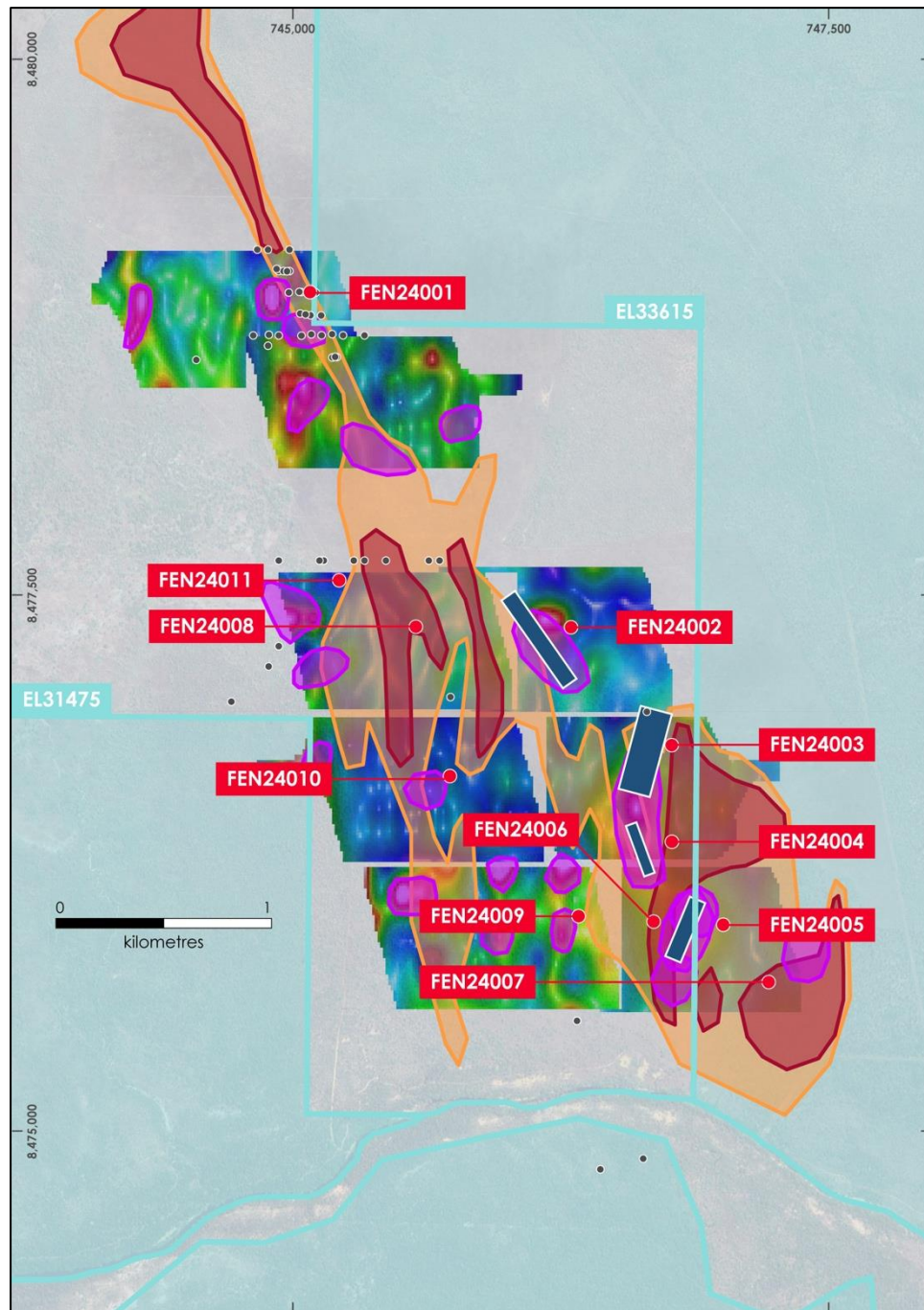


Figure 2 – Spectrum high priority drill targets on FLEM channel images with EM conductor plates and Cu MMI contours.

DeSoto Resources Limited (ASX:DES or 'Company') is pleased to announce that it has received drilling approval for the Spectrum Project (EL31475). DES was the first company to be granted drilling approvals under the Northern Territory's new Environmental (Mining) Licence system which came into effect on the 1st July 2024.

The Spectrum Project licence EL31475 is located wholly within DeSoto tenement EL33615 and was the subject of exploration for gold by Homestake Gold in 1997 and 1998. Homestake conducted a regional soil MMI survey which identified a Cu soil anomaly.

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 Cu anomaly and the Fenton North Au Project 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.

The Company will continue to update market on its progress at Spectrum and the wider Fenton Shear Zone exploration. No new exploration results are reported, and the company is not aware of any new information to be reported.

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

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

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.