DIATREME Resources

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DIATREME RESOURCES | ASX:DRX

QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDED 31 December 2025

DIATREME Resources

ASX RELEASE

29 January 2026

Quarterly Activities Report

For the period ended 31 December 2025

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This announcement was authorised for release by the Board.

Neil McIntyre
Chief Executive Officer

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CORPORATE

On 11 December 2025, Diatreme welcomed the initial public offering (IPO) of Moonlight Resources Limited (ASX:ML8) on the Australian Securities Exchange, following the successful sale of Diatreme's Clermont Copper/Gold Project to Moonlight. Diatreme is the largest shareholder in Moonlight with a 16.76% stake.

The Company received $3.25 million in Moonlight shares and $250,000 cash in consideration for Clermont's sale.

Diatreme received a cash refund of $226,894 (including $3,048 in interest) from the Australian Government under the Research and Development (R&D) Tax Incentive Rebate for fiscal 2024, relating to the Company's Cyclone Zircon Project. The Company will submit further claims related to eligible R&D expenditure incurred during fiscal 2025.

Investor relations activities for the December quarter included Diatreme's CEO, Neil McIntyre presenting at the Noosa Mining Investor Conference on 14 November 2025. A recording of the presentation is available via the Company's website (https://diatreme.com.au/media).

During the quarter, the Company made total payments of $168k to related parties, comprising $88k of director fees, and $80k for specialist marketing consultancy, community engagement and risk management services to related parties of two directors of the Company.

The Company's cash and liquids position totalled **$2.3 million** (not including a further **$5.4 million** in the silica projects J/V), giving total cash of **$7.7 million** as at 31 December 2025.

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QUARTERLY HIGHLIGHTS

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Silica Projects

Northern Silica Project (NSP)

- Draft Environmental Impact Statement (DEIS) submitted to Queensland's Office of the Coordinator-General to assess adequacy in addressing Final EIS Terms of Reference
- EIS highlights NSP's ability to deliver regional economic benefits and support global solar energy boom, while protecting cultural heritage and the environment
- DEIS to be released for public consultation and review in 1st half 2026

Cape Flattery Silica Project (CFSP)

- Review continues, aimed at maximising synergies with existing silica sand projects

Clermont Copper/Gold Project

- Completion of project's sale to Moonlight Resources Limited, for consideration of $3.25 million in Moonlight shares and $250,000 cash
- Moonlight successfully lists on ASX on 11 December 2025 (ASX:ML8) in $10M IPO
- Diatreme remains major shareholder in ML8 with 16.76% stake

Cyclone Zircon Project

- Metallurgical testwork program shows improved recoveries
- Discussions continuing with potential project partners/investors to generate value from critical minerals project

COMING MARCH QUARTER 2026 ACTIVITIES

Diatreme's operational focus for the March quarter 2026 comprises the following:

FNQ silica sand projects

Northern Silica Project (NSP)

- Ongoing negotiations for a Part User agreement with Ports North for elements of Cape Flattery Port.
- Bulk metallurgical testwork on the Si2 resource to be completed and reported.
- Completion of Pre-Feasibility Study and Maiden Ore Reserves.
- Continue engagement with the local community and related programs.
- Further discussions and negotiations regarding the establishment of a mining project agreement for the NSP with Hopevale Congress Aboriginal Corporation (RNTBC), Walmbaar Aboriginal Corporation (RNTBC), affected native title holders and the broader Hope Vale community.
- Commencement of the 2026 exploration drilling program.

Cape Flattery Silica Project (CFS)

- Continue detailed project technical information and DFS material assessments.
- Liaise with affected native title holders on various project development agreements.
- Liaise with various State regulatory agencies.
- Assess regional project synergies.
- Infrastructure sharing potential between NSP and CFS to be further investigated.

Cyclone Zircon Project

- Processing testwork aimed at confirming previous drilling results for potential customers and investors.
- Undertake site visits from technical team to confirm economic and technical base assumptions in previously undertaken DFS studies.
- Further assessment of best options to realise project value including sale, joint venture and or use of a separated company vehicle to facilitate potential "asset spin out" to a listed entity.
- Engagement with various critical minerals initiatives undertaken and encouraged by U.S Department of State.

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NORTHERN SILICA PROJECT

Draft EIS lodged for adequacy review

Diatreme achieved a major milestone in the approval process for its flagship Northern Silica Project (NSP), with the submission in December 2025 of the Far North Queensland project's Draft Environmental Impact Statement (DEIS) to Queensland's Office of the Coordinator-General.

The DEIS is the culmination of extensive environmental, social and economic investigations, studies and assessments conducted on the NSP since the release of the Final EIS Terms of Reference (ToR) in September 2024. The DEIS provides transparent, technically sound and relevant information about the NSP's scope, potential impacts, and proposed mitigation measures to assist State and Commonwealth advisory agencies, key stakeholders and the general public in informed decision-making regarding its approval, development and implementation.

Welcoming the DEIS' submission, Diatreme's CEO, Neil McIntyre commented: "*I am very appreciative of the willingness and participation of Traditional Owners, local communities and stakeholders that enabled the required information to be collected to assess the NSP, not only from an impact point of view, but also the important economic and employment opportunities that it will deliver.*"

The DEIS aims to:

• Provide a basis of understanding of the NSP, key components, phases and proposed staging of development.

• Demonstrate how all matters specified in the NSP ToR (Queensland Government 2024b) and the EIS Guidelines (Queensland Government 2024a) have been addressed.

• Provide a discussion around the need for the NSP and all prudent and feasible alternatives considered through its development.

• Present site-specific and other relevant baseline information on identified values including seasonal and long-term variations, that may be affected by the NSP.

• Identify any potential project impacts, including direct, indirect and cumulative impacts and those impacts that may be irreversible and/or may result in environmental harm.

• Provide an assessment of the NSP's affected values via an impact assessment process (EIS methodology) that demonstrates a consideration of its scale, extent, intensity, duration, cumulative and interrelated effects.

• Demonstrate the effectiveness of proposed management strategies to avoid or at least mitigate impacts and the ability to offset any residual impacts from the NSP.

Once the Office of the Coordinator-General (OCG), state agencies and the federal Department of Climate Change, Energy, the Environment and Water (DCCEEW) have reviewed the documents and they are deemed to have adequately addressed the ToR, the DEIS will be released for public review and consultation, anticipated during the first half of calendar 2026.

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Community engagement

Diatreme continues to actively engage with the community where it operates, with the Company's Hope Vale office serving as a base for both the Community Team and the field team when in Hope Vale.

The Community Team is on-ground to support and facilitate engagement with community members by attending and facilitating the Social, Cultural and Heritage assessment works for the EIS. The team continues to participate in various community sponsorships and events, while also undertaking numerous project community information sessions across Hope Vale and Cooktown.

During the December quarter, Diatreme participated in various events in Hope Vale and the FNQ region, including supporting the Mala Yabbas at the Gordonvale Indigenous Rugby League Carnival, where the team showcased their culture and teamwork on a regional sporting stage.

Diatreme also celebrated significant milestones of the local children and families through sponsorship of both the Hope Vale Year 6 and the Hope Vale Childcare graduating classes, recognising important educational achievements and the vital role of families and educators in supporting young people.

For Christmas, Diatreme partnered with the Cape York Institute for Policy and Leadership and the Cooktown District Community Centre to distribute Christmas hampers to Hope Vale Elders and Cooktown families.

Also in December, Diatreme released a video highlighting the Company's approach to environmental management and rehabilitation as part of the NSP's project planning. The video is available on the Company's website at https://diatreme.com.au/nsp#board

Figure 1: *Hope Vale Year 6 graduation class, December 2025*

Figure 2: *Diatreme's Community Engagement Manager, Natalie Van der Zant (left) with Peter Gibson, Cape York Institute for Policy and Leadership, delivering Christmas hampers to the community.*

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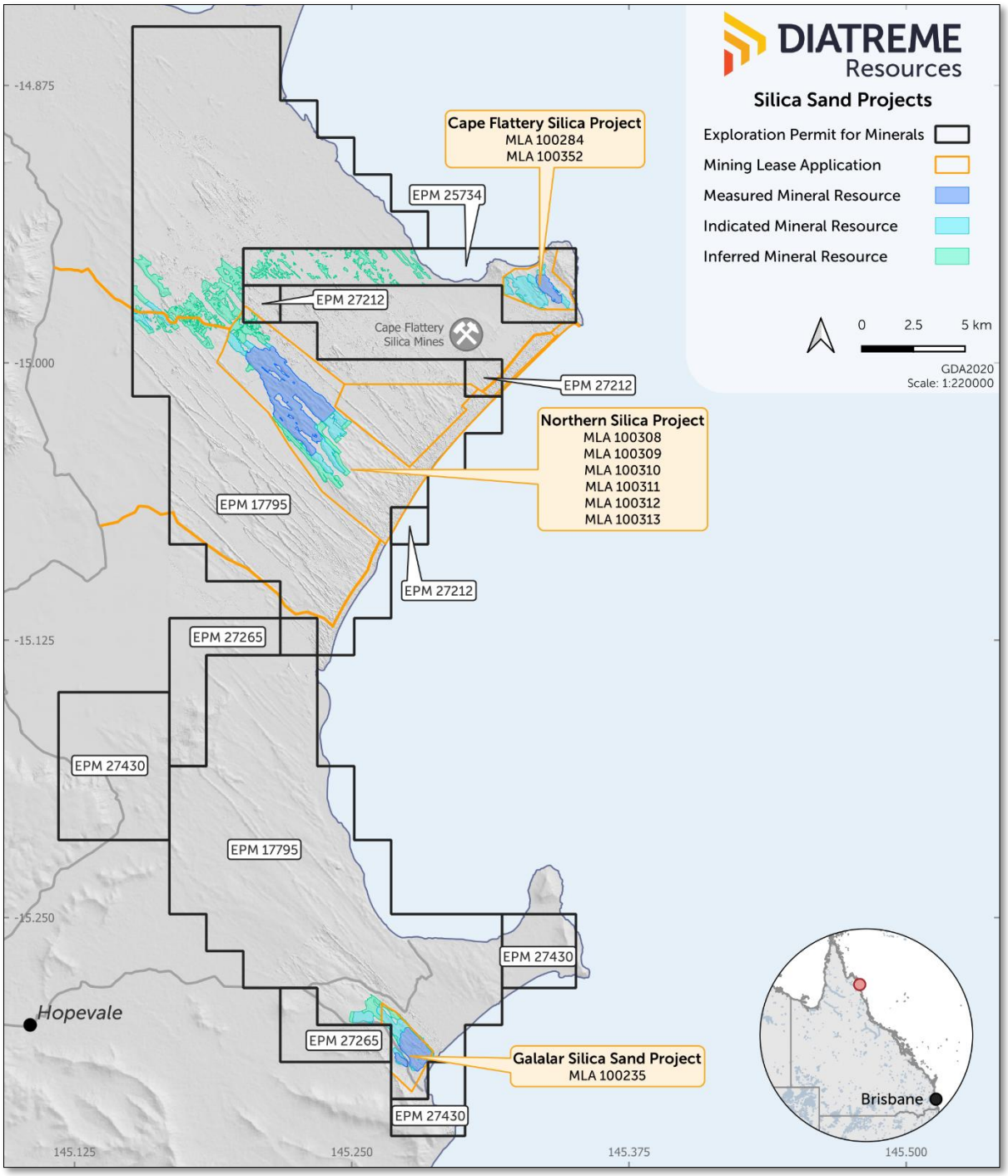

Figure 3: *Diatreme's Far North Queensland silica sand projects*

CLERMONT COPPER/GOLD PROJECT, QLD

Diatreme announced on 28 August 2025 the sale of the Clermont Copper/Gold Project to Moonlight Resources Limited, as part of Moonlight's planned ASX initial public offering (IPO). Consideration for the sale was ordinary shares and performance rights in Moonlight valued at A$3.25 million together with A$250,000 in cash. Diatreme also gained the right to appoint a nominee director to Moonlight's board.

On 5 December 2025, Diatreme announced the completion of Clermont's sale to Moonlight (refer ASX announcement). On 11 December 2025, Moonlight was admitted to the Official List of the Australian Securities Exchange under the ASX code of ML8.

Moonlight currently holds exploration tenements for rare earths and uranium in the highly prospective MacDonnell Ranges in the Northern Territory, as part of its wholly-owned exploration portfolio across the Northern Territory, New South Wales, Queensland and Western Australia, spanning 5,204 sq km.

Moonlight announced on 11 December 2025 that drilling had commenced at Clermont, with an initial confirmatory and infill campaign designed to rapidly advance the high-priority Leo Grande Prospect towards a maiden Mineral Resource Estimate (MRE). This first phase is currently scheduled for up to 2,000 metres of reverse circulation (RC) drilling, with assay results expected in Q1 CY2026.

Minimal project work or expenditure was undertaken during the December quarter and following divestment Diatreme only remains as a significant shareholder in the new ASX listed asset holding entity (ASX:ML8), holding a 16.76% stake (refer ASX announcement 21 January 2026).

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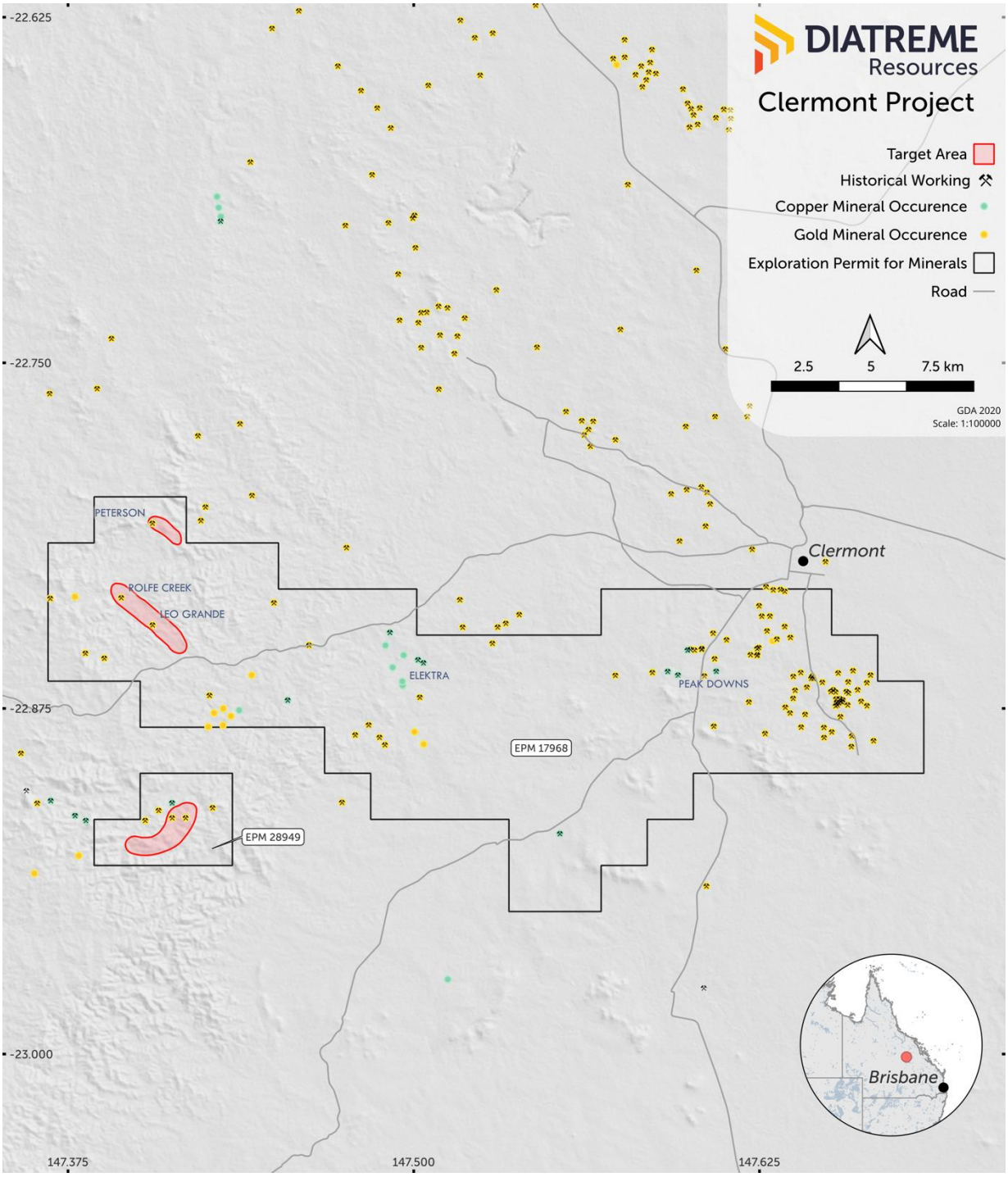

Figure 4: *Clermont Copper/Gold Project, Central Queensland*

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CYCLONE ZIRCON PROJECT, WA

Diatreme announced on 23 October 2025 an update on metallurgical testwork undertaken by Mineral Technologies (MT) on bulk samples from the zircon-rich heavy mineral sands Cyclone project. The testwork results will be used to design an improved flowsheet for processing the Cyclone ore into zircon and titanium dioxide products.

An 11 tonne bulk sample suitable for an intensive metallurgical testwork program was prepared from a drilling program at Cyclone during 2024 (refer ASX announcement 31 October 2024). Diatreme completed the drilling program to a plan that involved drilling 106 holes to obtain a total of 3,278m of NQ air-core sample.

Drilling occurred on four grid lines within the ore zone of the mine plan on a pattern to provide a bulk sample representative of the first three years of mining (refer Figure 5). A representative subset of holes was separated out for various test work with the balance used to composite a primary bulk sample.

The primary purpose of this bulk sample project is to target higher mineral recoveries and efficient processing using the latest equipment developments and innovative processes. Laboratory characterisation and a chemical assay of the bulk sample (Table 1) have shown that the bulk sample grade (2.97% HM) is higher than the average Ore Reserve grade (2.6% HM).

HM	ZrO2	TiO_2	Fe_2O_3	SiO_2	Al_2O_3	P_2O_5	CeO_2
2.97%	0.79%	1.89%	0.67%	92.6%	1.94%	0.01%	0.01%

Table 1: *Bulk sample chemical assay, Cyclone Zircon Project*

A three-tonne portion of the bulk sample has been sent to an interested party for independent evaluation and HMC product samples will be made available to potential customers for assessment. MT was engaged to undertake the metallurgical testwork at its Carrara, Queensland facility for this research and development project using eight tonnes of bulk sample.

The quality of the HMC produced during this testwork achieved the goal of increasing recovery of valuable heavy minerals containing zirconium dioxide (ZrO2) and titanium dioxide (TiO2). This was achieved using different equipment, processes and settings to those used previously. The total HM recovery to HMC increased from 54.9% to 76.5%, ZrO2 recovery increased from 82.0% to 88.2%, and TiO2 recovery increased from 30.8% to 48.8% (refer Table 2).

RECOVERY	Previous Testwork (%)	Current Testwork (%)	Increase (absolute %)	Increase (relative %)
HM	54.9	76.5	**21.6**	**39.3**
ZrO_2	82.0	88.2	**6.2**	**7.5**
TiO_2	30.8	48.8	**18**	**58.4**

Table 2: *Recovery of HM, ZrO2 and TiO2*

The higher recoveries have resulted in an increase in the quantity of HMC produced relative to previous testwork, from 1.62% of the bulk sample to 2.69% of the bulk sample. Recovery of waste minerals also increased as expected. This additional waste will be rejected at the MSP and is a consequence of targeting

higher recoveries of the valuable HM. The HM grade has been reduced from previous testwork (97.9%) to current testwork (90.8%).

Testwork also commenced on the HMC product to optimise production of two final products, zircon and HiTi. The HiTi product will be a mix of five TiO2 minerals that occur in the Cyclone ore: rutile, leucoxene, HiTi, altered ilmenite and siliceous tioxide.

Previous testwork produced two HiTi products, one containing 67% TiO2 and the other containing a smaller quantity of 87% TiO2. This testwork is expected to produce a significantly higher quantity of a single HiTi product with a quality that will be a mix of the previous two products. This combined product has been demonstrated as suitable feed to the chloride process for production of TiO2 pigment or for processing to target other end uses.

There is no set processing route to be followed for this MSP testwork due to R&D nature of the work. Processing will occur stage by stage with assays and hold points as necessary to determine the equipment and settings to be used for subsequent stages. The majority of the MSP processing is expected to use dry separation equipment including magnetic separation and electrostatic separation. Wet separation equipment is also likely to be required, particularly shaking tables, and possibly spirals and wet magnetic separation to remove silica and other highly siliceous minerals.

Meanwhile, Diatreme continued discussions with potential project partners and investors during the December quarter, aiming to maximise shareholder value for this critical minerals project.

In its Quarterly Review released on 17 October 2025, major producer Iluka Resources reported a Q3 weighted average zircon sand price of US$1,615 per tonne. Iluka also reported a realised rutile price of US$1,375/t and a synthetic rutile price of US$1,106/t.

Cylone's produced minerals are zircon and titanium, which among other critical minerals have been identified as important to the U.S. economy. The U.S Department of State has been active in encouraging Australian based mineral producers and developers to engage with U.S based companies to explore potential forms of co-operation and investment. Diatreme has been active in that engagement and will advise the market should discussions progress.

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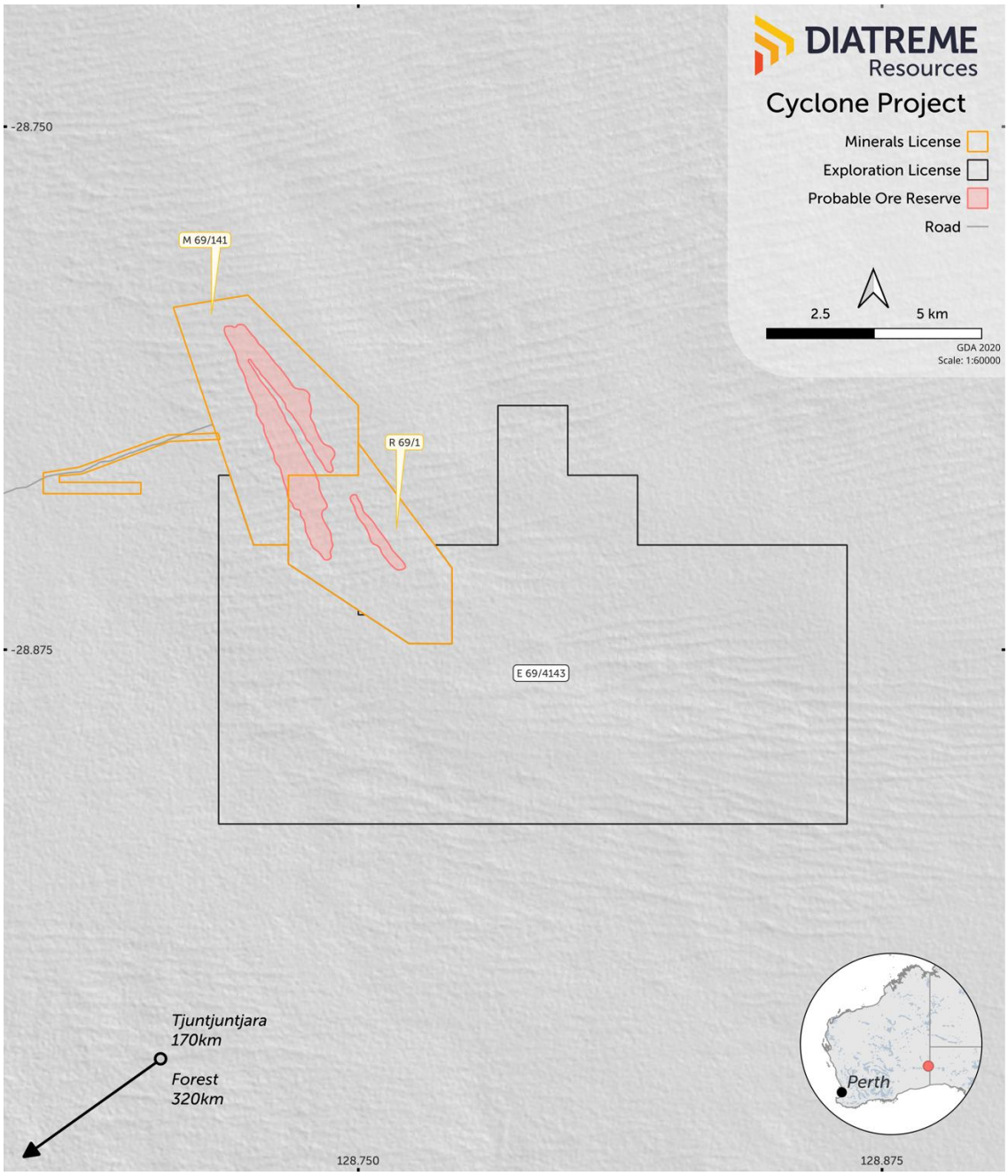

Figure 5: *Cyclone Zircon Project outline, WA*

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ASX releases referenced for this release

- 21 January 2026 – "Becoming a substantial shareholder for ML8"
- 15 December 2025 – "NSP Draft EIS submitted to Office of Coordinator-General"
- 11 December 2025 – "Moonlight debuts on ASX"
- 5 December 2025 – "Completion of sale of Clermont Gold Project"
- 14 November 2025 – "Presentation to Noosa Mining Investor Conference"
- 29 October 2025 – "Shareholders priority offer in Moonlight IPO Prospectus"
- 28 October 2025 – "Quarterly Activities/Appendix 5B Cash Flow Report"
- 23 October 2025 – "Cyclone metallurgical testwork shows improved recoveries"
- 9 October 2025 – "Receipt of R&D Tax Incentive Rebate"

Diatreme confirms that it is not aware of any new information or data that materially affects the information included in the original releases and that all material assumptions and technical parameters underpinning the estimates in the original releases continue to apply and have not materially changed.

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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
	Cyclone Extended	R 69/1	Granted		100%	DRX
	Cyclone	E 69/4143	Granted		100%***	DRX
	Cyclone	L 69/26	Granted		100%	LSPL
QLD	Clermont	EPM 17968	Granted	Clermont	100% *	CHAL (49%) & PGE (51%)
	Hillview North	EPM 28949	Granted		100%	PGE
QLD	Cape Bedford	EPM 17795	Granted		100% **	Cape Silica Holdings Pty Ltd
	Cape Flattery Project	EPM 27265	Granted		100% **	Cape Silica Holdings Pty Ltd
	Cape Flattery Project	EPM 27212	Granted		100% **	Northern Silica Pty Ltd
	McIvor	EPM 27430	Granted		100% **	Cape Silica Holdings Pty Ltd
	Cape Flattery	EPM 25734	Granted		100%	Cape Flattery Silica Pty Ltd
	Galalar Silica	MLA 100235	Application		100% **	Galalar Silica (QLD) Pty Ltd
	Northern Silica	MLA 100308	Application		100% **	Northern Silica Pty Ltd
	Casuarina Silica	MLA 100309	Application		100%	Casuarina Silica Pty Ltd
	Northern Silica Port Access	MLA 100310	Application		100% **	Northern Silica Pty Ltd
	Starcke – Northern Silica Access 1	MLA 100311	Application		100% **	Northern Silica Pty Ltd
	Starcke Northern Silica Access 2	MLA 100312	Application		100% **	Northern Silica Pty Ltd
	FNQPCL Cape Flattery Access	MLA 100313	Application		100% **	Northern Silica Pty Ltd
	Cape Flattery Silica	MLA 100283	Application		100%	Cape Flattery Silica Pty Ltd
	Cape Flattery	MLA 100352	Application		100%	Cape Flattery Silica Pty Ltd

** PGE Minerals Pty Ltd historically earned a 51% interest in EPM 17968 (Clermont) through a progressive earn-in. Chalcophile Resources Pty Ltd holds the remaining 49%. During the quarter ending 31 December 2025, Diatreme completed the sale of both entities to Moonlight Resources Limited (ASX: ML8). The transfer of the underlying tenement is in progress and has not yet been registered. The table above reflects the ownership of the tenement as at 31 December 2025*

*** Cape Silica Holdings Pty Ltd is owned by DRX (73.2%) and Sibelco Silica Pty Ltd (26.8%). Northern Silica Pty Ltd and Galalar Silica (QLD) Pty Ltd are wholly owned subsidiaries of Cape Silica Holdings Pty Ltd. Accordingly, DRX's beneficial ownership of the*

mining tenements held by these entities is 73.2%. During the quarter ending 31 December 2022, the following tenement interests were transferred from DRX to Cape Silica Holdings Pty Ltd, Northern Silica Pty Ltd, and Galalar Silica (QLD) Pty Ltd, as set out in the table above: EPM 17795, EPM 27265, EPM 27212, EPM 27430 and MLA 100235.

**** Company notes the award of tenement area E69/4143 in late November 2023. No exploration activity has been undertaken to date.*

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 by exploration entity or child entity	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
E	Western Australia	Exploration Licence	LSPL – Lost Sands Pty Ltd
EPM	Queensland	Exploration Permit for Minerals	PGE – PGE Minerals Pty Ltd
MLA	Queensland	Mining Lease Application	

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Appendix 5B

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

Name of entity

DIATREME RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
33 061 267 061	31 December 2025

Consolidated statement of cash flows *		Current quarter $A'000	Year to date (12 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(324)	(1,141)
	(e) administration and corporate costs	(521)	(1,901)
1.3	Dividends received (see note 3)		
1.4	Interest received	26	187
1.5	Interest and other costs of finance paid	(10)	(74)
1.6	Income taxes paid		
1.7	Government grants and tax incentives	215	215
1.8	Other (provide details if material)	96	893
1.9	**Net cash from / (used in) operating activities**	**(517)**	**(1,821)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(3)	(13)
	(d) exploration & evaluation	(233)	(1,202)
	(e) investments		
	(f) other non-current assets		

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Consolidated statement of cash flows *		Current quarter $A'000	Year to date (12 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	3	11
	(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	250	250
2.6	**Net cash from / (used in) investing activities**	**17**	**(954)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
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)	22	(75)
3.10	**Net cash from / (used in) financing activities**	**22**	**(75)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,817	5,188
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(517)	(1,821)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	17	(954)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	22	(75)

Consolidated statement of cash flows *		Current quarter $A'000	Year to date (12 months) $A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**2,338**	**2,338**

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	1,338	816
5.2	Call deposits	1,000	2,000
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)**	**2,338**	**2,816**

*** Note:** in addition to the above cash balances, the Cape Silica Joint Venture (JV) between Diatreme and Sibelco spent during the quarter, $2.6m of exploration & evaluation expenditure on the Company's Silica projects in northern Queensland. Consequently, cash at end of December 2025 for the JV totalled $5.4M, giving total cash of **$7.7m** being held by the Company.

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	163
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)	1,000	1,000
7.4	**Total financing facilities**	1,000	1,000
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.		
	$1.0M debt facility, due for repayment 30 May 2026, with interest rate of 7.5% p.a. (Refer to ASX announcement 31 May 2025)		

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(517)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(233)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(750)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,338
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,338
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	3.1

Note: if the entity has reported positive relevant outgoings (i.e. 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?

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 January 2026

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.

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