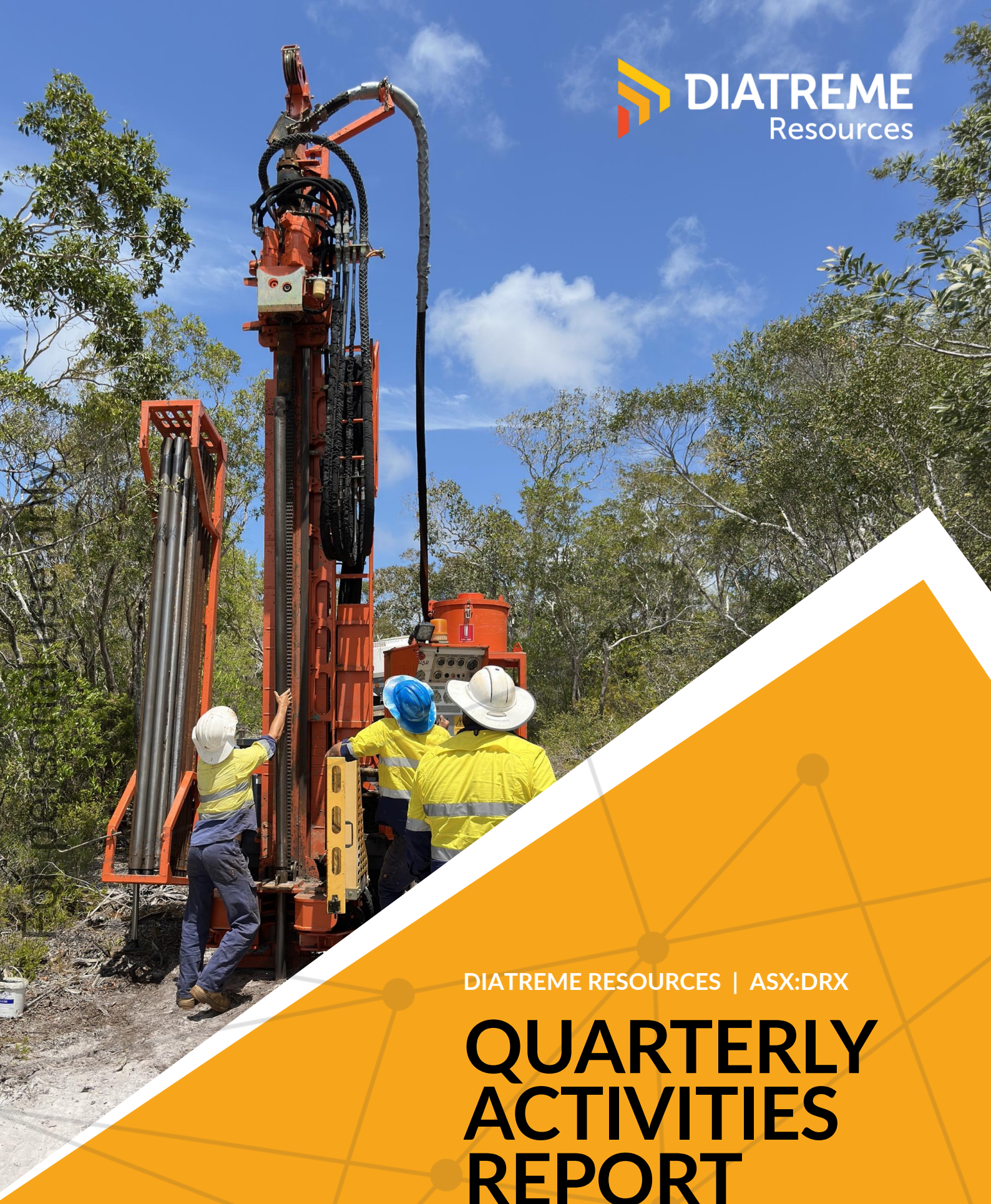

DIATREME RESOURCES | ASX:DRX

QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDED 31 March 2026

DIATREME Resources

ASX RELEASE

27 April 2026

Quarterly Activities Report

For the period ended 31 March 2026

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This announcement was authorised for release by the Board.

Neil McIntyre
Chief Executive Officer

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automicgroup.com.au
Investor Services: 1300 288 664

CORPORATE

Diatreme announced its Full Year Statutory Accounts for the year ending 31 December 2025. During the reporting period, the Company progressed its portfolio of critical minerals projects with a strong focus on its flagship Northern Silica Project.

The Company strengthened its financial position with the sale of intellectual property generated through the Metallica takeover, generating $562,500; the successful IPO of Moonlight Resources Limited following the sale of the Clermont Copper/Gold Project, with Diatreme retaining a 16.76% stake in Moonlight; and the receival of $226,894 under the R&D Tax Incentive related to the Cyclone Zircon Project.

The net loss of the Group for the financial year was $744,955 (2024: loss of $439,527).

During the quarter, the Company made total payments of $115,000 to related parties, comprising $88,000 of director fees, and $27,000 for specialist marketing consultancy services to a related party of one director of the Company.

The Company's cash and liquids position totalled **$1.5 million** (not including a further **$3.3 million** in the silica projects J/V), giving total cash of **$4.8 million** as at 31 March 2026.

Other Assets

Investment in Moonlight Resources Limited
The Company holds 16,250,000 shares in Moonlight Resources Limited (ASX: ML8), representing a 16.76% interest. The shares are escrowed until 4 December 2027 and are not currently tradeable.

As at 31 March 2026, the investment was valued at **$2.6 million**, based on a market price of $0.16 per share.

QUARTERLY HIGHLIGHTS

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Silica Projects

Northern Silica Project (NSP)

- Favourable aircore drilling results at Si2 and Casuarina deposits, comprising 83 holes for 2,035m
- Results support an updated Mineral Resource Estimate (MRE) for Si2 and the potential for a maiden MRE for Casuarina

Cape Flattery Silica Project (CFSP)

- Post-quarter: Diatreme's wholly owned subsidiary, Metallica Minerals to sell its Cape Flattery Silica Project to Cape Silica Holdings, the joint venture between DRX and Sibelco, for additional shares in JV
- Diatreme to be reimbursed approx. $2.1M in costs; transaction generates additional funding of around $7.4M into JV
- Transaction streamlines ownership of FNQ silica sand assets, enabling consolidation of project costs, focused community engagement and development pathway

Cyclone Zircon Project

- Metallurgical testwork and flowsheet optimisation results in significantly improved product yields
- Forecast life of mine HMC production rises by 58% to 3.2Mt; zircon production up 7% to 866kt; titanium concentrate production up 96% to 1.6Mt
- Discussions continuing with potential project partners/investors to generate value from critical minerals project

COMING JUNE QUARTER 2026 ACTIVITIES

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

FNQ silica sand projects

Northern Silica Project (NSP)

- Update the Mineral Resource Estimate for the Si2 deposit.
- Commence Mineral Resource Estimation work for the Casuarina deposit.
- Completion of Pre-Feasibility Study and Maiden Ore Reserves for the NSP.
- Ongoing permitting and approvals of the NSP through the Environmental Impact Statement (EIS) process.
- Ongoing negotiations for a Part User agreement with Ports North for elements of Cape Flattery Port.
- 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.
- Complete required approvals for transfer of CFSP assets to Silica J/V.

Cyclone Zircon Project

- Undertaking technical assessments to refresh and validate the economic and engineering assumptions used in previous DFS work given recent bulk sample results and new technologies.
- Continuing full review of all project start requirements to enable a rapid commencement should a suitable opportunity emerge.
- Participating in critical minerals trade missions to the United States and Japan to engage with government funding bodies and prospective development partners.
- Advancing evaluation of strategic pathways to maximise value for Diatreme, including potential asset sale, joint venture structures, or establishing a separate corporate vehicle to support a possible spin out into a listed entity.

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NORTHERN SILICA PROJECT

Favourable drilling results at Si2, Casuarina

Diatreme has boosted its silica sand project pipeline, following maiden drilling results from the Casuarina Deposit and extensional drilling results from the Si2 Deposit within its Northern Silica Project (NSP) in Far North Queensland (refer ASX release 26 March 2026).

Drilling undertaken between August and December 2025 comprised a total of 83 aircore holes and 2,035m. A total of 524 composite samples were submitted for analysis to test dune morphology and thickness at surface, as well as the continuity and maturity of the podsolised silica sand profile across selected target areas.

The results confirmed key elements of the Company's geological interpretation at both Si2 and Casuarina. The Si2 results support the extension of the geological model and provide additional confidence in dune thickness, mineralisation style and continuity, while Casuarina's first drilling test program has materially boosted geological understanding of the deposit.

The drilling results are expected to support an updated Mineral Resource Estimate (MRE) for Si2, and to assess the potential for a maiden MRE at Casuarina. The results also support advancement of a multi-deposit pipeline across Diatreme's Queensland silica sand projects, amid continued demand growth for low-iron, high-purity silica sand required for specialty glass and solar PV manufacture.

Following receipt and integration of the drilling results, Diatreme plans a staged program of follow-up work across both deposits, with activities including:

- Updating the MRE at Si2
- Commencing MRE work for Casuarina
- Continuation of step-out drilling to support ongoing resource definition
- Refinement of the geological model and interpretation of dune geometry and continuity
- Planning for future metallurgical testwork.

Across the broader NSP, Diatreme expects this future work to continue supporting existing technical workstreams.

Diatreme is also continuing to advance the NSP's environmental approvals, with a Draft EIS lodged with Queensland's Office of the Coordinator-General (refer ASX release 15 December 2025).

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 second half of calendar 2026.

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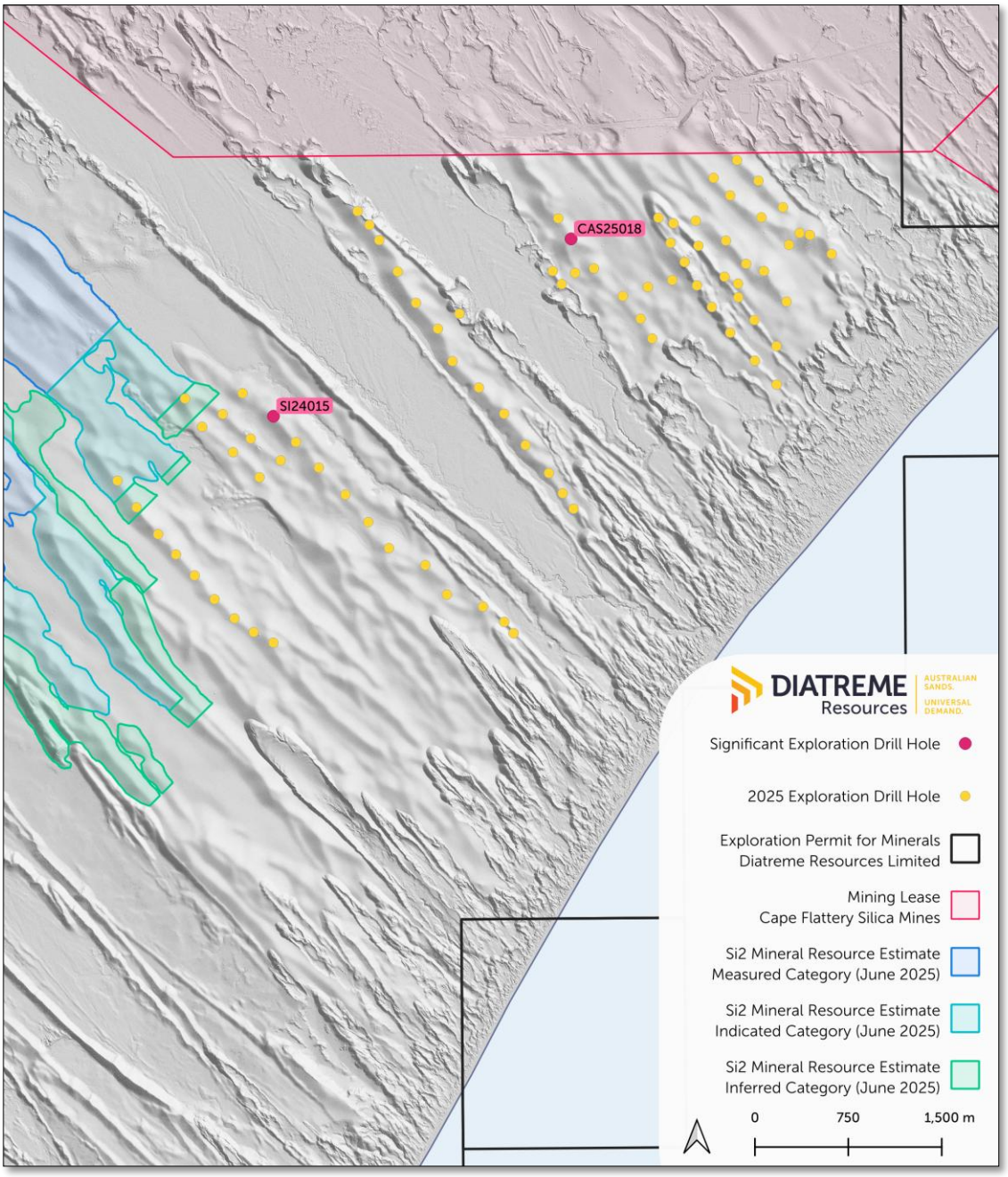

Figure 1: *Si2 and Casuarina 2025 exploration drill holes*

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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 March quarter, Diatreme participated in various events in Hope Vale and the FNQ region, including working alongside the Hope Vale Lutheran Church Committee with preparations for church renovations (see Figure 2 below) as well as continuing to provide the Hope Vale community with family support during Sorry Business.

Diatreme also entered into discussions with Torres and Cape Hospital and Health Service regarding supporting health service delivery to the Hope Vale community. The Company strengthened relationships with Cape York Partnerships, Hope Vale Aboriginal Shire Council and country universities through engagement regarding social determinant mitigations, while continuing to facilitate meetings and information sharing with affected Traditional Owners.

Also during the quarter, Diatreme released videos concerning social and economic impacts regarding the NSP, as part of the NSP's project planning. The videos are available on the Company's website at https://diatreme.com.au/nsp#board

Post-quarter, the Company was honoured to again support the Hope Vale Aboriginal Shire Council's annual Kids Easter Egg Hunt in Hope Vale (see Figure 3 below).

Figure 2: *Hope Vale Lutheran Church, Hope Vale, Qld*

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Figure 3: *Hope Vale Aboriginal Shire Council's annual Kids Easter Egg Hunt, Hope Vale, Qld*

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CAPE FLATTERY SILICA PROJECT

Post-quarter, on 13 April 2026 Diatreme announced the streamlining of ownership of its Far North Queensland silica sand assets, with the Company divesting the Cape Flattery Silica Project (CFSP) (Cape Flattery Silica Pty Ltd) to rationalise project ownership and facilitate increased funding and synergies for its flagship Northern Silica Project.

Under the transaction, Diatreme's wholly owned subsidiary, Metallica Minerals Pty Ltd (Metallica) entered into a binding Share Sale Agreement with the joint venture company Cape Silica Holdings Pty Ltd (CSH or JVCo) (which is 73.2% owned by Diatreme) to sell the CFSP in exchange for shares in the joint venture. The parties agreed the value of the CFSP at $26.01 million (the Sale Transaction).

Sibelco Silica Pty Ltd (Sibelco) which owns 26.8% of JVCo will contribute up to approximately $9.5m in total in exchange for shares in CSH (such that Sibelco can potentially retain its 26.8% interest). Sibelco will at completion of the transaction subscribe $5.095M for shares in CSH upon transfer of Cape Flattery Silica Pty Ltd. It will also be granted an option to subscribe for a further $4.4M of shares in CSH (exercisable before 7 July 2026).

Using funds subscribed by Sibelco, the JVCo will reimburse Diatreme approximately $2.1 million for costs incurred in undertaking the takeover of Metallica, completed in September 2024 (see DRX ASX release 18 September 2024). The JVCo will pay any stamp duty that may be applicable to the Sale Transaction and the issue of shares to Sibelco and Diatreme.

The transaction remains subject to shareholder approval to be sought at an Extraordinary General Meeting of Diatreme shareholders.

Welcoming the agreement, Diatreme's CEO, Neil McIntyre said: "*This sale transaction makes a lot of strategic sense for Diatreme shareholders as well as our partner in Sibelco, and our joint venture. Having all of the Cape Flattery regional silica assets together and under one entity will enable significant synergies to be realised, including the consolidation of costs and environmental activities, controlled by a single management team, and a focused traditional owner and community engagement.*

"This is particularly important as we move towards our development pathway providing clear long life-of-mine visibility for third party stakeholders such as financiers, offtakers and project development contractors.

"Further, the consideration for the sale transaction provides strong forward corporate funding for both the J/V and Diatreme to advance the NSP, enabling us to be responsive to major project permitting advancing over the coming months.

"We are focused on generating value for shareholders and consider this the best pathway forward for the former Metallica project, which has considerable potential to contribute to these strategic majority Diatreme owned Queensland critical minerals projects, facilitating regional development and helping power the global push to renewables and decarbonisation."

Sibelco's Nick Traber, EVP Asia Pacific and HPQ Commercial, commented: "*We see good value in the CFSP and are delighted to have agreed this transaction with our joint venture partner, Diatreme Resources, to facilitate the consolidation of regional silica assets within our Joint Venture.*

"The Far North Queensland projects have shown their ability to produce a low iron, high-purity product perfect for speciality glass and PV makers and we look forward to bringing our global marketing expertise to work on ensuring the best value is realised from these assets.

"Diatreme has proven to be a reliable and productive partner, and I would like to thank Neil and his team for their efforts in ensuring positive outcomes for all parties as we progress this transaction to a successful conclusion."

The share sale agreement represents a significant milestone for Diatreme and its stakeholders. The parties will now proceed to satisfy the conditions precedent, coordinate completion mechanics, and fulfil their respective obligations.

Diatreme intends to call a shareholder meeting and send materials to shareholders in relation to the approval as soon as possible. Shareholders and the market will be kept informed of progress, including anticipated completion timelines and further material developments.

Diatreme acquired 100% of the CFSP following its successful takeover of MLM in 2024. The project is located in the Cape Flattery area, on the eastern coastline of Cape York Peninsula, 220 km north of Cairns and 55km from Cooktown. The project is adjacent to the Cape Flattery Silica Mines mining and shipping operation owned by Mitsubishi Corporation and in close proximity to Diatreme's other silica projects.

CFSP has an estimated Ore Reserve of 47Mt with the total JORC Mineral Resource estimated at 61Mt (refer MLM's ASX announcement dated 15 November 2023).

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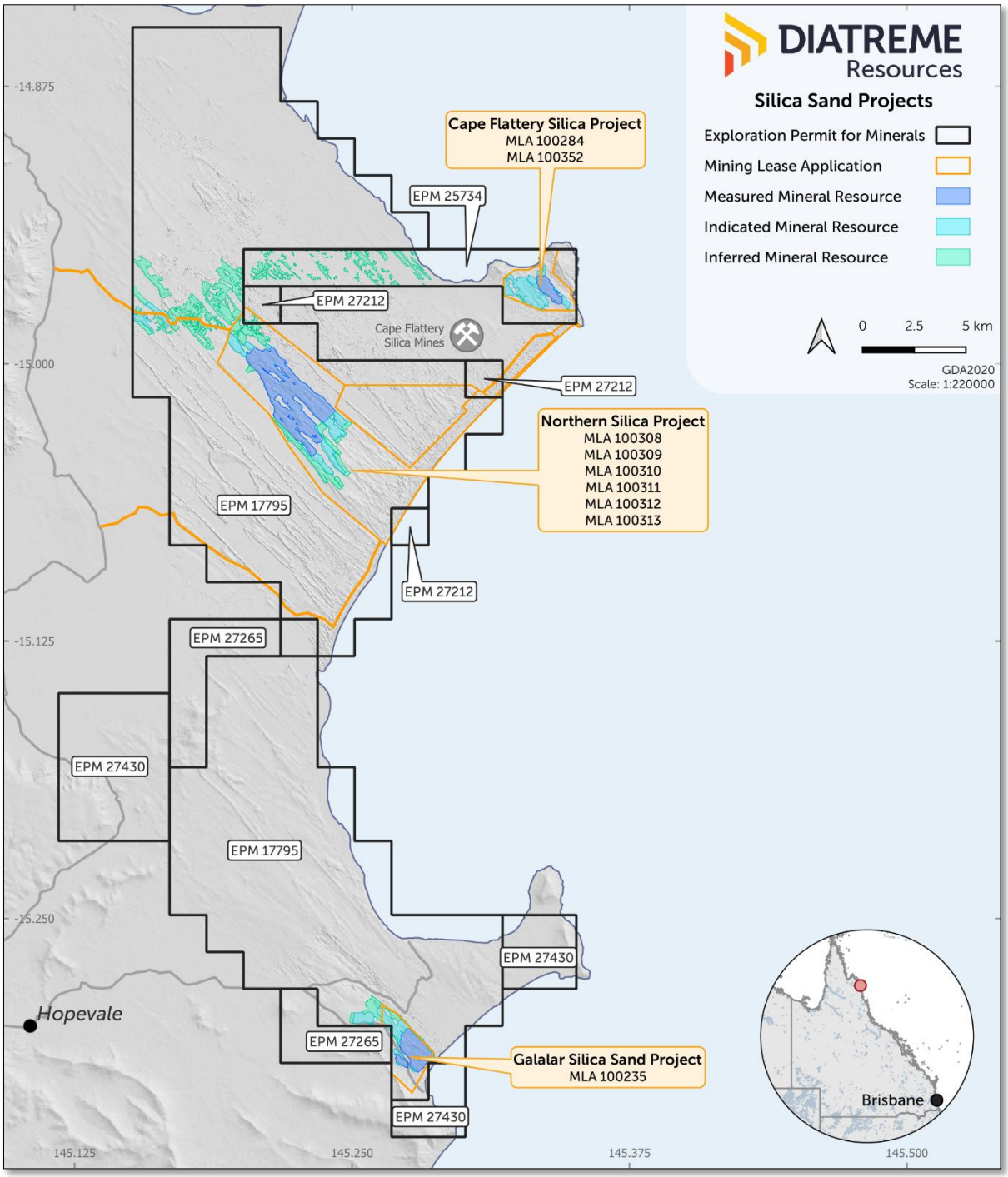

Figure 4: *Diatreme's Far North Queensland silica sand projects*

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CYCLONE ZIRCON PROJECT, WA

Diatreme announced on 19 March 2026 the successful completion of metallurgical testwork undertaken by Mineral Technologies (MT) on bulk samples from the zircon-rich heavy mineral sands Cyclone project. The results showed substantial improvements in projected product yields, strengthening the development outlook for the zircon-rich heavy mineral sands project in WA's Eucla Basin.

Mineral Technologies has finalised MSP testwork and flowsheet optimisation, delivering major gains in processing performance and product recovery. This follows earlier WCP testwork on an 8-tonne bulk sample, representing the first three years of mining, which achieved 76.5% heavy mineral (HM) recovery to HMC, a 21.6% improvement over previous testwork.

Completion of the MSP program has resulted in significant forecast increases in life of mine output:

- HMC production: up 58.3% to 3.2 Mt
- Zircon production: up 6.8% to 866 kt
- Titanium concentrate production: up 95.6% to 1.6 Mt

Diatreme's CEO Neil McIntyre commented: "*The final stage of testwork confirms that targeting higher mineral recoveries through the latest processing technologies is the right approach for Cyclone. These significantly enhanced yields increase the likelihood of progressing the project under favourable market conditions and add meaningful value to discussions with potential project partners. Our focus remains on generating increased value for shareholders from this project located in the world-class Eucla Basin.*"

Product	2016 Study (t)	2026 Study (t)	Increase (%)
HMC	2,015,294	3,189,646	58.3
Zircon	810,371	865,775	6.8
TiO_2 products (total)	834,838	1,632,603	95.6
Waste minerals	370,084	691,268	86.8

Table 1: *Updated production comparison (2026 vs 2016 studies)*

These improvements reflect optimisation of the WCP flowsheet, which enabled greater recovery of valuable minerals while accepting a slightly lower HMC grade. The 2026 program achieved 90.8% HM in HMC, a strategic shift that allowed the MSP to more selectively separate valuable mineral species using enhanced electrostatic, magnetic, and gravity separation technologies. The value uplift from increased mineral recovery is expected to outweigh the increased waste content in concentrate.

Additional opportunities are being evaluated to further refine the MSP flowsheet, which would require extra testwork when the project advances to the final phase of feasibility studies.

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

In its Quarterly Review released on 29 January 2026, major producer Iluka Resources reported a Q4 weighted average zircon sand price of US$1,502 per tonne, down from Q3, reflecting softer prices for premium grade

zircon in China. Iluka also reported a realised rutile price of US$1,110/t and a synthetic rutile price of US$1,073/t.

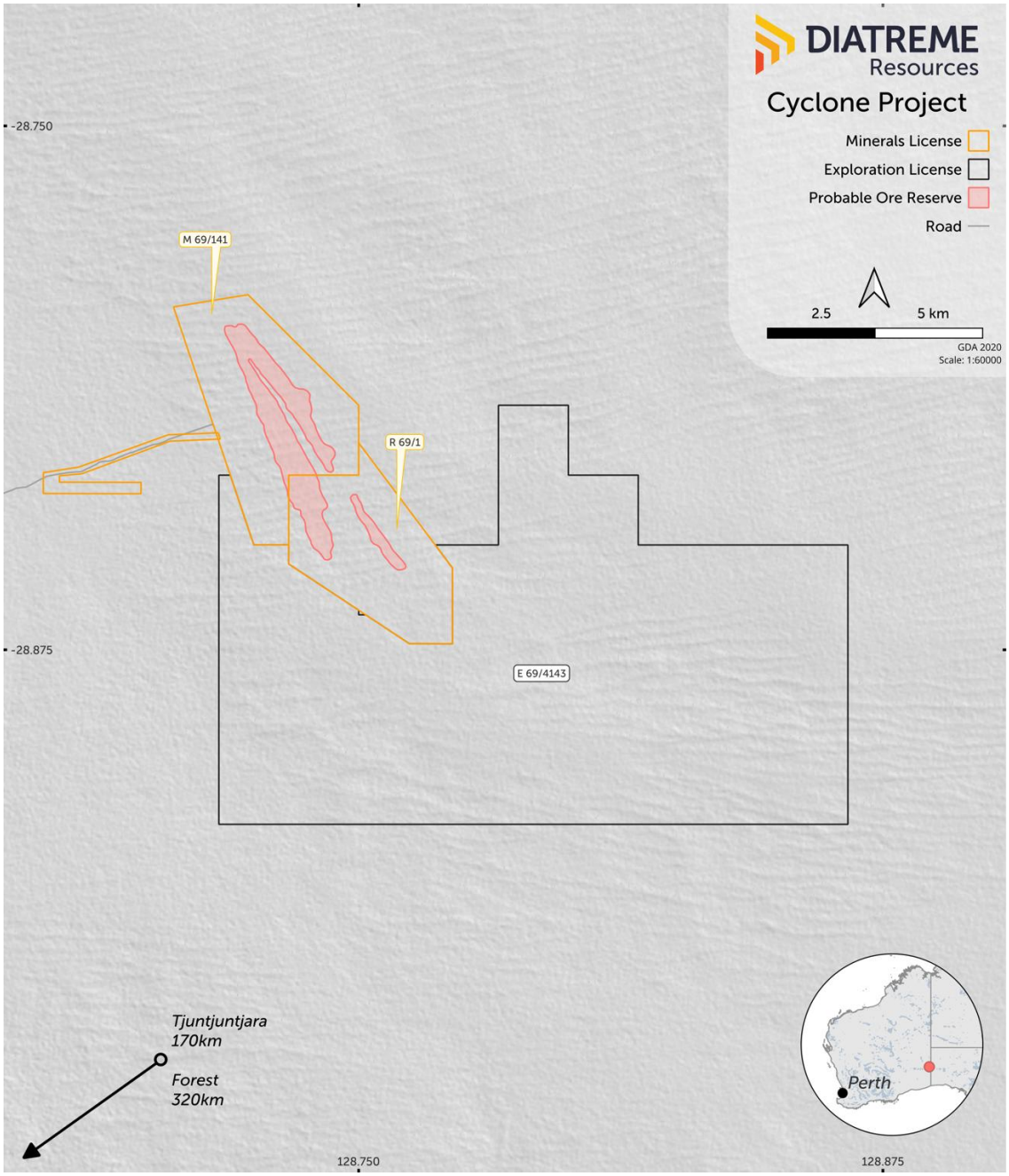

Figure 5: *Cyclone Zircon Project outline, WA*

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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 of, 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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ASX releases referenced for this release

- 13 April 2026 – "Sale of CFS to DRX/Sibelco Silica JV"
- 26 March 2026 – "Favourable Si2, Casuarina drilling boosts project pipeline"
- 19 March 2026 – "Cyclone metallurgical testwork shows project upside"
- 12 March 2026 – "Full Year Statutory Accounts"

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.

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	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

** 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.*

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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
R	Western Australia	Retention Licence
E	Western Australia	Exploration Licence
EPM	Queensland	Exploration Permit for Minerals
MLA	Queensland	Mining Lease Application

DRX - Diatreme Resources Limited

LSPL – Lost Sands Pty Ltd

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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 March 2026

Consolidated statement of cash flows *		Current quarter $A'000	Year to date (3 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	(257)	(257)
	(e) administration and corporate costs	(424)	(424)
1.3	Dividends received (see note 3)		
1.4	Interest received	13	13
1.5	Interest and other costs of finance paid	(19)	(19)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)	92	92
1.9	**Net cash from / (used in) operating activities**	**(595)**	**(595)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(3)	(3)
	(d) exploration & evaluation	(207)	(207)
	(e) investments		
	(f) other non-current assets		

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Consolidated statement of cash flows *		Current quarter $A'000	Year to date (3 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		
2.6	**Net cash from / (used in) investing activities**	**(210)**	**(210)**

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)	(21)	(21)
3.10	**Net cash from / (used in) financing activities**	**(21)**	**(21)**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,339	2,339
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(595)	(595)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(210)	(210)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(21)	(21)

Consolidated statement of cash flows *		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**1,513**	**1,513**

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	1,513	1,339
5.2	Call deposits		1,000
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)**	**1,513**	**2,339**

*** Note:** in addition to the above cash balances, the Cape Silica Joint Venture (JV) between Diatreme and Sibelco spent during the quarter, $2.1m of exploration & evaluation expenditure on the Company's Silica projects in northern Queensland. Consequently, cash at end of March 2026 for the JV totalled $3.3M, giving total cash of **$4.8m** 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	115
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)	(595)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(207)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(802)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,513
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,513
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	1.9

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?

Yes, the Company expects net operating cash outflows to remain broadly consistent in the near term, supported by the proposed Cape Flattery Silica Project transaction, including the expected ~$2.1 million reimbursement and additional funding at the joint venture level. (Refer to ASX announcement on 13 April 2026)

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?

Yes. The Company has entered into a binding agreement to divest the Cape Flattery Silica Project to its joint venture, which is expected to provide ~$2.1 million in reimbursement and facilitate additional funding of approximately ~$7.4 million at the JV level (subject to completion and shareholder approval). The Company considers completion likely and continues to assess additional funding options if required.

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?
Yes. Based on existing cash, expected transaction proceeds, and access to joint venture and external funding sources, the Company expects to continue operations and meet its business objectives.	

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: 27 April 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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