

ASX

ANNOUNCEMENT

23 September 24

Final Terms of Reference released for Northern Silica Project EIS

- Queensland's Office of the Coordinator-General (OCG) releases final Terms of Reference (ToR) for Northern Silica Project (NSP) Environmental Impact Statement (EIS) process, following public review of draft ToR
- Final ToR outlines environmental, heritage, social and economic study requirements for Qld and Commonwealth governments' approvals process
- Diatreme focused on delivering sustainable project helping power solar energy boom, maximising economic benefits for Hope Vale/Cooktown while preserving cultural heritage and protecting environment.

Emerging silica sands developer, Diatreme Resources Limited (ASX:DRX) is further advancing the approval process for its flagship Northern Silica Project (NSP) in Far North Queensland, following the release by Queensland's Office of the Coordinator-General of the final Terms of Reference (ToR) for the NSP's Environmental Impact Statement.

The release of the final ToR on 20 September 2024 followed a period of public review and submissions regarding the draft ToR from 3 June 2024 to 8 July 2024, with these submissions forming part of the OCG's formation of the final ToR. A 99-page document, the draft ToR outlined a comprehensive study program for the future EIS across environmental, social, heritage and economic requirements.

Diatreme's CEO, Neil McIntyre commented: *"We welcome the release of the final EIS ToR, an important step in the regulatory approval process for a new high purity silica sand mine in Far North Queensland that will deliver new jobs and other economic benefits to the local community while helping power the solar energy revolution."*

"Diatreme is focused on delivering a sustainable project with the highest possible levels of environmental and social management, as befitting a project that will support global decarbonisation."

"A recognised critical mineral, high purity silica sand has been mined for decades in the Cape Flattery region and we look forward to advancing production with the support of the relevant Traditional Owners and all other key stakeholders."

Final ToR

In addition to minor edits and clarifications, changes included in the final ToR included:

- Additional requirements for studies related to groundwater extraction and use by the NSP, including potential impacts on neighbouring areas;
- Additional requirements for studies related to flora and fauna;
- Additional requirements for studies and accounting related to greenhouse gas emissions;
- Clarification of requirements for studies related to the coastal environment; and
- Clarification of offset requirements related to the EPBC Act.

The final ToR is available from the following Queensland Government website:

<https://www.statedevelopment.qld.gov.au/coordinator-general/assessments-and-approvals/coordinated-projects/current-projects/northern-silica-project>

The final ToR provides Diatreme with certainty concerning the scope and detail of its site-based data collection and baseline surveys, which are already well progressed. It also provides an indication of key issues for further study and investigation as raised by regulatory agencies and stakeholders.

With this information, the data collection and surveys on the NSP site are being finalised over the dry season period, with impact assessment reporting progressing.

Diatreme is continuing and intensifying its community consultation and stakeholder engagement program in Hope Vale and Cooktown, with the key focus for the remainder of calendar 2024 on social impact assessment and cultural heritage and cultural values engagement and surveys.



Figure 1: Diatreme’s Alastair Bauer, General Manager – Development Projects, discusses the NSP’s EIS process at a community information session in Cooktown, Qld

EIS process - next steps

The Draft EIS will now be prepared by Diatreme in accordance with the final ToR, outlining baseline and impact assessments, mitigation measures and proposed strategies and management plans to manage project risks and impacts. Submission for Government review is planned before the end of Q2 2025.

Once approved, the Draft EIS will undergo another public comment period, which may identify that additional studies or work is required to address further issues or concerns.

Following the notification and submission period on the Draft EIS and the carrying out of any additional studies, the EIS will be revised and resubmitted for formal Government assessment and decision on the NSP’s advancement.

The NSP was gazetted by the Queensland Government as a ‘Coordinated Project’ on 12 January 2024 (refer ASX release 15 January 2024). This major milestone recognised the NSP’s strategic value, including its infrastructure and approval requirements. This also established the environmental assessment process, including preparation of an EIS.

The draft ToR for the EIS were prepared by the OCG with input from the Department of Climate Change, Energy, the Environment and Water (“DCCEEW”), which administers the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

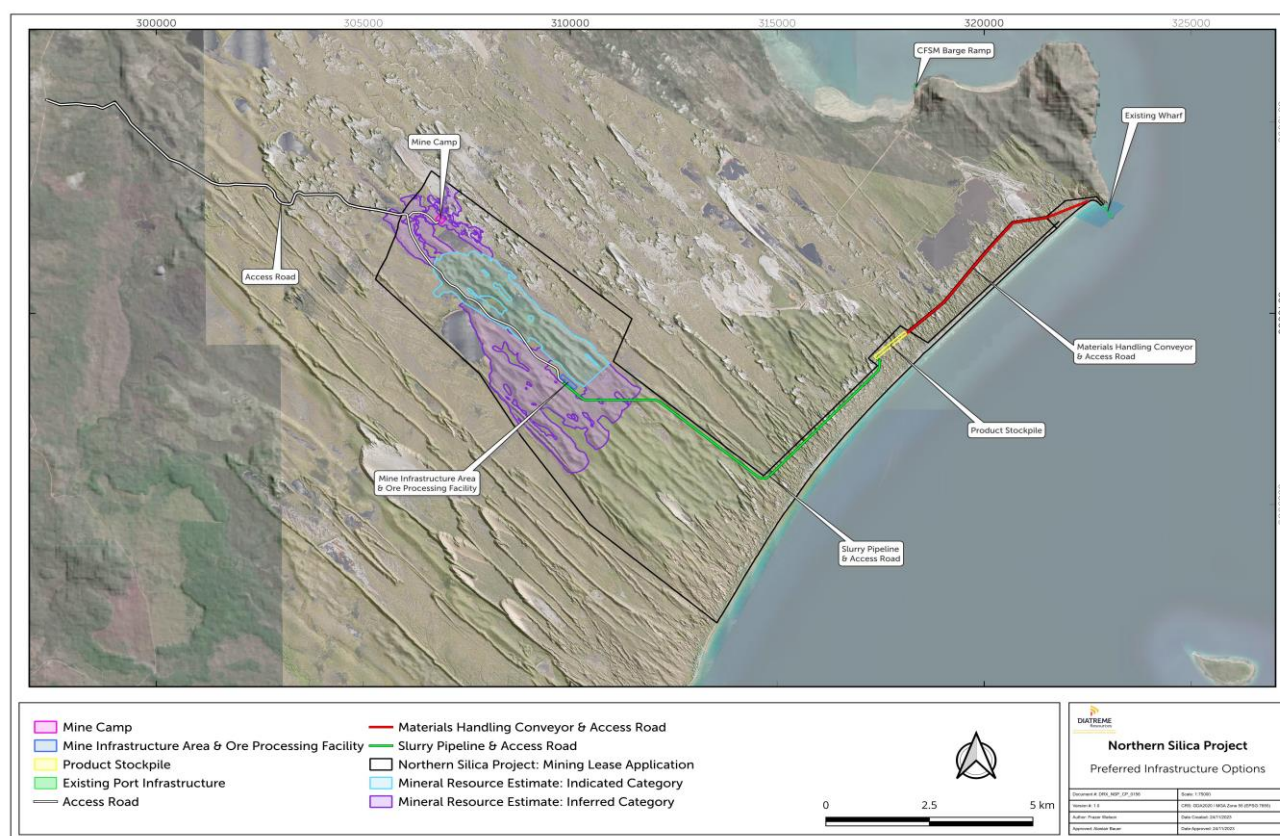


Figure 2: Northern Silica Project, Far North Queensland

This announcement is authorised for release by the Board.

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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, together with the recently acquired Cape Flattery Silica Project.

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 owns 100% of the Clermont Copper-Gold Project in central Queensland.

Global material solutions group Sibelco is Diatreme's development partner on its silica projects portfolio. Sibelco 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 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, premium quality 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.

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.

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

ASX releases referenced for this release:

- Draft Terms of Reference for EIS released – 31 May 2024
- Diatreme advances EIS and port planning for NSP – 21 March 2024
- Diatreme's Northern Silica Project declared Coordinated Project – 15 January 2024



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.