



# DIATREME RESOURCES LIMITED

ABN: 33 061 267 061

Postal Address: PO Box 10288 Brisbane Adelaide Street QLD 4000  
Registered Office: Level 2 87 Wickham Terrace Spring Hill QLD 4000  
PH: +61 (0)7 3832 5666 FX: +61 (0)7 3832 5300  
www.diatreme.com.au manager@diatreme.com.au



ASX : DRX

Company Announcement Office  
Australian Securities Exchange  
Level 4, 20 Bridge Street  
Sydney NSW 2000

2 June 2009

## SHARE PURCHASE PLAN

Diatreme Resources Limited ACN 061 267 061 (**the Company**) is pleased to announce that the Company is inviting shareholders to participate in a Share Purchase Plan ("**SPP**"). Apart from offering shareholders the opportunity to participate in the future funding of Company's operations, the SPP offers the opportunity for shareholders with less than a marketable parcel to increase their holding into more than a marketable parcel.

Eligible shareholders registered on the Company's share register at 5:00pm (AEST) on 1 June 2009, will have the opportunity to subscribe for up to A\$5,000 worth of fully paid ordinary shares ("**Shares**") in the Company without incurring brokerage or other transaction costs.

Proceeds of the SPP will be applied to assist the Company in completing current drilling and associated exploration activities presently being undertaken at:

- Wanna Lakes area in WA involving a 30,000m aircore drilling program to upgrade HM resources over the Cyclone Deposit and to further assess HM mineralisation in the region.
- Clermont Copper/Gold Project in central QLD involving a 5,000m deep diamond core drilling program to identify porphyry copper gold mineralisation.
- Anabama Copper Project in southeastern SA involving a 3,500m RAB drilling program over existing copper targets and testing geophysical VTEM anomaly targets.

The offer is non-renounceable and full details of the SPP are set out in the offer documentation being mailed to eligible shareholders, a copy of which is attached.

For further information shareholders should contact the Diatreme Resources Investor Information Line on 1300 795 998 (for the cost of a local call) or 02 8280 7145.

**Anthony J Fawdon**  
Executive Chairman/CEO

Attach: Share Purchase Plan – Shareholder Offer dated 2 June 2009



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ASX : DRX

2 June 2009

Dear Shareholder

## SHARE PURCHASE PLAN – SHAREHOLDER OFFER

The Directors of Diatreme Resources Limited ACN 061 267 061 (**the Company**) are pleased to offer you the opportunity to participate in a Share Purchase Plan ("**SPP**"), allowing you to purchase up to A\$5,000 of fully paid ordinary shares ("**Shares**") in the Company to support the future funding of Company's operations. If appropriate, the SPP may also provide you with the opportunity to increase your holding into more than a marketable parcel.

Eligible shareholders registered on the Company's share register at 5:00pm (AEST) on 1 June 2009 have the opportunity to subscribe for Shares at an issue price of 15 cents per share, without incurring brokerage or other transaction costs. The issue price represents an approximate discount of 3% from the volume weighted average market price of Shares traded on the ASX during the previous five trading days on which sales were recorded prior to 2 June 2009. The following table provides details of the three levels of subscription from which you may choose and the number of Shares which will be issued for each subscription amount.

Subscription Amount	Number of New Shares to be issued
A\$1,000	6,667
A\$3,000	20,000
A\$5,000	33,333

Proceeds of the SPP will be applied to assist the Company in completing current drilling and associated exploration activities presently being undertaken at:

- Wanna Lakes area in WA involving a 30,000m aircore drilling program to upgrade HM resources over the Cyclone Deposit and to further assess HM mineralisation in the region.
- Clermont Copper/Gold Project in central QLD involving a 5,000m deep diamond core drilling program to identify porphyry copper gold mineralisation.
- Anabama Copper Project in southeastern SA involving a 3,500m RAB drilling program over existing copper resources and testing geophysical VTEM anomaly targets.

The total number of Shares on issue at 1 June 2009 is 170,333,254.

In accordance with Class order 02/831 issued by the Australian Securities and Investments Commission (ASIC), a maximum number of 51,099,976 new Shares would be available for issue under this SPP. In the event that there are applications for Shares exceeding this number, applications will be accepted in accordance with the date on which they are received, and any applications received after the time on which the maximum number of Shares has been reached, will, unfortunately, be unable to be accepted.

If you are eligible to subscribe for Shares under the SPP and you wish to participate, you must subscribe for the minimum 6,667 Shares for consideration of A\$1,000, 20,000 Shares for consideration of A\$3,000, or the maximum 33,333 Shares for a consideration of A\$5,000.

The offer of Shares under the SPP ("**Offer**") opens on 4 June 2009 and closes at 4:00pm (AEST) on 24 June 2009. Please carefully read the Terms and Conditions relating to the Offer, attached in **Appendix A**, as you will be bound by them.

If you have any questions in respect of the SPP, the Offer, or the Terms and Conditions please contact the Diatreme Resources Investor Information Line on 1300 795 998 (for the cost of a local call) or 02 8280 7145. An electronic copy of the Company's recently released 2008 Annual Report is available for download at [www.diatreme.com.au](http://www.diatreme.com.au). A hardcopy may be requested directly from the Company.



**Anthony J Fawdon**  
Executive Chairman/CEO

Company contact details:

Tel : +61 7 3832 5666

Fax : +61 7 3832 5300

Email : [manager@diatreme.com.au](mailto:manager@diatreme.com.au)

**KEY DATES \***

Record Date	Monday	1 June 2009
Announce Share Purchase Plan	Tuesday	2 June 2009
Date of Offer	Tuesday	2 June 2009
Despatch Offer to eligible shareholders	Thursday	4 June 2009
Opening date of the SPP	Thursday	4 June 2009
Closing date of the SPP	Wednesday	24 June 2009
Issue and Allotment of new Shares under the SPP	Tuesday	30 June 2009
Apply to ASX for quotation of allotted Shares	Tuesday	30 June 2009
Despatch Date	Friday	3 July 2009

\* Dates are indicative only and the Company retains the right to vary each of these dates without advance notification to shareholders. However, any alteration to these dates will be notified to the ASX.

## APPENDIX A

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This document contains the terms and conditions of the Diatreme Resources Limited (**DRX**) Share Purchase Plan (**SPP**) and they are binding on any shareholder completing the application attached hereto.

### **TERMS AND CONDITIONS**

#### **1. Opening and Closing date of the Offer**

This offer opens on 4 June 2009 and closes at 4:00pm (AEST) 24 June 2009. The SPP does not constitute an Offer in any place in which, or to any person to whom, it would be unlawful to make such an Offer.

#### **2. Eligibility**

You are eligible to apply for Shares if you are registered as a holder of fully paid shares in DRX at the close of business on the Record Date, being 1 June 2009.

#### **Trustees or nominees**

If a trustee or nominee holds shares on behalf of another person ("Beneficiary"):

- (a) each Beneficiary is taken to be an Eligible Shareholder for the purposes of the SPP;
- (b) that trustee or nominee will only be able to accept an Offer on behalf of a Beneficiary if:
  - (i) the trustee or nominee is expressly noted on the DRX share register as holding shares on behalf of that Beneficiary; and
  - (ii) the Beneficiary has an address in Australia or New Zealand; and
- (c) any application for the issue of shares or certification for the purposes of the Application Form, and any issue of shares to the trustee or nominee, is taken to be an application or certification by, or an issue to, the Beneficiary.

The Offer to each eligible shareholder is made on the same terms and conditions.

The Offer is non-renounceable (i.e. you may not transfer the right to subscribe for the Shares to anyone else).

#### **3. Issue Price**

The issue price of each Share under the Offer is 15 cents (A\$0.15).

Before deciding to accept the offer, you should check the then current price of DRX shares from a financial newspaper, ASX, or your stockbroker.

#### **4. Rights attaching to Shares**

The Shares will be issued on the same terms as the other ordinary shares in DRX quoted on the Australian Securities Exchange (ASX). DRX will apply for the Shares allotted under the SPP to be quoted on the ASX.

#### **5. Offer Detail**

If you are an eligible shareholder, you can apply for:

- 6,667 Shares at a total cost of A\$1,000.
- 20,000 Shares at a total cost of A\$3,000
- 33,333 Shares at a total cost of A\$5,000

#### **6. Cost of Participation**

Under this Offer, you will not pay any brokerage, commission or other transactions costs. The total cost to you will be the issue price of the Shares you elect to acquire.

#### **7. Allotment of Shares**

The Shares will be allotted on 30 June 2009, or as soon thereafter as possible.

#### **8. Maximum Number of Shares**

Under the rules of the ASX, no more than 51,099,976 Shares may be issued under the SPP.

### **9. Payment of Shares**

Payment for the Shares must be by cheque payable to “**DIATREME RESOURCES LIMITED SHARE APPLICATION A/C**” or by electronic means as indicated on the application form. If you do not pay the correct amount, DRX has the right to return your Application Slip and cheque or to refund your electronic payment and no Shares will be allotted to you.

### **10. Certification**

By applying for these Shares, you are certifying that you have not applied for any other Shares under this Offer and that the aggregate cost of Shares applied for and/or subscribed for by you does not exceed A\$5,000 in the twelve months prior to allotment under this Offer.

### **11. Change of Offer**

DRX may change or terminate the SPP at any time. If DRX does this it will advise the ASX and give notice to eligible shareholders. Failure by DRX to give notice to or non-receipt of notice by, an eligible shareholder will not invalidate the change or termination. DRX reserves the right to issue a lesser number of Shares, at its discretion for any reason.

### **12. No Interest**

No interest will be paid on money returned to a person making an application.

### **13. Risk Factors**

The price of the DRX shares may rise or fall between the Date of Offer and when Shares are issued to you under the SPP. This may mean that the price you pay for Shares under the SPP may be greater or less than the market price at the time the Shares are issued to you. **In deciding whether or not to apply for Shares, or the extent to which you may wish to participate, you should obtain your own personal financial and taxation advice.**

DRX reserves the right to waive strict compliance with any provision of these Terms and Conditions. The powers under the Terms and Conditions may be exercised by the Directors of DRX or by any person to whom they delegate the authority. The Company shall have no liability for applications delayed or lost in the mail or electronic payments not received due to bank error.

## **DEFINITIONS**

**ASX** means the Australian Securities Exchange

**Board** means the board of directors of the Company.

**Closing Date** means 4:00pm (AEST) on 24 June 2009 or such later date as may be determined by the Board.

**Company** means Diatreme Resources Limited.

**DRX** means Diatreme Resources Limited.

**Eligible Shareholders** means shareholders so registered at the Record Date.

**Offer** means the non-renounceable offer of Shares to Eligible Shareholders under the SPP.

**Purchase Price** means the subscription price of the Shares offered under the SPP.

**Record Date** means 1 June 2009.

**SPP** means the Diatreme Resources Limited Share Purchase Plan as approved by the Board.

**Shareholder(s)** means holder(s) of ordinary shares in the capital of DRX.

**Shares** means fully paid ordinary shares in DRX.

**Terms** means the terms of the SPP as amended.

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**Record Date:** 1 June 2009  
**Offer Opens:** 4 June 2009  
**Issue Price per Share:** A\$0.15  
**SRN/HIN:**

**Offer Closes 4:00pm AEST 24 June 2009**

## SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

### How do I apply for Shares under this offer?

- Carefully read the SPP Terms and Conditions accompanying this form.
- Decide on the amount you wish to apply for.
- Pay for the Shares in accordance with the instructions outlined in the Terms and Conditions.
  - Option 1: Paying by BPAY®
  - Option 2: Paying by Cheque, Bank Draft or Money Order.
- Payments must be in Australian dollars.

### PAYMENT OPTIONS

#### Option 1: Paying by BPAY®

If paying by BPAY®, you do **NOT** need to complete or return the Acceptance Slip attached to this Application Form below. Payment must be received by the Registry by BPAY® by 4:00pm AEST on 24 June. By paying by BPAY®, you will be deemed to have completed an Application Form for the number of Shares the subject of your application payment.

Your payment must be for a minimum of A\$1,000.



Billers Code: 114645

Ref:

#### Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account.  
More info: www.bpay.com.au

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#### Option 2: Paying by Cheque or Money Order

If paying by cheque or money order, complete and return the Acceptance Slip attached to this Application Form with your application payment.

- Tick the box beside the amount you wish to apply for, either A\$1,000, A\$3,000 or A\$5,000.
- Enter your cheque or money order details. The amount of your application payment should be equal to the amount applied for in section A of the Acceptance Slip. Cheques or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Diatreme Resources Limited Share Application A/C" and crossed "Not Negotiable". Your payment must be for a minimum of A\$1,000.
- Enter your contact telephone number at which we may contact you regarding your application for Shares, if necessary.

**THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.**

*Please detach and enclose with payment*

**Entitlement Number:**  
**SRN/HIN:**

#### **A** I/we wish to purchase a parcel of Shares to the dollar amount of (tick one box only):

<input type="checkbox"/>	6,667 Shares A\$1,000	OR	<input type="checkbox"/>	20,000 Shares A\$3,000	OR	<input type="checkbox"/>	33,333 Shares A\$5,000
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#### **B** Make your cheque or money order payable to "Diatreme Resources Limited Share Application A/C"

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/> .00

#### **C** Telephone Number – Business Hours      Telephone Number – After Hours      Contact Name

<input type="text"/>	<input type="text"/>	<input type="text"/>
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## IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Form, please consult a professional adviser.
2. If you do not wish to purchase additional Shares under this Offer, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions and this Important Information, before you make the Application Payment by BPAY® or you submit your Acceptance Slip with your Application Payment.
4. This Offer is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. Where a trustee or nominee is a registered holder of Shares and is expressly noted on the register as holding Shares on account of another person (the beneficiary), the beneficiary will be taken to be the holder of those Shares. A subscription for Shares by the trustee or nominee or a certification or issue of Shares to the trustee or nominee will be taken to be a subscription or certification by, or issue to, the beneficiary so far as the subscription, certification and issue relates to that beneficiary.  
  
Where a trustee or nominee is a registered holder of Shares but is not expressly noted on the register as holding Shares on account of a beneficiary, the trustee or nominee may only participate as a single registered holder of Shares.
6. By submitting the Acceptance Slip (with a Cheque or Money Order) or making payment by BPAY®, you certify that the aggregate of the Application Payment paid by you for:
  - the parcel of Shares indicated on this Application Form; and
  - any other Shares applied for by you under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Acceptance Slip or payment by BPAY® does not exceed A\$5,000.
7. Diatreme Resources Limited reserves the right to make amendments to this Application Form where appropriate.

### How to Lodge your Acceptance Slip and Application Payment

A reply paid envelope is enclosed for you to return your Acceptance Slip and application payment. No postage stamp is required if it is posted in Australia.

Acceptance Slip and the payment for New Shares must be received by the Registry no later than the closing date shown overleaf.

#### Mailing Address

Diatreme Resources Limited  
C/- Link Market Services Limited  
Locked Bag 3415  
Brisbane QLD 4001

or

#### Hand Delivery

Diatreme Resources Limited  
C/- Link Market Services Limited  
Level 12, 300 Queen Street  
Brisbane QLD 4001 **(Please do not use this address for mailing purposes)**

Make sure you send your Acceptance Slip and application payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 4:00pm AEST on 24 June 2009. Diatreme Resources Limited reserves the right not to process any Acceptance Slips and application payments received after the Closing Date.

**If you require information on how to complete this Acceptance Slip please contact the Diatreme Resources Limited SPP Offer Information Line on 1300 795 998 if calling within Australia or +61 2 8280 7145 if calling from outside of Australia.**