

# ASX

## ANNOUNCEMENT

31 May 2024

### Debt facility rollover

- Diatreme repays \$0.5 million of existing \$1.5 million debt facility maturing 30 May 2024, with balance of \$1 million extended for further 12 months to 30 May 2025
- Rollover protects shareholder value and cash reserves, amid focus on development of high purity, low iron silica sand projects.

**Emerging silica sands developer, Diatreme Resources Limited (ASX:DRX)** announced today the repayment of \$0.5 million from an existing \$1.5 million debt facility (**Debt Facility**), with an agreement to extend the balance of \$1.0 million for a further 12 months to 30 May 2025. The arrangement protects shareholder value and cash reserves amid the Company's focus on the development of its Queensland silica sand projects.

Key terms of the extended debt facility comprise:

- Interest rate to remain at the current fixed rate of 7.5%, payable quarterly in arrears;
- Debt extension period is 12 months from the maturity date of 30 May 2024 to 30 May 2025;
- At the new maturity date of 30 May 2025, the parties will negotiate in good faith at that time to further extend or repay the debt facility in full or in part;
- The debt facility remains unsecured and can be repaid at any time by the Company without any early repayment penalty fee.

**(Note:** the debt relates to an original convertible note facility with a debt component that was fully drawn by 2 May 2017 and relevant shares were issued after maturity date in October 2018, pursuant to shareholder approval. The

debt component (\$1.5 million) was further extended to mature on 31 July 2020, with subsequent rollovers to 30 November 2021, 30 November 2022, and 30 May 2024.)

The Directors wish to thank the lender, Ms Jie Wu, an unrelated party, for her continued support and the favourable extension terms provided to the Company.

Welcoming the debt rollover agreement, Diatreme's CEO Neil McIntyre said: *"We would like to again thank Ms Wu for her continued support and confidence in Diatreme with the extension of this agreement."*

*"This debt rollover ensures we are able to maintain our prudent approach to protecting shareholder value and cash reserves, amid the continued development of our North Queensland silica sand projects."*

This announcement is authorised for release by the Board.

**Neil McIntyre**

Chief Executive Officer

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**About Diatreme Resources**

Diatreme Resources (ASX:DRX) is an emerging Australian producer of mineral and silica sands based in Brisbane. Our key projects comprise the Northern Silica Project and Galalar Silica Sand Project in Far North Queensland, located adjacent to the world's biggest silica sand mine at Cape Flattery.

In Western Australia's Eucla Basin, Diatreme's 'shovel-ready' Cyclone Zircon Project is considered one of a handful of major zircon-rich discoveries of the past decade. Diatreme also holds a 49% interest in the Clermont Copper-Gold Project located in central Queensland, subject to a farm-in agreement with Metallica Minerals Limited (ASX:MLM).

Diatreme has an experienced Board and management, with expertise across all stages of project exploration, mine development and project financing together with strong community and government engagement skills.

Global material solutions group Sibelco is Diatreme's development partner on its Queensland silica projects portfolio. Sibelco has completed a two-tranche investment of \$35 million taking their total project interest to 26.8%, with the balance (73.2%) held by Diatreme. In addition, Sibelco made a \$13.97 million investment at the corporate level.

Diatreme's silica sand resources will contribute to global decarbonisation by providing the necessary high-grade silica for use in the solar PV industry. The Company has a strong focus on ESG, working closely with its local communities and other key stakeholders to ensure the long-term sustainability of our operations, including health, safety and environmental stewardship.

For more information, please visit [www.diatreme.com.au](http://www.diatreme.com.au)

**ASX releases referenced for this release:**

- Rollover of debt facility – 14 October 2022
- Early extension of debt facility – 19 August 2021
- Extension of debt facility – 27 March 2020
- Rollover of convertible note – 6 August 2018
- Diatreme gains \$3M funding to advance Cyclone project – 19 May 2015

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. Diatreme confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original releases.