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DIATREME Resources

ASX ANNOUNCEMENT

QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDED 30 September 2021

29 October 2021

Quarterly Highlights

Galalar Silica Project, Qld

- Galalar Silica Project's total JORC Mineral Resource estimate increases by 22% to 75.5 Mt, highlighting the continuity of its high purity, low iron silica resource
- Drilling underway at high priority northern exploration targets, located near the world's largest operating silica sand mine at Cape Flattery
- Draft EIS and feasibility studies advance

Clermont Copper/Gold Project, Qld

- Farm-out agreed with Metallica Minerals (ASX: MLM), with Metallica to spend minimum of $300,000 before year-end to earn 25% interest in project

Corporate

- Successful $10M placement to strategic, sophisticated and professional investors boosts funding for development of flagship Galalar Silica Project.
- Early extension of maturing debt note of $1.50m, extended (further 12 months) from 30th November 2021 to 30th November 2022 on favourable terms.

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COMING DECEMBER QUARTER ACTIVITIES

Diatreme's operational focus for the December quarter 2021 comprises the following:

- **Galalar Silica Project**
  - Further engagement with project partners, Hopevale Congress, affected native title holders and relevant regulatory/government agencies to advance project approvals and preferred logistics solution;
  - Further progression towards formalised offtake or marketing agreements.
  - Release of updated project preliminary feasibility studies (PFS) incorporating updated/increased resource assessments and logistic efficiencies.
  - Announcement of maiden ore reserve for project.
  - Complete lodgement of EIS studies and commence public comment and engagement period
  - Continue exploration activities in the northern parts of the tenement area and further define potential scope ,scale and quality of the additional potential resource base.

- **Cyclone Zircon Project**
  - Continue to assemble optimum mix of commercial parties to facilitate project's development or divestment, amid rising demand for zircon and titanium products.

GALALAR SILICA PROJECT, QLD

Diatreme further enhanced the long-term potential of its flagship Galalar Silica Project during the September quarter 2021, amid increasing demand from the Asia-Pacific's booming solar PV industry for low iron, premium quality silica sand.

Silica resource expands 22%

On 11 August 2021, Diatreme announced that mineral resource drilling, totalling 94 holes for over 1,262m, had boosted confidence in the silica sand resource. Drilling intersected between 5m – 35m depths of silica sand, indicating a dune extension of approximately 1km to the north-west from the existing Galalar resource within the mining lease boundary.

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These and other exploration and drilling campaigns through to September 2021 resulted in the announcement on 20 September 2021 of a 22% increase in the size of the total JORC Mineral Resource estimate, to 75.5 Mt from the previous 61.9 Mt. The total resource covers an area of around 486 ha (up from 335 ha previously), with an average thickness of 15.5m, comprising 92.9% of the MLA.

Table 1: Resource Estimate, September 2021*

JORC Resource Category	Silica sand (Mt)	Silica sand (Mm^3)	Cut-off SiO_2 (%)	SiO_2 %	Fe_2O_3 %	TiO_2 %	LOI %	Al_2O_3 %	Density (t/m^3)
Measured	43.12	26.95	98.5	99.21	0.09	0.11	0.16	0.13	1.60
Indicated	23.12	14.45	98.5	99.16	0.09	0.13	0.24	0.10	1.60
Inferred	9.22	5.76	98.5	99.10	0.11	0.16	0.27	0.11	1.60
Total**	**75.46**	**47.16**	**98.5**	**99.18**	**0.09**	**0.12**	**0.20**	**0.12**	**1.60**

** Resource Estimate current as of 13 September 2021*

*** Total inferred, indicated and measured*

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The resource expansion highlights the continuity of Galalar's high-purity, low iron silica resource and the potential for a long-term mining operation that provides valuable new jobs and investment for the benefit of the Hope Vale/Cooktown region, including the Traditional Owners.

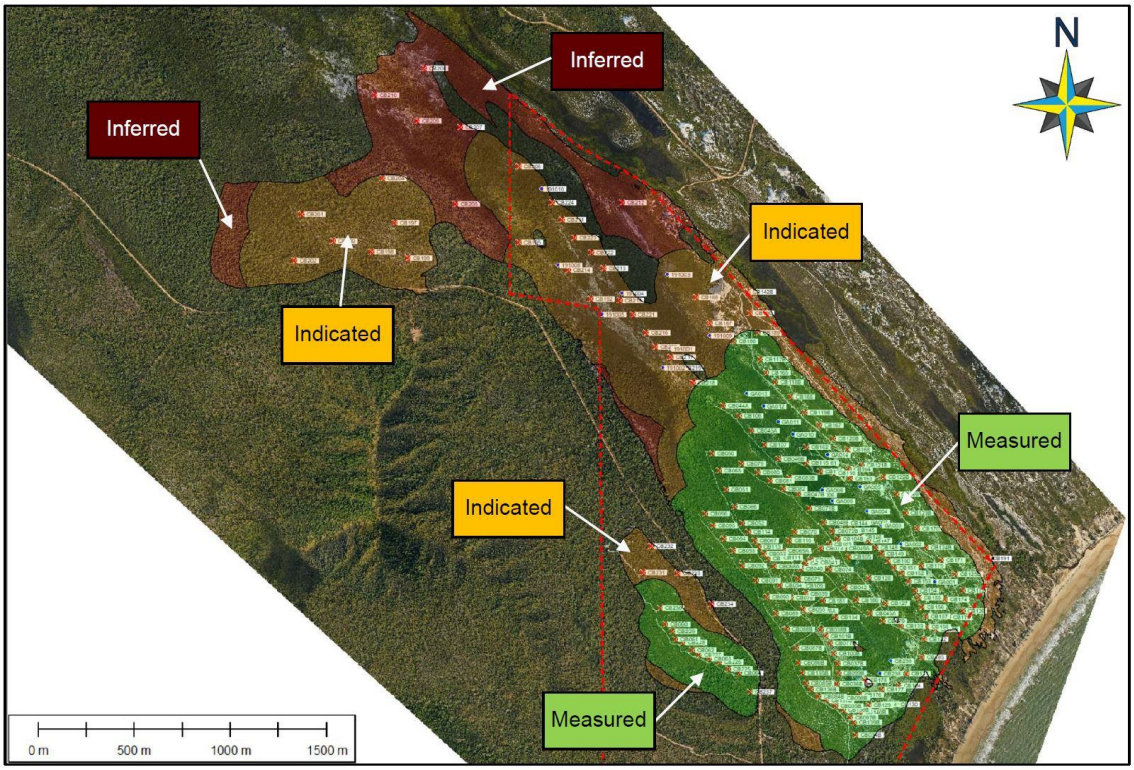

Figure 1: Resource boundary and drillholes used for Measured/Indicated/Inferred Resource estimation

Northern exploration targets

On 18 August, Diatreme announced the commencement of an on ground, low impact exploration program using hand auger drilling. The northern exploration program near the Cape Flattery mine has four primary targets located within exceptionally large sand dune systems, with scope to host significant amounts of high purity silica sand.

On 28 September, Diatreme announced it was advancing its assessment of two high priority targets, Silica Target 1 (Si1) and Silica Target 2 (Si2), located south-west of the Cape Flattery mine. The Si1 and Si2 target areas are dune systems above the 40m RL contour, which extend inland from the coast for around 6-12km in length, with a width of 6-7km (see **Figure 2**).

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Samples taken during a preliminary exploration program in 2019 returned assay results of >99% SiO_2, indicating a potentially large and significant high-purity silica occurrence (refer ASX release 18 August 2021). Following the receipt of assay results, expected in the fourth quarter, the Company aims to announce a new world-class silica resource in addition to the existing 75.5Mt resource located to the south. Due to the proximity of the northern exploration targets to Cape Flattery, there are potential export and logistical advantages for these targets.

The northern exploration targets comprise five dune systems over a total area of approximately 50 sq km. It is estimated that an initial resource of 40-160 Mt of SiO_2 will result from the hand-auger drilling program (**Table 2**).

Exploration Target	**Estimated Area**		**Estimated SiO_2 Resource Target (tonnes)**	
	km²	**Ha**	**From**	**To**
Si1 Target	12	1,200	9,600,000	38,400,000
Si2 Target	25	2,500	20,000,000	80,000,000
Si2 Target West	9	900	7,200,000	28,800,000
Casuarina Hill	4	400	3,200,000	12,800,000
Casuarina Hill West	1	100	800,000	3,200,000
Total	**51**	**5,100**	**40,800,000**	**163,200,000**

Table 2: Initial resource target*

***Cautionary statement:** An 'Exploration Target' is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource.*

The program is designed to identify areas of high-silica potential within identified access constraints (cultural, environmental etc.), and has started with the most easily accessible sites utilising a Polaris Pro XD utility vehicle to minimise impacts. This is in tandem with ongoing Traditional Owner consultations and planning to establish access corridors in more inaccessible, and culturally and environmentally sensitive areas.

Hand-auger sampling is limited to a depth of 5m and a track-mounted vacuum rig is being considered to access certain areas to test the full depth of silica mineralisation and characteristics beyond the 5m capability of a hand-auger.

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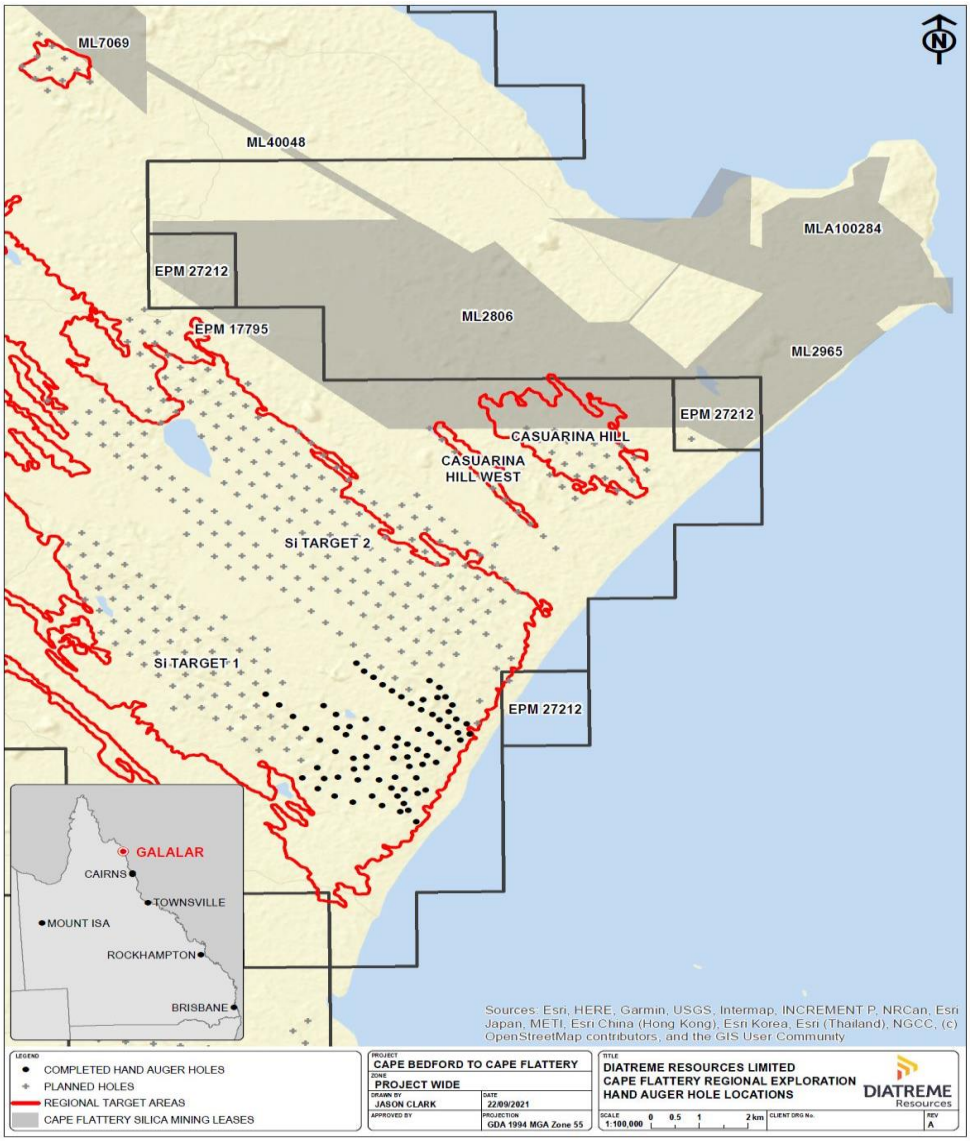
Figure 2: Location of Si Target 1 and Si Target 2 areas



Work to date has progressed well with 92 holes for a total of about 447m. Visually, the samples obtained from the 5m auger holes to date have been highly encouraging.

The northern exploration areas are located within the boundary of the Hopevale Native Title determination area (QUD174/1997), which is administered by the Walmbaar Aboriginal Corporation RNTBC. The Si1 and Si2 dunes are located within the Dingaal Clan area. Cultural heritage advisers engaged by Diatreme have conducted interviews to

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record oral history and traditions and have accompanied Dingaal representatives on cultural heritage field assessments.

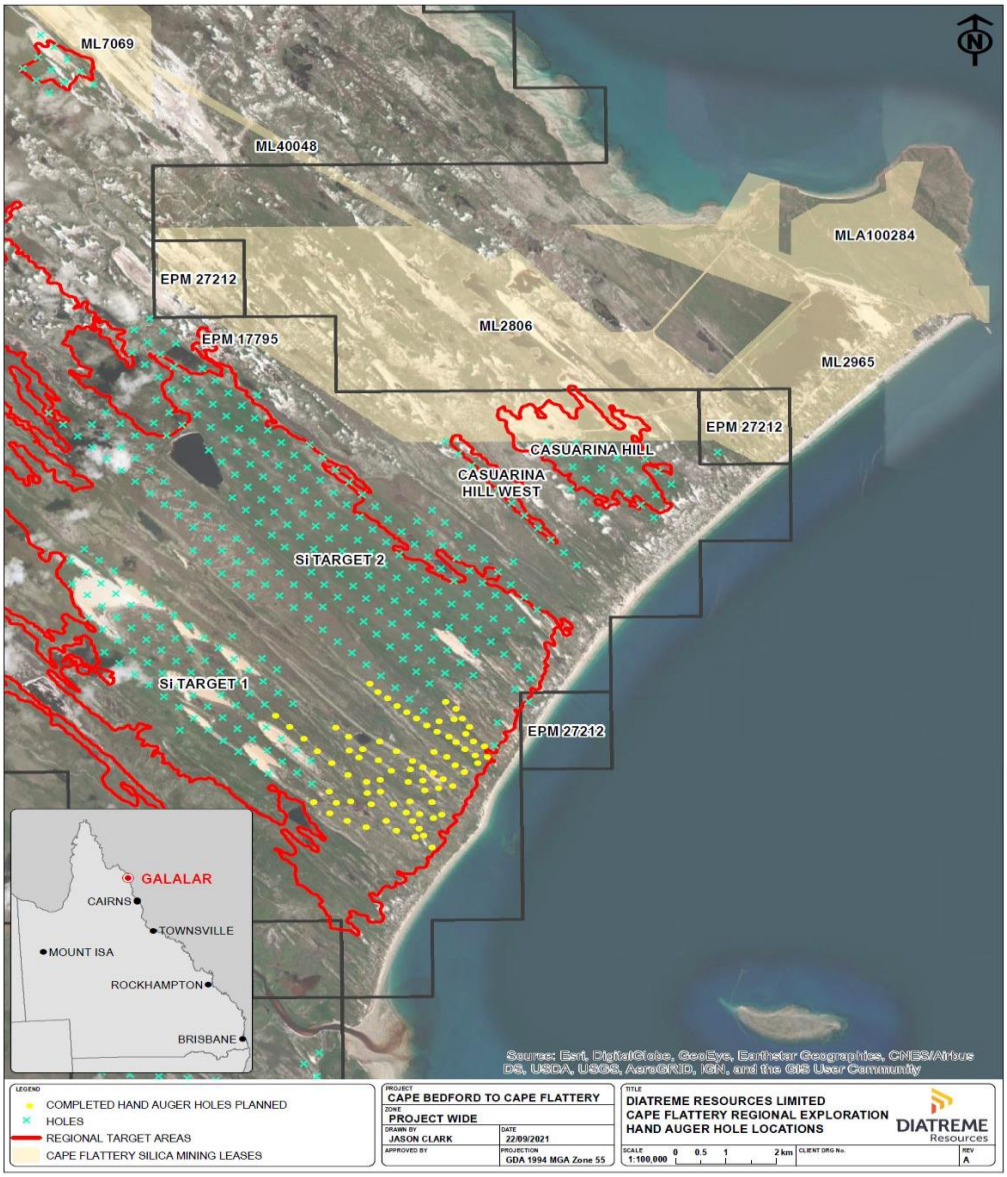

Figure 3: Aerial view of proposed and completed holes

The current program will progressively continue during the December quarter as the Company continues using low impact techniques and careful assessment of the terrain for future development potential (**Figure 3).**

Sample analysis results will also be assessed to determine areas of highest priority determined by silica purity and assessment of other contaminants such as iron and heavy minerals. The hand-auger program will also be supplemented by deeper drilling in select low impact areas during the fourth quarter 2021.

Meanwhile, Diatreme has continued to advance the regulatory approval process, together with advancing a Preliminary Feasibility Study (PFS) and Definitive Feasibility Study (DFS). A draft EIS is being finalised, with the aim of receiving the necessary environmental approvals and grant of a Mining Lease in Q1/Q2 of 2022, with potential first production in late 2022.

With increasing demand for silica sand, considered a "new economy mineral" by the Queensland Government, and declining global supply, the Galalar project is well placed to advance as a sustainable new source of premium quality silica for the fast-growing solar PV market.

Talks have progressed with potential offtake and other development partners, with strong interest in the project's high quality product shown by potential buyers from across the Asia-Pacific region.

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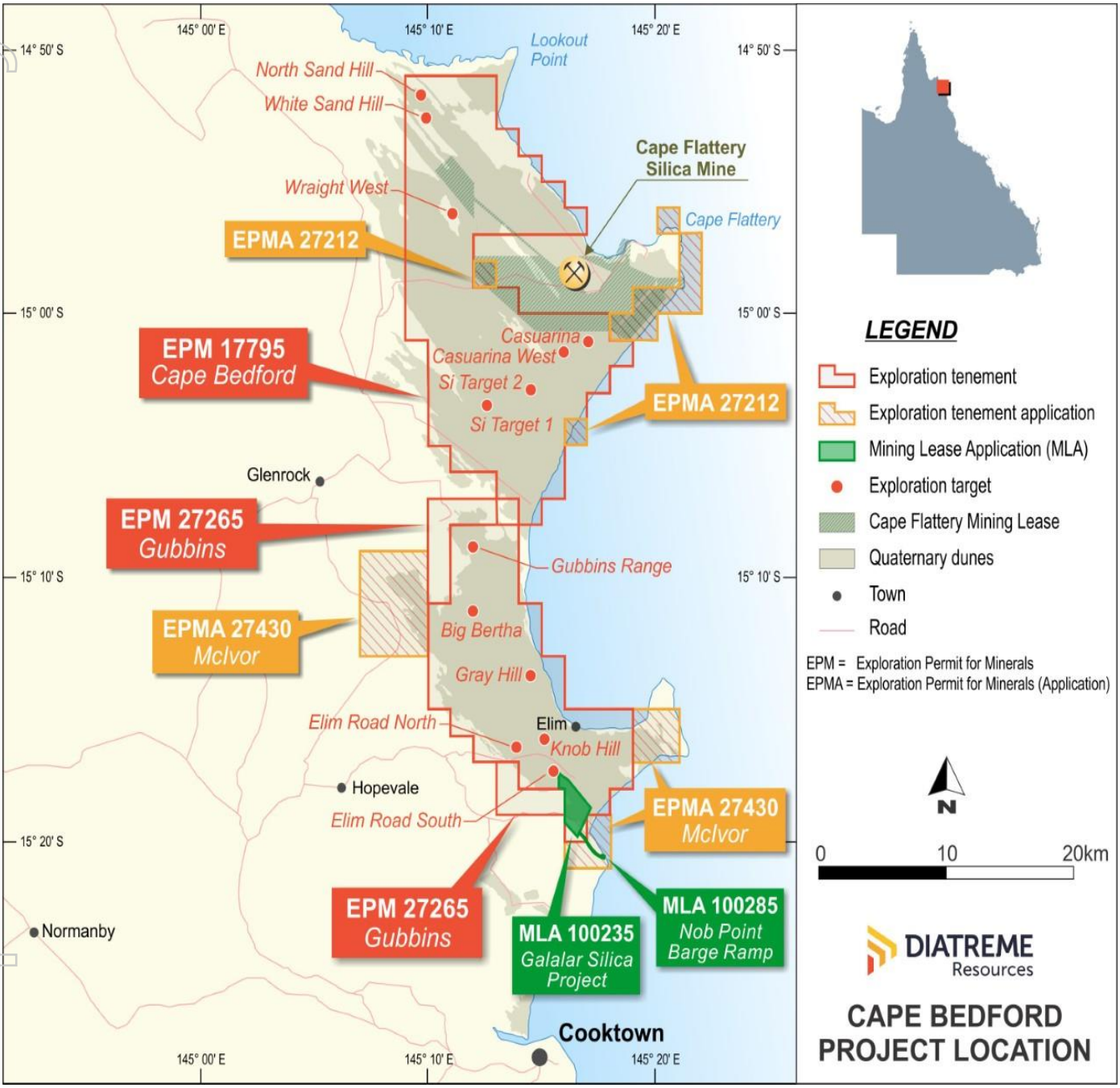

Figure 4: Galalar Silica Project location including exploration tenements and applications

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CLERMONT COPPER/GOLD PROJECT, QLD

Diatreme announced on 5 August 2021 a binding Memorandum of Understanding (MOU) with Metallica Minerals Limited (ASX: MLM) for the Company's Clermont Copper/Gold Project (EPM 17968).

Situated near Clermont, Central Queensland, the project is prospective for porphyry and stratabound bulk tonnage copper/gold deposits along with mesothermal gold deposits. The project area covers numerous prospects, including the Rosevale Project and the historic Peak Downs copper mine.

CYCLONE ZIRCON PROJECT, WA

Diatreme continued discussions during the quarter with potential project participants with the aim of maximising shareholder value through sale/joint venture or earn-in from the Cyclone Zircon Project.

The Company continues to strive actively to ensure an appropriate project value and shareholder return is achieved from any potential third-party project interest.

Constrained supply of high-grade zircon and solid demand still underpin the project's fundamentals, with recent announcements by zircon producers indicating rising prices and a growing structural supply deficit. Market pricing continues to trend upward for Zircon and Titanium minerals.

Cyclone's principal products of zircon and titanium remain linked to economic and construction activity generally and have significant uses in renewables (wind, solar, nuclear, batteries) which remain an important priority in increasingly decarbonised world economies.

The Company is advanced in discussions to assemble this and other potential project development options concurrently with its other existing initiatives and will keep the market fully informed when these potentially transition to a more formally documented process.

The tenement continues to remain in good standing with mining lease and environmental approvals in place.

CORPORATE

$10M Placement advances Galalar Project

Diatreme received further investor backing for its flagship Galalar project during the quarter, with strong demand for a capital raising to support the project's development.

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On 6 September, the Company announced the completion of a heavily supported bookbuild to raise $10 million (before costs) via a placement of approximately 435 million fully paid ordinary shares at an issue price of 2.3 cents, with the funds targeted towards the Company's flagship Galalar project.

The placement was well supported by new strategic, sophisticated and professional investors and existing shareholders, with leading Australian financial services company Euroz Hartleys Limited acting as Sole Lead Manager.

The funds raised from the Placement will be used to advance the Galalar project, including the PFS, DFS, the finalisation of permitting and approvals, specialist marine studies, advancement of the northern regional exploration program, early site works and capital items and general working capital.

Demonstrating its continued commitment to the Company, Diatreme's largest shareholder, Ilwella Pty Ltd (Flannery Family Office) subscribed for $3.5 million in the placement.

The allotment of new shares was not subject to shareholder approval, falling within the Company's 15% placement capacity under ASX Listing Rule 7.1 and additional 10% placement capacity under ASX Listing Rule 7.1A.

Settlement was announced on 14 September, with the Company receiving total funds (before costs) of $10,080,001 through the issue of 438,260,914 fully paid ordinary shares at $0.023 per share. The placement shares will be issued on the same terms and rank equally in all respects with existing fully paid ordinary shares in the Company.

Early extension of debt facility

Enhancing the Company's financing strategy, on 19 August the Company announced the early extension of an existing $1.5 million debt facility. The convertible note facility with a debt component was first announced to the ASX on 19 May 2015 and the debt component was due for repayment on 30 November 2021, however this date has now been extended to 30 November 2022. The only change was a small increase in the applicable interest rate, to 7.5% from 7%, payable quarterly in arrears.

At the new maturity date of 30 November 2022, the parties will negotiate in good faith at that time to further extend or repay the loan facility. The loan facility is unsecured and can be repaid at any time by the Company without any early repayment fee.

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Noosa Mining and Exploration Investor Conference presentations

On 14 July 2021, Diatreme presented to investors at the Noosa Mining and Exploration Investor Conference, held from 14-16 July. The presentation by Diatreme's CEO, Neil McIntyre can be viewed via this link: https://vimeo.com/574755113

Diatreme will also be presenting at the upcoming "Noosa Mining Unearthed" conference, from 10-12 November at Peppers Noosa Resort. Mr McIntyre's presentation is scheduled for 9.15am (Qld time) Friday, 12 November, and may be watched either online or in-person at the event. More details are available via the conference website (https://www.noosaminingconference.com.au/).

Other Corporate items

During the quarter the Company made payments totaling $93k to related parties and their associates representing Directors' remuneration and specialist market and consultancy services.

The Company's cash position as at 30 September 2021 totaled $8.88m

This announcement was authorised for release by the Board.

Neil McIntyre
Chief Executive Officer

Greg Starr
Chairman

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MINERAL SANDS AND SILICA - COMPETENT PERSON STATEMENTS

The information in this report that relates to Mineral Resources at the Cape Bedford Project (including the Galalar Silica Project) is based on information compiled by Bryce Mutton from Ausrocks Pty Ltd who has significant experience in Industrial Minerals and Quarry Resource assessments.

Bryce Mutton has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code). Bryce Mutton consents to the inclusion in the report on the matters based on their information in the form and context in which it appears.

The information in this report that relates to Exploration Results and Exploration targets from the Cape Bedford Project is based on information reviewed and compiled by Mr. Neil Mackenzie-Forbes, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Mackenzie-Forbes is a director of Sebrof Projects Pty Ltd (a consultant geologist to Diatreme Resources Limited). Mr. Mackenzie-Forbes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Mackenzie-Forbes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report, insofar as it relates to Mineral Resources at the Cyclone Project is based on information compiled by Mr Ian Reudavey, who was a full-time employee of Diatreme Resources Limited and a Member of the Australian Institute of Geoscientists. Mr Reudavey has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of 'The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Reudavey consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report, insofar as it relates to Ore Reserves at the Cyclone Project is based on information compiled by Mr Phil McMurtrie, who is a director of Tisana Pty Ltd (a consultant to Diatreme Resources Limited), and a Member of the Australasian Institute of Mining and Metallurgy. Mr McMurtrie has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of 'The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McMurtrie consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Forward looking statements: *This document may contain forward looking statements. Forward looking statements are often, but not always, identified by the use of words such as "seek", "indicate", "target", "anticipate", "forecast", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. Indications of, and interpretations on, future expected exploration results or technical outcomes, production, earnings, financial position and performance are also forward-looking statements. The forward-looking statements in this presentation are based on current interpretations, expectations, estimates, assumptions, forecasts and projections about Diatreme, Diatreme's projects and assets and the industry in which it operates as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made. The forward-looking statements are subject to technical, business, economic, competitive, political and social uncertainties and contingencies and may involve known and unknown*

risks and uncertainties. The forward-looking statements may prove to be incorrect. Many known and unknown factors could cause actual events or results to differ materially from the estimated or anticipated events or results expressed or implied by any forward-looking statements. All forward-looking statements made in this presentation are qualified by the foregoing cautionary statements.

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APPENDIX 1

Appendix 1 provides information required under ASX listing rule 5.3.3 for mineral exploration entities.

Interest in mining tenements at end of quarter

State	Tenement Name	Tenement ID	Status	Location	Interest	Holder
WA	Cyclone	M 69/141	Granted	Eucla Basin	100%	LSPL
WA	Cyclone Extended	R 69/1	Granted	Eucla Basin	100%	DRX
QLD	Clermont	EPM 17968	Granted	Clermont	100%	CHAL
QLD	Cape Bedford	EPM 17795	Granted	Hopevale	100%	DRX
QLD	Cape Bedford	EPM 27265	Granted	Hopevale	100%	DRX
QLD	Cape Bedford	EPMA 27212 EPMA 27430	Applications	Hopevale	(Pending)	DRX
QLD	Cape Bedford	MLA 100235	Application	Hopevale	(Pending)	DRX
QLD	Cape Bedford	MLA 100285	Application	Hopevale	(Pending)	DRX

Beneficial percentage interests held in farm-in or farm-out agreements at end of quarter

State	Project Name	Agreement Type	Parties	Interest held at end of quarter	Comments
WA	Cyclone Zircon Project	Farm-out Heads of Agreement	LSPL and Perpetual Mining Holding Limited	94%	HoA announced Jan 2014, initial 6% farm-out completed 18 Sept 2014 – Subject to dilutionary non-contribution clauses.

Abbreviations:

M	Western Australia	Mining Lease	DRX	Diatreme Resources Limited
R	Western Australia	Retention Licence	CHAL	Chalcophile Resources Pty Ltd
EPM	Queensland	Exploration Permit for Minerals	LSPL	Lost Sands Pty Ltd
EPMA	Queensland	Exploration Permit for Minerals Application		
MLA	Queensland	Mining Lease Application		

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

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Name of entity

DIATREME RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
33 061 267 061	30 September 2021

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	4	12
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(196)	(587)
	(e) administration and corporate costs	(317)	(964)
1.3	Dividends received (see note 3)		
1.4	Interest received	0	9
1.5	Interest and other costs of finance paid	(27)	(165)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**(536)**	**(1,695)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(45)	(182)
	(d) exploration & evaluation	(2,172)	(4,459)
	(e) investments		
	(f) other non-current assets		

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)	-	(18)
2.6	**Net cash from / (used in) investing activities**	**(2,217)**	**(4,659)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	10,080	10,080
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	-	50
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(633)	(633)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)	(13)	(49)
3.10	**Net cash from / (used in) financing activities**	**9,434**	**9,448**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,201	5,788
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(536)	(1,695)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,217)	(4,659)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	9,434	9,448

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**8,882**	**8,882**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	8,882	2,201
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**8,882**	**2,201**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	92
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)	1,500	1,500
7.4	**Total financing facilities**	1,500	1,500

7.5	**Unused financing facilities available at quarter end**	
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	

$1.5M of ($3M) Convertible Note facility, originally due for repayment on 31 July 2018, extended to mature on 31 July 2020. Balance of $1.5M and all accrued interest up to 31 July 2018, has been converted into fully paid ordinary shares. (Refer Appendix 3B - 24 October 2018)

The Company subsequently executed an agreement to extend the maturity date of the $1,500,000 debt facility from 31 July 2020 to 30 November 2021 (Refer to ASX announcement 27 March 2020). The borrowings had a fixed interest rate of 7% p.a. On 19 August 2021, the Company announced to the ASX another agreement had been executed to extend further the maturity date of the $1,500,000 debt facility from 30 November 2021 to 30 November 2022, with an interest rate of 7.5% p.a. (Refer to ASX announcement 19August 2021)

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(536)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,172)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,708)
8.4	Cash and cash equivalents at quarter end (item 4.6)	8,882
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	8,882
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	3.2

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

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8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2021

Authorised by: The Board of Diatreme Resources Ltd

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.