





QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30 June 2021

30 July 2021

Quarterly Highlights

Galalar Silica Project, Qld

- Mining Lease (Infrastructure) Application lodged for Nob Point export solution to facilitate export of premium quality silica
- Co-operation agreement signed with Hopevale Congress Aboriginal Corporation RNTBC and Native Title holders, confirming mutually desired mine and marine infrastructure development exporting via Nob Point
- New Memorandum of Understanding signed for supply of 250,000 tonnes per annum of photovoltaic-grade silica, highlighting strength of Asian demand for Galalar product
- Positive initial testwork results received for Galalar's definitive feasibility study, with results highlighting ability to produce premium product for fast-growing solar PV and other high-end glass markets

Cyclone Zircon Project, WA

Talks continuing to formalise potential project participants' interests amid rising prices and constrained supply outlook for zircon and titanium.

Corporate

- Annual General Meeting (AGM) held at Diatreme's head office in Brisbane, Qld, with all resolutions approved
- Investor presentation to Noosa Mining and Exploration Investor Conference, as Company advances investor relations activities.

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COMING SEPTEMBER QUARTER ACTIVITIES

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

• Galalar Silica Project

- Lodgement of draft Environmental impact Study (EIS) for adequacy review by The Department of Environment and Science (DES)
- Commencement of public notice period on draft EIS
- Delivering a maiden ore reserve and improved mineral resource consistent with proposed mining plan programs and extensions.
- Release of Preliminary Feasibility Study (PFS) incorporating Nob Point Barge Ramp and Cape Flattery Port solutions to product export.
- Preparation for lodgement of marine/offshore permitting
- Further engagement on business development and environmental programs with project partners, Hopevale Congress, affected native title holders and relevant regulatory/government agencies.
- Finalisation of mining project agreements (MPA) with Native Title Holders and Hopevale Congress.
- Further progress towards formalising offtake and marketing agreements.
- Further specialist metallurgical upgrade studies on silica beneficiation assessing ultra-low iron high purity silica products.

• Cyclone Zircon Project

- 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 advanced the development of its flagship Galalar Silica Project in the June quarter 2021, amid increasing demand from Asia's fast-growing solar PV market for premium-quality silica sand.

On 8 April 2021, Diatreme announced it had engaged industry specialist Mineral Technologies (MT) to undertake final metallurgical testwork for the Galalar Silica Project's definitive feasibility study (DFS).



The objective is to develop a process flowsheet using the physical mineral separation processes of screening, gravity, attritioning, classification and magnetic separation to produce a high purity, low iron silica product with a target grade of 99.9% SiO2 and =<100ppm Fe2O3. The DFS metallurgical testwork will produce a balanced metallurgical flowsheet suitable for use in DFS level engineering plant design and estimation of process plant capital and operating costs.

Other goals of the testwork include determining high purity, silica final product specifications to be further used for continued marketing of the product, together with obtaining the overall yield of the high purity silica product from the ore that is planned to be mined. The test results will be incorporated into the DFS study underway.

On 22 April 2021, Diatreme announced positive first phase results from the initial testwork. MT has completed the first two stages (screening and spirals) of metallurgical testwork on the one tonne bulk sample for the project's DFS. The bulk sample was taken from air core drill holes across the first two years of the planned start-up mine area.

Results to date have exceeded expectations, showing positive results for particle size distribution and the reduction of impurities using only simple screening and spiral separators. These are key factors in developing a high quality product for the solar PV and other high-end glass markets, capable of attracting premium pricing.

New offtake MOU

On 19 May 2021, Diatreme announced the signing of a new Memorandum of Understanding (MOU) for offtake from Galalar. The MOU with Jiangxi Kangjia New Material Technology Co., Ltd (Jiangxi Kangjia) concerns the supply of 250,000 tpa of photovoltaic grade (=<100ppm Fe2O3 silica product) from the Galalar project at mine start-up, with potential for further offtake volume post start-up, subject to mutual agreement.

The proposed cooperation under the MOU is for an initial duration of 12 months from the date of signature, with an intention to move to binding arrangements within that period and with its renewal subject to mutual agreement.

MLA lodged for Nob Point export solution

On 10 June 2021, Diatreme further advanced Galalar's development with the lodging of a Mining Lease Application (Infrastructure) encompassing the associated Nob Point Barge Ramp (NPBR), Hopevale Community boat ramp and temporary stockpile area to facilitate the export of high purity silica sand.

Significantly, the NPBR option minimises community and environmental impacts as well as reducing transport costs compared to the alternate Scoping Study option (refer ASX release 9 September 2019), which anticipated road



transport and barging via Cooktown. The NPBR option has been strongly backed by local stakeholders, most importantly Native Title holders directly affected by the mine's development.

The Nob Point Mining Lease Application adjoins the Galalar Mining Lease Application (MLA) minimising product transport to 3.5km along a Haulage Access Road. Trucks or an alternate conveyor system would be loaded at the stockpile area located in the south-western corner of the Galalar mine, with dry product delivered onto awaiting barges moored at the end of the NPBR. Barges would then transport product to a designated transhipment point for export.

Enhancing the Company's stakeholder engagement, Diatreme also executed a Memorandum of Co-operation (MOC) with Hopevale Congress Aboriginal Corporation (Congress), together with the Thiithaarr and Gamaay People, who have established a committee of the Native Title holders.

The parties to the MOC have highlighted that Nob Point is their preferred export solution and are working together towards favourable approval outcomes with the various State and Commonwealth regulatory agencies. This ensures the project development is consistent with the aspirations of the Native Title holders as traditional custodians of matters related to the land and sea.

Under an agreement with Diatreme, the Native Title holders have a 12.5% 'free carried' project interest, ensuring mutual benefits are delivered through maximising the project's economic outcomes. This agreement does not replace the Mining Project Agreement (MPA) which is progressing well with an expected conclusion late third quarter 2021, following additional on-site community meetings and briefings. Completion of the MPA is required prior to grant of both MLA's.

The process involves final Native Title consents for mine development, outlining all related issues including compensatory arrangements and will include a detailed Cultural Heritage Management Plan. The agreement also aligns Caring for Country environmental obligations with anticipated conditioning on Environmental Management over Galalar and Nob Point.





Figure 1: Visualisation of the proposed Galalar Silica Project mine location and operations

PFS targets mine life extension and production increase at start-up

The Galalar project's initial scoping study (refer ASX release 9 September 2019) projected a mining operation processing 950,000 tonnes of "raw" silica product per annum for annual production of 750,000t of marketable silica product, assuming a recovery rate of approximately 79%.

However, Diatreme has allowed for processing of "raw" silica material of up to 1.5 Mtpa under its current EIS Application (environmental permitting) process, which would facilitate a significant increase in annual production from the original scoping study parameters.

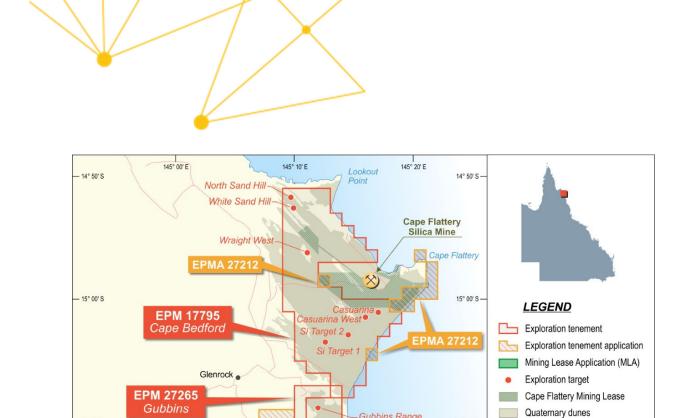


Additionally, subsequent resource upgrades have boosted the potential for mine life extension, with the latest resource estimate announced in March 2021 totalling 61.9 Mt (Inferred, Indicated and Measured), of which 35.5 Mt was in the higher confidence category of Measured (refer ASX release 10 June 2021). Diatreme notes both current ML applications are for standard terms of 20 years.

This effective doubling of the project's total resource estimate (30.2Mt to 61.9Mt) post the original scoping study has allowed Diatreme to undertake further detailed mining and operational planning as it prepares to finalise the project's Preliminary Feasibility Study (PFS) promptly followed by a Definitive Feasibility Study (DFS). Diatreme anticipates finalisation of these studies to be progressively released in third and fourth quarters 2021 and looks forward to the release of these studies with revised business case targets and economic data to the market.

Cautionary Note: Conversion from a measured resource to a mine reserve is currently underway as part of the PFS and DFS study process. There remains uncertainty regarding conversion from a mineral resource to a mine reserve sufficient to support a mining operation of up to 20 years or more.

Further evaluation work and appropriate studies are still required before the Company will be in a position to complete the definitive feasibility study, to estimate any Ore Reserve or provide any assurance of a final economic development case. There remains a degree of uncertainty that further work will result in any increases in a production target for the Galalar project.



Gubbins Range

15° 10' S —

EPMA 27430

MLA 100285

Nob Point Barge Ramp

Town

Road

EPM = Exploration Permit for Minerals EPMA = Exploration Permit for Minerals (Application)

DIATREME

CAPE BEDFORD

PROJECT LOCATION

Resources

20km

Figure 2: Galalar Silica Project location including exploration tenements and applications

Big Bertha

Elim Road North

Hopevale

Elim Road South-

EPM 27265

Gubbins

145° 10' E

Gray Hill •

Elim

MLA 100235

Galalar Silica Project

Cooktown

145° 20' E

- 15° 10' S

- 15° 20' S

Normanby

EPMA 27430

145° 00' E



CYCLONE ZIRCON PROJECT, WA

Diatreme continued discussions during the quarter with potential project participants with the aim of maximising shareholder value 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.

However, there is no question the restrictions imposed on international travel due to the COVID-19 pandemic have hampered the ability for interested offshore parties to complete site due diligence visits to the proposed mine site and allow finalisation of potential offers into more binding arrangements.

Constrained supply of high-grade zircon and solid demand still underpin the project's fundamentals, with the global economy projected to pick up speed in 2021 as COVID-19 vaccines are distributed worldwide and recovering economies drive ambitious growth targets that focus on infrastructure driven programs.

Pricing for zircon and other mineral sands has strengthened recently, due to the recovering global economy post-pandemic and amid declining supply. Zircon prices have hit three-year highs and ilmenite and rutile prices have reached their highest levels since 2014, according to industry data.

The uptick in zircon and rutile pricing over the last quarters, closure of Rio's Richards Bay heavy mineral operations and increasing commentary on stimulus packages focussed on infrastructure development by various Governments as a means to re-engage economic activity (Covid stimulus) has also led to increased interest from heavy minerals mid-tier operating companies based in Australia that are not travel constrained to move forward in genuine commercial discussions.

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.

Diatreme continues to actively examine the potential for Cyclone's holding vehicle, Lost Sands Pty Ltd to be annexed into a separated process (potentially not dilutionary to Diatreme shareholders) to unlock value. 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.



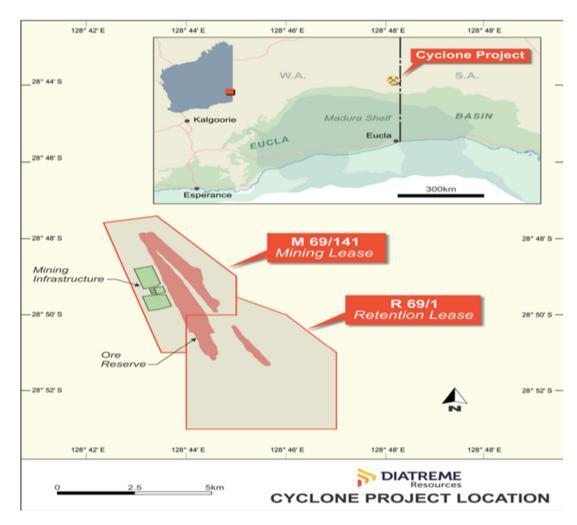


Figure 5: Cyclone project location



CLERMONT COPPER-GOLD PROJECT, QLD

Diatreme management and external consultants continue to review the Clermont Copper-Gold Project, particularly the Rosevale Porphyry Corridor, to determine its potential for further exploration, disposal or joint venture. This follows a surge in copper prices to 10-year highs and continued high gold prices, particularly in Australian dollar terms.

CORPORATE

Annual General Meeting

Diatreme's Annual General Meeting was held on 27 May 2021 at the Company's head office in Brisbane. All 10 resolutions were passed on a poll, with voting results available via the ASX release dated 27 May 2021. Diatreme thanks shareholders for their continued support.

Noosa Mining and Exploration Investor Conference presentation

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

Other Corporate items

During the quarter the Company made payments totaling \$90k to related parties and their associates representing Directors' remuneration and specialist market and consultancy services.

Greg Starr

The Company's cash position as at 30 June 2021 totaled \$2.20M.

This announcement was authorised for release by:

Neil McIntyre

Chief Executive Officer 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.



Disclaimer: Diatreme and its related bodies corporate, any of their directors, officers, employees, agents or contractors do not make any representation or warranty (either express or implied) as to the accuracy, correctness, completeness, adequacy, reliability or likelihood of fulfilment of any forward-looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. Diatreme and its related bodies corporate and each of their respective directors, officers, employees, agents and contractors disclaims, to the maximum extent permitted by law, all liability and responsibility for any direct or indirect loss or damage which may be suffered by any person (including because of fault or negligence or otherwise) through use or reliance on anything contained in or omitted from this presentation. Other than as required by law and the ASX Listing Rules, Diatreme disclaims any duty to update forward looking statements to reflect new developments.



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 noncontribution clauses.

Abbreviations:

EPMA Queensland

Μ 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 **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

Name of entity	
DIATREME RESOURCES LIMITED	
ABN	Quarter ended ("current quarter")
33 061 267 061	30 June 2021

Con	solidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	4	8
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(199)	(391)
	(e) administration and corporate costs	(266)	(647)
1.3	Dividends received (see note 3)		
1.4	Interest received	7	9
1.5	Interest and other costs of finance paid	(26)	(138)
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	(480)	(1,159)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	(40)	(137)
	(d) exploration & evaluation	(1,314)	(2,287)
	(e) investments		
	(f) other non-current assets		

Con	solidated statement of cash flows	Current quarter \$A'000	Year to date (6 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)	(18)
2.6	Net cash from / (used in) investing activities	(1,372)	(2,242)

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	-	50
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)	(18)	(36)
3.10	Net cash from / (used in) financing activities	(18)	14

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,071	5,788
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(480)	(1,159)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,372)	(2,442)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(18)	14

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	2,201	2,201

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	2,201	1,571
5.2	Call deposits	-	2,500
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)	2,201	4,071

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	90
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
	if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must includ	le a description of, and an

explanation for, such payments.

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)

Under a new agreement, an extension of the \$1.5M for a further 16 months from current maturity date of 31 July 2020 to 30 November 2021. Interest rate of 7.0% per annum (from 1 August 2020), and unsecured. Lender is Ms Jie Wu, an unrelated party. (Refer to ASX announcement 27 March 2020)

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(480)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,314)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,794)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,201
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,201
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.2
	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".	

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?

Yes

- 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?
- The company regularly engages with key major shareholders along with the investment community regarding its ongoing activities. The company has the option to raise equity through capital raising utilising its current full placement capacity. Furthermore, when the Board forms the view on when the timing is appropriate, it anticipates any future possible capital raising will be well supported by existing shareholders and through its well-established and supportive Broker network
- 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?

The entity expects to continue its operations and meet its business objectives consistent with its comments and responses to question 2. above.

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

- 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: 30 July 2021

Authorised by: The Board of Diatreme Resources Ltd

Notes

- 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.