

ASX ANNOUNCEMENT

27 March 2024

Update on conditions to proposed takeover bid for Metallica Minerals Limited

Diatreme Resources Limited (ASX: DRX) (**Diatreme**) refers to its previous announcements in relation to its conditional intention to make an off-market takeover bid for all of the ordinary shares in Metallica Minerals Limited (ASX: MLM) (**Metallica**) (**Takeover Bid**), under which Metallica shareholders would receive 1.3319 ordinary shares in Diatreme (**Diatreme Shares**) for each ordinary share in Metallica (**Metallica Share**) held by Metallica shareholders on the record date (**Offer**).

Update on ASX waiver application

Diatreme advises that it has been granted a waiver by ASX (**ASX Waiver**) in respect of the requirement to obtain the approval of Diatreme shareholders for the purpose of Listing Rule 10.1 for the acquisition of the Metallica Shares held by Ilwella Pty Ltd (**Ilwella**) and Sibelco Asia Pacific Pty Ltd (**Sibelco**) (and the issue of Diatreme Shares for each Metallica Share held by Ilwella and Sibelco, to Ilwella and Sibelco as consideration under the Offer) (**Listing Rule 10.1 Approval**). As a result, Diatreme will not convene a general meeting of Diatreme shareholders for the purpose of obtaining the Listing Rule 10.1 Approval. The Offer will remain conditional on the ASX Waiver remaining in full force and effect.

Further, Diatreme makes the following statements, being a condition to the grant of the ASX Waiver:

- 1 There is no economic rationale for Diatreme to overpay for the acquisition of Metallica Shares in order to benefit either Ilwella, Sibelco or another closely connected party.
- 2 Ilwella and Sibelco do not have other economic interests that could be affected if the Takeover Bid proceeds or does not proceed, and Diatreme has received confirmation of the same from each of Ilwella and Sibelco.
- 3 Ilwella and Sibelco did not participate in the formulation of the terms of the Takeover Bid and did not otherwise exert, or seek to exert influence over the terms of the Takeover Bid.

Update on outstanding preliminary condition

Due to the grant of the ASX Waiver, any Diatreme Shares issued to Ilwella and Sibelco under the Offer will not be subject to ASX mandatory escrow under Listing Rule 10.7. As a result, Diatreme will not apply to ASIC for a modification of section 625(3) of the Corporations Act to permit any Diatreme Shares issued to Ilwella and Sibelco under the Offer to not be quoted on ASX.

Diatreme advises that the preliminary conditions to Diatreme's intention to make the Offer, as outlined in its announcement dated 16 February 2024, have now been satisfied. The Offer will be subject to the defeating conditions set out in the appendix to Diatreme's announcement dated 27 February 2024.



This market announcement was authorised for release by:

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