

ASX ANNOUNCEMENT

5 July 2024

Metallica Board changes and Offer update

- **Consistent with long-standing market practice, Diatreme has nominated Directors to the board of Metallica to more closely reflect Diatreme's ownership interest**
- **Diatreme has increased its relevant interest in Metallica to 71.28%**
- **The consideration under the Offer is BEST AND FINAL and will not be increased**
- **The Offer is scheduled to close on Tuesday, 9 July 2024, unless extended. Remaining Metallica shareholders are encouraged to ACCEPT NOW AND NOT WAIT in order to participate in the Offer's benefits**

Diatreme Resources Limited (ASX: DRX) (**Diatreme** or the **Company**) refers to its takeover offer (**Offer**) for all the ordinary shares in Metallica Minerals Limited (ASX: MLM) (**Metallica**).

Diatreme's Offer became unconditional on 17 June 2024 with Diatreme achieving effective control of Metallica. Consistent with long-standing market practice and the relevant disclosures in our bidder's statement dated 28 March 2024, Diatreme approached Metallica to reconstitute the Board of Metallica via a co-operative, efficient and orderly process.

1. Director Changes Being Undertaken at Metallica Minerals

Diatreme has nominated Mr Gregory Starr, Mr Michael Chapman and Mr Stephen Everett as directors of Metallica, each of whom will commence as directors of Metallica on 8 July 2024. The proposed Board of Metallica will comprise the following persons:

- 1 Mr Brad Sampson. Mr Sampson is an existing independent non-executive director of Metallica.
- 2 Mr Michael Chapman. Mr Chapman is a current director of Diatreme.
- 3 Mr Gregory Starr. Mr Starr is a current director of Diatreme.
- 4 Mr Stephen Everett. Mr Everett has been appointed as an independent non-executive director of Metallica.

Mr Theo Psaros and Mr Mark Bojanjac have resigned as directors of Metallica and each subsidiary of Metallica of which they are currently an officer effective on 8 July 2024. The Metallica board has also terminated Mr Psaros' executive contract effective as at 8 July 2024. Mr Psaros will make himself available to enable an orderly handover to the re-comprised board of Metallica until 8 August 2024.

The restructured Metallica's board will assist in developing pathways to ensure group synergies can be realised.

2. The consideration under the Offer is BEST AND FINAL and will not be increased. The Offer is due to close on Tuesday, 9 July 2024, unless extended – ACCEPT NOW and participate in the Offer's benefits

Diatreme currently has a relevant interest of 71.28% in Metallica. Accepting Metallica shareholders will become shareholders in a larger, well-funded ASX-listed company with greater market relevance, project financing capacity and optionality while still maintaining exposure to Metallica's assets. The risks of Metallica Shareholders who do not accept the Offer remain with the potential for materially lower liquidity and trading prices of Metallica Shares (if Metallica continues to be listed on ASX) and it being materially more difficult to sell Metallica shares in the event Diatreme de-lists Metallica from the ASX, which Diatreme intends to do (subject to the relevant ASX guidelines and other relevant considerations).

Diatreme encourages all Metallica shareholders to **ACCEPT THE OFFER NOW AND NOT WAIT.**

How to Accept the Offer

Instructions on how Metallica shareholders can accept the Offer are contained in the Bidder's Statement and on the acceptance form (which accompanies the Bidder's Statement). Metallica shareholders can accept the offer by returning their acceptance form or contacting their controlling participant (usually their broker).

To ACCEPT the offer online, scan the barcode to the right with your tablet or visit <https://investor.automic.com.au/#/signup> on your browser and follow these instructions:

1. Click "Register" then select "Metallica Minerals Takeover Offer" from the dropdown list in the Issuer Name Field
2. Enter your Holder Identification Number / Holder Reference (HIN/SRN)
3. Enter your postcode OR country of residence (only if outside Australia)
4. Tick the box "I'm not a robot" and then select "Next"
5. Complete the prompts to set up your username and password details
6. Once you are logged in, select "Offers" from the left-hand vertical menu and follow the prompts.



Any Metallica shareholders with questions about the Offer, should contact their legal, financial or other professional adviser or call the shareholder information line on 1300 636 752 (or +61 2 8318 7933 for overseas domiciled holders) between 8.30am (Sydney time) and 5.00pm (Perth time) Monday to Friday.

This market announcement was authorised for release by:

Neil McIntyre

Chief Executive Officer

Greg Starr

Non-executive director

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About Diatreme Resources Limited

Diatreme Resources Limited (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 next 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. Diatreme has a farm-in agreement with Metallica Minerals Limited (MLM) which already owns a 51% interest and has provided its intention to earn up to a 75% interest by meeting certain further expenditure obligations of an additional \$1 million.

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

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

For more information, please visit www.diatreme.com.au