



DIATREME RESOURCES | ASX:DRX

QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDED 30 September 2025

ASX RELEASE

28 October 2025

Quarterly Activities Report

For the period ended 30 September 2025

CORPORATE

This announcement was authorised for release by the Board.

Neil McIntyre
Chief Executive Officer

Contact – **Mr Neil McIntyre**
Ph 07 3397 2222

Website - www.diatreme.com.au
E-mail - manager@diatreme.com.au

For investor/media queries, please contact:

Anthony Fensom, Fensom Advisory
anthony@fensom.com.au;
Ph: +61 (0) 407 112 623

Share Registry: Automic Group
automicgroup.com.au
Investor Services: 1300 288 664

Diatreme released its Financial Report for the half year ended 30 June 2025, with highlights including Major Project Status designation for the Company's flagship Northern Silica Project (NSP), an upgraded Mineral Resource Estimate for the Si2 Deposit and the progression of its Environmental Impact Statement to the final approval stages.

The Company recorded a net loss for the half year of \$727,754, down 22% from the previous half year's \$937,701 net loss.

Post-quarter, on 9 October 2025 Diatreme announced the receipt of \$226,894 under the Australian Government's Research and Development Tax Incentive Rebate for its 2024 financial year, related to the Company's Cyclone Zircon Project.

Investor relations activities included Diatreme's CEO, Neil McIntyre presenting at the Noosa Mining Investor Conference on 24 July 2025 (see <https://diatreme.com.au/media>). Diatreme will also be participating in the next conference scheduled for 12-14 November 2025.

During the quarter, the Company made total payments of \$163k to related parties, comprising \$88k of director fees, and \$75k for specialist marketing consultancy, community engagement and risk management services to related parties of two directors of the Company.

The Company's cash and liquids position totalled **\$2.81 million** (not including a further **\$7.98 million** in the silica projects J/V), giving total cash of **\$10.71 million** as at 30 September 2025.

QUARTERLY HIGHLIGHTS

Silica Projects

Northern Silica Project (NSP)

- Exploration Targets defined for Casuarina East and Casuarina West systems
- Queensland Government grants Project Status to all five Cape Flattery and Cape Bedford EPMs
- Bulk metallurgical testwork confirms NSP's low-iron, high-purity silica sand suitable for PV glass manufacture
- Negotiation protocol signed with Gulaal People
- Site visit notes Cape Flattery Port's proximity to project development area and existing spare capacity

Cape Flattery Silica Project (CFSP)

- Review continues, aimed at maximising synergies with existing projects

Clermont Copper/Gold Project

- Agreement reached to sell project to Moonlight Resources Limited
- Moonlight to issue Diatreme with ordinary shares and performance rights valued at \$3.25 million and pay \$250,000 in cash
- Diatreme to become significant shareholder in Moonlight on completion of planned IPO with initial interest between 17.1-19.9%

Cyclone Zircon Project

- Post-quarter: Metallurgical testwork shows improved recoveries
- Discussions advancing with potential project partners/investors to generate value for shareholders

COMING DECEMBER QUARTER 2025 ACTIVITIES

Diatreme's operational focus for the December quarter 2025 comprises the following:

FNQ silica sand projects

- Northern Silica Project (NSP) - submit draft EIS for adequacy review by the Office of the Coordinator-General and other agencies.
- Ongoing negotiations for a Part User agreement with Ports North for elements of Cape Flattery Port.
- Finalisation of NSP's Pre-Feasibility Study and Maiden Ore Reserves.
- Continue engagement with the local community and related programs.
- Further discussions and negotiations regarding the establishment of a mining project agreement for the NSP with Hopevale Congress Aboriginal Corporation (RNTBC), Walmbaar Aboriginal Corporation (RNTBC), affected native title holders and the broader Hope Vale community.
- Continuation of the 2025 exploration drilling program.

Cape Flattery Silica Project (CFS)

- Liaise with affected native title holders on various project development agreements.
- Liaise with various State regulatory agencies.
- Assess regional project synergies.
- Infrastructure sharing potential between NSP and CFS continues to be investigated.

Clermont Copper/Gold Project

- Advance the proposed sale of project to unlisted company, Moonlight Resources Limited ("Moonlight"). Moonlight expects to lodge an IPO prospectus with ASIC in late October and to list on the ASX in late November 2025.
- Moonlight will make a \$3.0m priority offer to DRX shareholders at an issue price of \$0.20 per fully paid ordinary share in Moonlight. Shareholders will also receive one free attaching option for every two new shares acquired under the IPO, exercising at \$0.30 and expiring three years from the date of the issue.
- DRX shareholders will receive correspondence outlining the Offer in due course.
- More details regarding Moonlight are available at ml8.com.au

Cyclone Zircon Project

- Continue processing testwork, expected to be completed by end of November 2025, with results to be used to design an improved flowsheet for processing Cyclone ore.
- Further assessment of best options to realise project value including sale, joint venture and or use of a separated company vehicle to facilitate potential "asset spin out" to a listed entity.

NORTHERN SILICA PROJECT

Casuarina Exploration Targets updated

Diatreme has defined two conceptual Exploration Targets within its Northern Silica Project (NSP) tenement area in Far North Queensland, highlighting the potential for further resource expansion of this critical mineral project.

The Casuarina East and Casuarina West dune systems were delineated through LiDAR based terrain modelling and remote geomorphological interpretation, identifying substantial volumes of potentially low-iron, high-purity silica sand. These targets are located immediately adjacent to the current operations of Cape Flattery Silica Mines (owned by Mitsubishi) and represent a strategic opportunity to significantly expand Diatreme's regional resource footprint.

Diatreme plans to continue ongoing exploration activities adjacent to the NSP to further expand on its resources and reserves inventory which will further underpin mine development in the area.

Note: The potential quantity and quality of the Exploration Targets described below are conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Exploration Target	Tonnage Range	Grade Range
Casuarina East Deposit	80 – 190 Mt	98.5 - 99.9% SiO ₂
Casuarina West Deposit	35 – 85 Mt	
Combined Casuarina Total	115 – 275 Mt	

Table 1: Casuarina Silica Deposit Exploration Targets

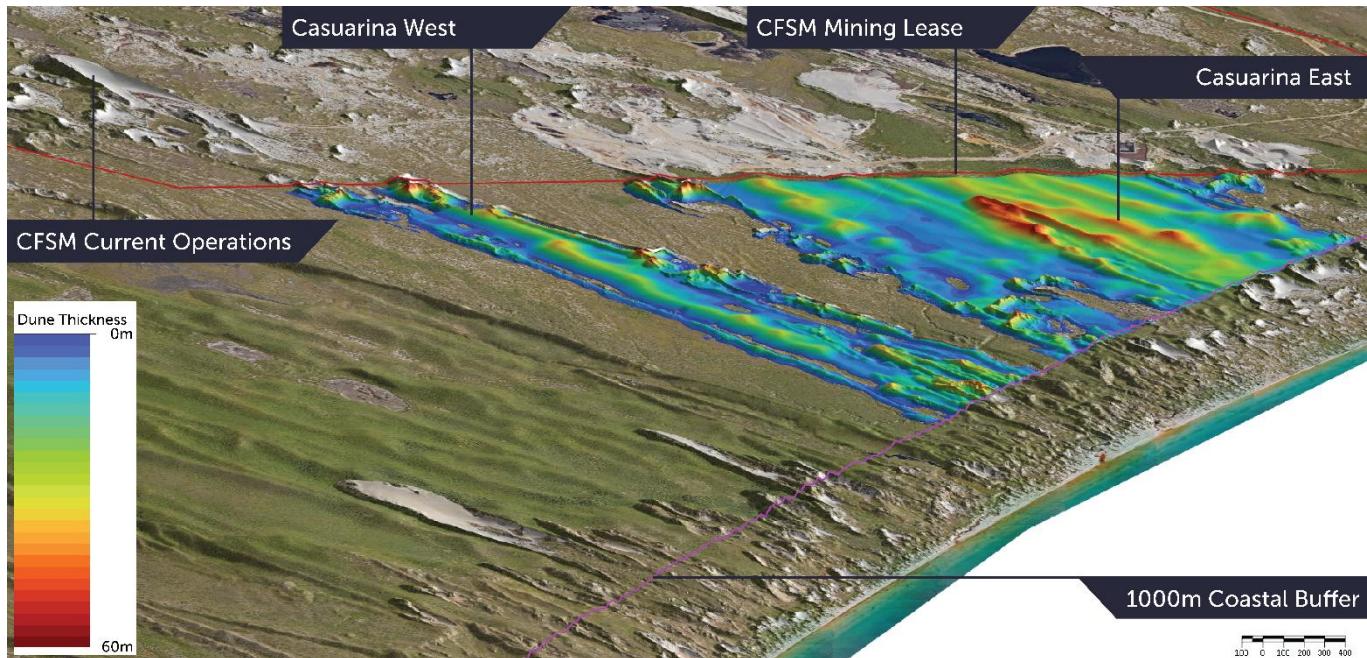


Figure 1: Location schematic showing dune thickness of Casuarina West and Casuarina East Exploration Targets

NSP site visit by Board and Management

In July 2025, Diatreme's Board and management conducted a site visit examining the proposed NSP mining and marine loading infrastructure areas. The visit noted the Cape Flattery Port's proximity to the proposed project development area and the recent new Casuarina East and West Exploration Targets.

Existing and previous occupational leases at Cape Flattery Port detail an existing nameplate capacity of 6Mt (daytime operations only) with the incumbent currently exporting approximately 3Mt per annum.

Diatreme is continuing its dialogue with the Queensland Government's port authority, Ports North and others to ensure a sensible access regime is implemented which minimises environmental and cultural disturbances and facilitates immediate existing marine infrastructure access benefiting all users and maximising development of this critical mineral.

Diatreme's CEO, Neil McIntyre commented: *"As project developers navigating a complex approval process, we are appropriately held to account for any terrestrial, marine and cultural disturbance we consider undertaking. We would assume it logical and sensible that current spare capacity in this State-owned Port would be fully utilised before any new construction is contemplated."*

"We also have an obligation to support Traditional Owners, the local community and regional stakeholders' views on this matter, and in particular those who have engaged directly with the State Government to confirm their view that existing port facilities should be fully utilised before any further marine disturbance takes place."



Figure 2: NSP site visit by DRX Board and Management, near Cape Flattery Port, July 2025

Project Status granted

Diatreme announced in August 2025 that the Queensland Government's Department of Natural Resources and Mines, Manufacturing and Regional and Rural Development had granted Project Status ("Projectisation") across all five of the Company's exploration tenement areas (EPM's) in the Cape Flattery and Cape Bedford region.

The granting of this status is a key step in achieving the synergies of Diatreme's overarching regional development strategy as it progresses towards being a long life of mine low-iron, high purity silica producer.

Importantly, Diatreme's exploration permits are split between outcomes and activities-based obligations, enabling the Company to direct its efforts towards defined development objectives, rather than purely tenement-based inputs. This structure supports a commercially driven approval process for project development.

Complementing the Project Status approval, Diatreme also secured five-year renewals for two key exploration tenements (EPM 27265 and EPM 25734) which are critical to the Company's silica sand development strategy. These renewals strengthen Diatreme's tenure position and demonstrate ongoing regulatory confidence in the Company's development approach and ability to achieve exploration commitments.

With the silica sand tenements now considered a formal exploration project, Diatreme is now positioned to focus its efforts on progressing the NSP, the most advanced of the Company's silica sand development projects.

Bulk metallurgical testwork confirms NSP quality

The results of metallurgical testwork on silica sand samples from the NSP confirmed the project's ability to produce a high-purity, low-iron silica sand product in line with photovoltaic market specifications, amid a continuing solar energy boom (refer ASX announcement 9 September 2025).

To support the NSP's upcoming Pre-Feasibility Study (PFS) and Maiden Ore Reserves, a ~1 tonne composite sample was provided from the 2023 drilling program. The bulk sample was composited from an area within the Measured area of the Si2 Mineral Resource, representing part of a proposed mining area.

Sample selection aimed to have equidistant sampling across the area, with every 1m interval selected from 40 drillholes within the X & Y extents of the Mineral Resource Estimate. The area sampled sites above the floor constraints (wet season groundwater maximum, and B1 sand horizon). The sample selection aligned with the likely mining method that will propose to mine the full face of the dune from top to bottom.

Bulk testwork was performed at Mineral Technology's Carrara, Qld facility, (with product tests at ALS Labs, Brisbane) which produced a low-iron, high-purity silica sand at an overall recovery of 85.6%. This was accomplished using a conventional wet flowsheet comprising gravity separation, attrition scrubbing, up-current classification, and a horizontal rotor wet high-intensity magnetic separation (WHIMS) unit.

Notably, the two-stage spiral circuit (rougher plus mid-scavenger) delivered the largest iron (Fe_2O_3) reduction, while achieving a 91.9% recovery. Subsequent process stages (attritioning/desliming, UCC, and WHIMS magnetic separation) provided further incremental iron removal.

A set of samples were delivered to the National Glass New Materials Innovation Centre in Bengbu (Bengbu Lab) in China to validate the testwork at Mineral Technologies, using the same assay methodology used by potential offtake partners. A discrepancy was observed between the ALS lab and the Bengbu lab, with the results reported in Tables 2 and 3 below.

Stage	ALS Brisbane Fe ₂ O ₃ ppm	Bengbu Lab Fe ₂ O ₃ ppm	Recovery % (as % of bulk testwork feed)
Feed	1088	-	100
<i>Spiral Product</i>	205	159	91.9
<i>Attritioned Product</i>	210	180	88.1
<i>UCC Product</i>	180	150	85.9
<i>WHIMS Non-Mag Product</i>	120	110	85.6
<i>Final Product</i>	128	107	85.6

Table 2: Assay results comparison for ALS Brisbane and Bengbu Lab China

Chinese National Standard Criteria JC/2314-2015		Bengbu Lab Final Product
<i>Fe₂O₃</i>	≤100ppm	107 ppm
<i>TiO₂</i>	≤300ppm	120 ppm
<i>Cr₂O₃</i>	≤5ppm	1.45 ppm
<i>0.104mm Fraction</i>	≤5%	0.23 % under 0.106mm

Table 3: Comparison of NSP Testwork Product against Chinese PV Glass Standard

Sieve Size (mm)	Mass %	Cumulative Mass %
<0.106	0.23	0.23
0.106	1.14	1.37
0.125	8.97	10.34
0.15	15.4	25.74
0.18	17.1	42.84
0.212	23.9	66.74
0.25	17.4	84.14
0.3	10.9	95.04
0.355	3.73	98.77
0.425	1.18	99.95
0.6	0.04	100

Table 4: Size Fraction Analysis



Figure 3: Spiral separation of bulk metallurgical testwork from the NSP

Building on these positive results, Diatreme has sent additional material for magnetics testwork in Europe with a magnetic equipment vendor. This upcoming program is scheduled to commence in the December quarter 2025 and will focus on refining the process flowsheet and equipment selection and configuration at an industrial scale.

Spatial variability testwork will also commence in Q4 2025 across the NSP deposit to test the flowsheet on samples from different zones of the deposit. This aims to ensure consistent product quality and optimise mine planning.

Diatreme then plans to undertake larger scale bulk processing trials, to support the flowsheet design and provide bulk product samples to potential offtake partners. These results will be used to inform the selection and configuration of magnetic separation equipment in the flowsheet used in future feasibility studies.

These forward work programs form an integral part of the NSP's future Feasibility Studies and will underpin continuing engagement with potential offtake partners. Data from all testwork programs will be used to finalise product specifications, process engineering and capital expenditure estimates.

This strategy ensures that the NSP's development is aligned with end user requirements and market expectations. By de-risking the processing flowsheet and demonstrating consistent product quality at scale, Diatreme aims to secure binding offtake agreements prior to the Final Investment Decision, thereby strengthening the project's commercial foundations.

Negotiation protocol signed with Gulaal People

In July 2025, Diatreme signed a negotiation protocol with the Gulaal People, one of the affected Traditional Owners for the NSP's proposed southern access road.

Negotiations with the Gulaal People form part of the total compensatory package for the NSP required with all affected Traditional Owners. This negotiation protocol establishes a framework and set of principles that will guide the parties during future negotiations as Diatreme and the Gulaal People continue to work towards securing mutually beneficial opportunities for both parties from the NSP.

Under the protocol, the parties have committed to continuing to build a positive long-term relationship that will assist with facilitating the parties entering agreements which will provide both benefits and opportunities for the Gulaal People and enable the NSP to progress in a timely manner.

Diatreme is committed to working with the representatives of the Gulaal People during negotiations to maximise economic benefits, employment and training opportunities for Gulaal People. Diatreme will also develop strategies to manage any potential project impacts, these being aimed at balancing economic considerations with benefits for the Gulaal People, these benefits including local employment for Gulaal People and cultural preservation.

During negotiations a cultural heritage management plan will be developed specifically tailored to the requirements of the Gulaal People to ensure the protection of significant sites and traditions. Diatreme has committed to ongoing consultation with the Gulaal People to ensure they are informed about the project and the status of negotiations.

Additionally, Diatreme is continuing to consult and make positive progress with other native title holders in accordance with its commitment to ensuring that benefits are maximised for the relevant native title holders affected by the NSP's ongoing progress.

Community engagement

Diatreme continues to actively engage with the community in Hope Vale and Cooktown, with the Company's Hope Vale office serving as the permanent base for its Community Team.

The Community Team is on-ground to support and facilitate engagement with community members by attending and facilitating the Social, Cultural and Heritage assessment works for the EIS in partnership with Traditional Owners on Country. The team continues to participate in various community sponsorships, events and initiatives that celebrate health, wellbeing, culture and youth participation in both Hope Vale and Cooktown.

During the September quarter, Diatreme participated in a number of events in Hope Vale, including supporting the launch of "Three Dresses," a picture book by Hope Vale Elder Wanda Gibson, which won the Victorian Premier's Literary Award and the children's literature award, the first children's book author to win this award. Diatreme was also proud to support NAIDOC Day Celebration 2025 in Hope Vale, organised by the Hope Vale Aboriginal Shire Council.



Figure 4: Diatreme cultural heritage survey, NSP

CAPE FLATTERY SILICA PROJECT

Diatreme continued its evaluation of the Cape Flattery Silica Project (CFSP) to determine potential project synergies with the Company's existing Far North Queensland silica sand projects. These synergies may include shared infrastructure and export facility solutions as part of an optimal development pathway.

Diatreme acquired 100% of the CFSP following its successful takeover of MLM in 2024. The project is located in the Cape Flattery area, on the eastern coastline of Cape York Peninsula, 220 km north of Cairns and 55km from Cooktown. The project is adjacent to the Cape Flattery Silica Mines mining and shipping operation owned by Mitsubishi Corporation and in close proximity to Diatreme's other silica projects.

CFSP has an estimated Ore Reserve of 47Mt with the total JORC Mineral Resource estimated at 61Mt (refer MLM's ASX announcement dated 15 November 2023). The project and in particular its Updated DFS is under review, with a view to capturing the potential synergies between it and Diatreme's flagship NSP to facilitate shared infrastructure and possible reduced CAPEX.

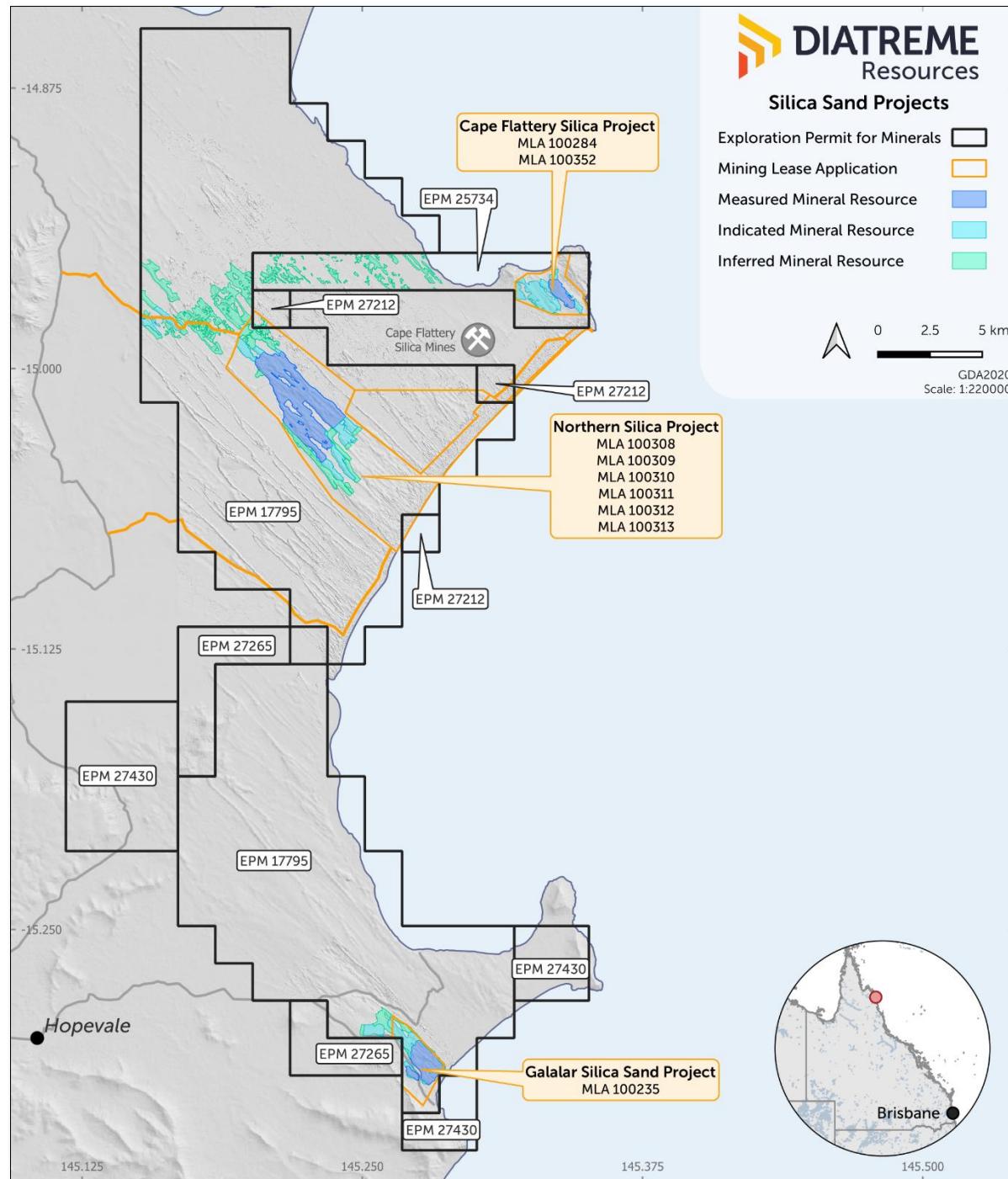


Figure 5: Diatreme's Far North Queensland silica sand projects

CLERMONT COPPER/GOLD PROJECT, QLD

Diatreme announced on 28 August 2025 the proposed sale of the Clermont Copper/Gold Project to unlisted company, Moonlight Resources Limited.

The proposed sale will occur as part of Moonlight's planned ASX initial public offering (IPO). As consideration, Moonlight will issue to Diatreme ordinary shares and performance rights valued at A\$3.25 million under the IPO prospectus and will also pay A\$250,000 in cash.

On completion of the IPO, Diatreme will be a significant shareholder in Moonlight and is expected to hold an initial interest of between 17.1% and 19.9%. In addition, Diatreme will have the right to appoint a nominee director to Moonlight's board.

Moonlight currently holds exploration tenements for rare earths and uranium in the highly prospective MacDonnell Ranges in the Northern Territory, as part of its wholly-owned exploration portfolio across the Northern Territory, New South Wales, Queensland and Western Australia, spanning 5,204 sq km.

The planned sale of this non-core asset will allow Diatreme to transition the Clermont tenements to an experienced exploration and development team, while retaining an interest in its future development and value upside.

The transaction is subject to several conditions precedent, including but not limited to:

- completion of satisfactory due diligence by both Diatreme and Moonlight;
- receipt of regulatory approvals for the transfer of the Clermont Gold Project tenements;
- lodgement of Moonlight's IPO prospectus with ASIC, a minimum A\$5 million raising under the IPO; and
- ASX granting conditional approval for quotation of Moonlight's shares and admission to the Official List.

Moonlight expects to lodge an IPO prospectus with ASIC in late October and to list on the ASX in late November 2025.

Moonlight will also make a \$3.0m priority offer to DRX shareholders at an issue price of \$0.20 per fully paid ordinary share in Moonlight. Shareholders will also receive one free attaching option for every two new shares acquired under the IPO, exercising at \$0.30 and expiring three years from the date of the issue.

Diatreme shareholders will receive correspondence regarding the offer in due course. For more information on Moonlight, refer to its website, ml8.com.au

Minimal project work or expenditure was undertaken during the September quarter.

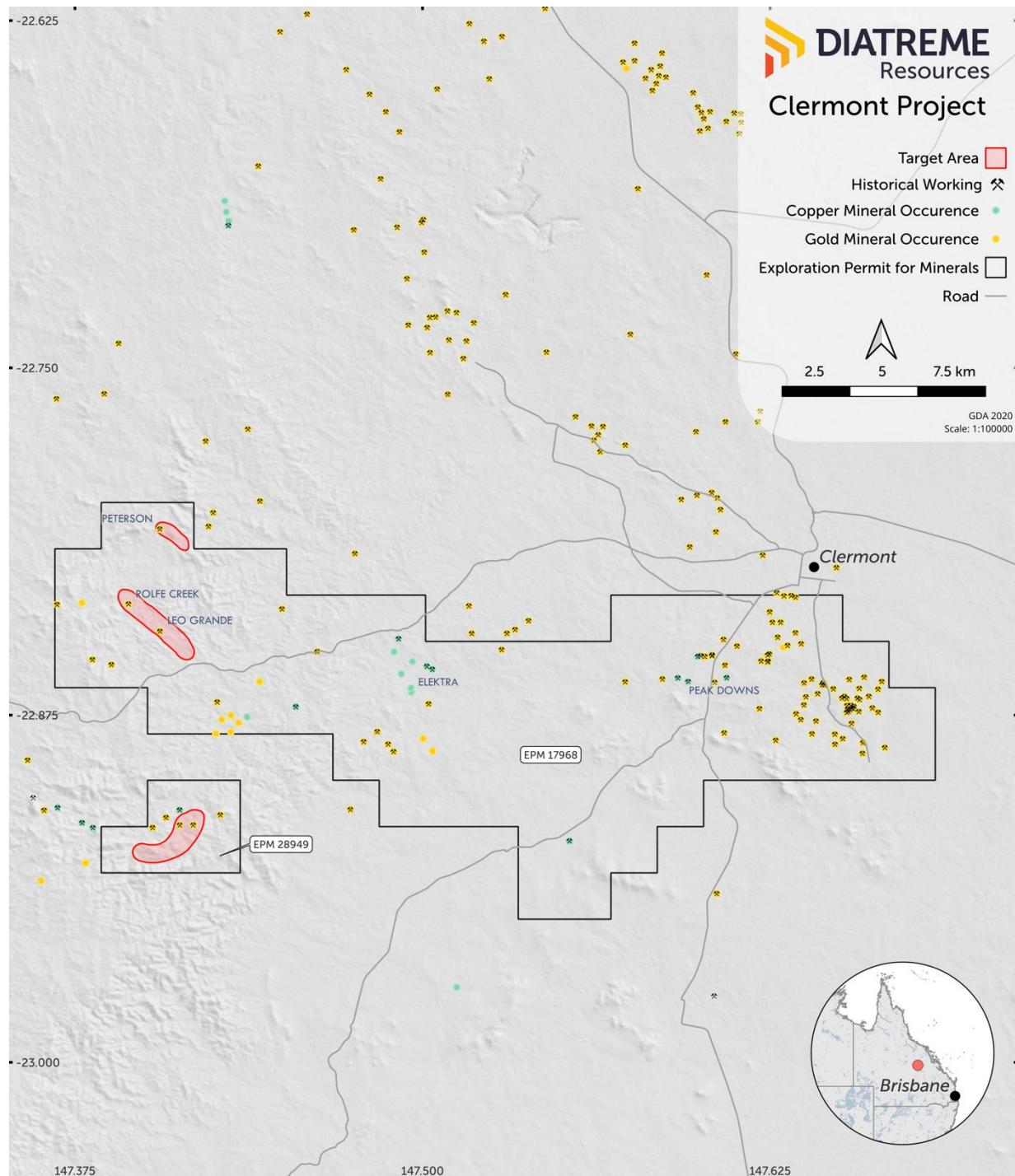


Figure 6: Clermont Copper/Gold Project, Central Queensland

CYCLONE ZIRCON PROJECT, WA

Diatreme continued discussions with potential project partners and investors during the September quarter, aiming to maximise shareholder value from this zircon-rich heavy mineral sands project in Western Australia's Eucla Basin.

Post-quarter, on 23 October 2025, Diatreme provided an update on metallurgical testwork being undertaken by Mineral Technologies (MT) on bulk samples from Cyclone, with the results showing significant improvements in the recovery of heavy minerals zirconium dioxide (ZrO_2) and titanium dioxide (TiO_2) in the heavy mineral concentrate.

The testwork and reporting is expected to be completed by the end of November 2025, with the results to be used to design an improved flowsheet for processing the Cyclone ore into zircon and titanium dioxide products.

An 11-tonne bulk sample suitable for an intensive metallurgical testwork program was prepared from a drilling program at Cyclone during 2024 (refer ASX announcement 31 October 2024). Diatreme completed the drilling program to a plan that involved drilling 106 holes to obtain a total of 3,278 metres of NQ air-core sample.

Drilling occurred on four grid lines within the ore zone of the mine plan on a pattern to provide a bulk sample representative of the first three years of mining. A representative subset of holes was separated out for various test work with the balance used to composite a primary bulk sample.

The primary purpose of this bulk sample project is to target higher mineral recoveries and efficient processing using the latest equipment developments and innovative processes. Laboratory characterisation and a chemical assay of the bulk sample (Table 5) have shown that the bulk sample grade (2.97% HM) is higher than the average Ore Reserve grade (2.6% HM).

HM	ZrO_2	TiO_2	Fe_2O_3	SiO_2	Al_2O_3	P_2O_5	CeO_2
2.97%	0.79%	1.89%	0.67%	92.6%	1.94%	0.01%	0.01%

Table 5: Bulk sample chemical assay

A three-tonne portion of the bulk sample has been sent to an interested party for independent evaluation and HMC product samples will be made available to potential customers for assessment.



Figure 7: HG10i spiral processing concentrate from the rougher spirals

The quality of the HMC produced during this testwork achieved the goal of increasing recovery of valuable heavy minerals containing zirconium dioxide (ZrO_2) and titanium dioxide (TiO_2). This was achieved using different equipment, processes and settings to those used previously. The total HM recovery to HMC increased from 54.9% to 76.5%, ZrO_2 recovery increased from 82.0% to 88.2%, and TiO_2 recovery increased from 30.8% to 48.8% (refer ASX announcement 23 October 2025).

Testwork has commenced on the HMC product to optimise production of two final products, zircon and HiTi. The HiTi product will be a mix of five TiO_2 minerals that occur in the Cyclone ore: rutile, leucoxene, HiTi, altered ilmenite and siliceous tioxide.

Previous testwork produced two HiTi products, one containing 67% TiO_2 and the other containing a smaller quantity of 87% TiO_2 . This testwork is expected to produce a significantly higher quantity of a single HiTi product with a quality that will be a mix of the previous two products. This combined product has been demonstrated as suitable feed to the chloride process for production of TiO_2 pigment or for processing to target other end uses.

There is no set processing route to be followed for this MSP testwork due to R&D nature of the work. Processing will occur stage by stage with assays and hold points as necessary to determine the equipment and settings to be used for subsequent stages. The majority of the MSP processing is expected to use dry separation equipment including magnetic separation and electrostatic separation. Wet separation equipment is also likely to be required, particularly shaking tables, and possibly spirals and wet magnetic separation to remove silica and other highly siliceous minerals.

In its Quarterly Review released on 17 October 2025, major producer Iluka Resources reported a Q3 weighted average zircon sand price of US\$1,615 per tonne. Iluka also reported a realised rutile price of US\$1,375/t and a synthetic rutile price of US\$1,106/t.

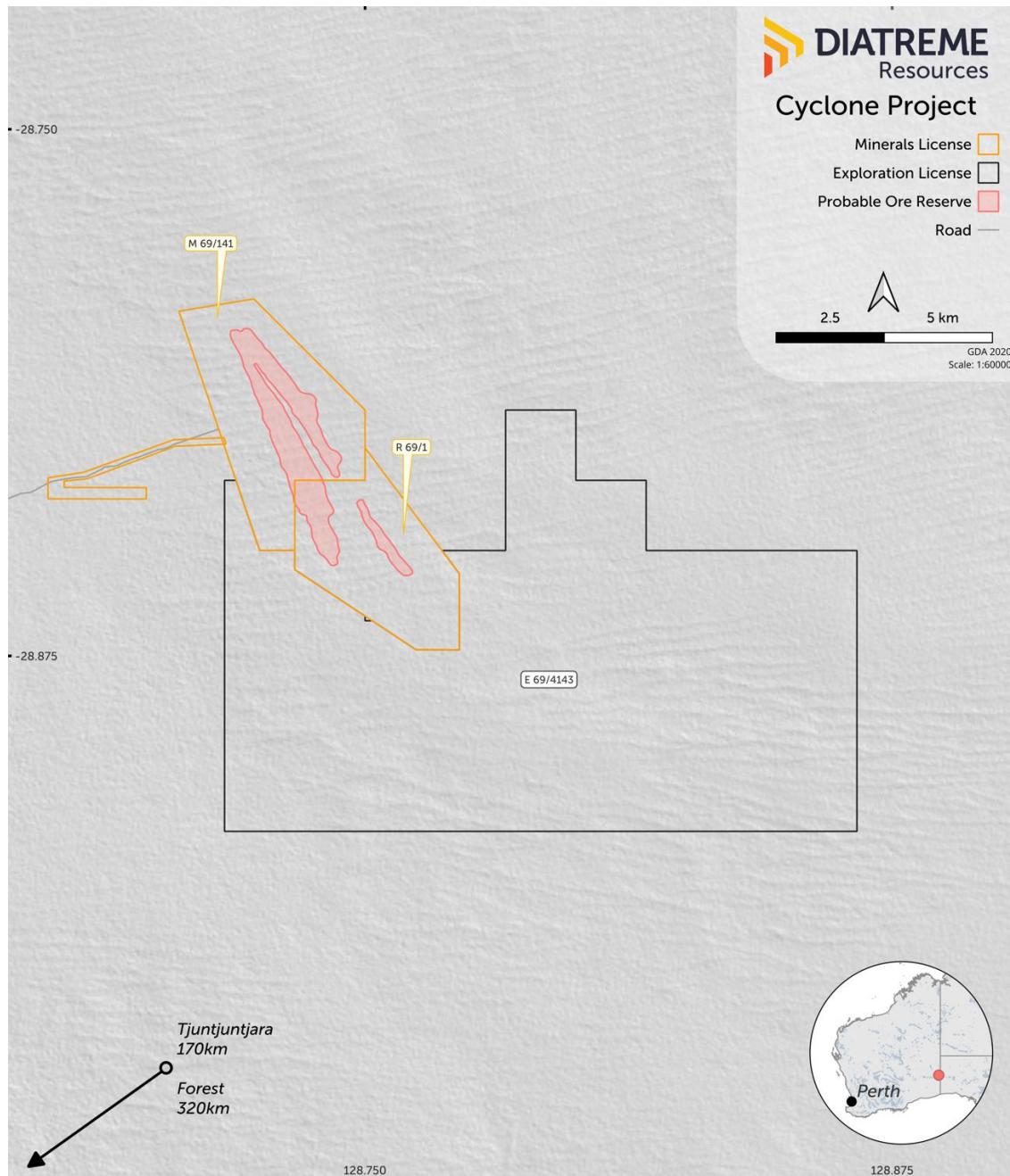


Figure 8: Cyclone Zircon Project outline, WA

Forward-looking statements: This document may contain forward-looking statements. Forward looking statements are often, but not always, identified by the use of words such as "seek", "indicate", "target", "anticipate", "forecast", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. Indications of, and interpretations of, future expected exploration results or technical outcomes, production, earnings, financial position, and performance are also forward-looking statements. The forward-looking statements in this presentation are based on current interpretations, expectations, estimates, assumptions, forecasts and projections about Diatreme, Diatreme's projects and assets and the industry in which it operates as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made. The forward-looking statements are subject to technical, business, economic, competitive, political and social uncertainties and contingencies and may involve known and unknown risks and uncertainties. The forward-looking statements may prove to be incorrect. Many known and unknown factors could cause actual events or results to differ materially from the estimated or anticipated events or results expressed or implied by any forward-looking statements. All forward-looking statements made in this presentation are qualified by the foregoing cautionary statements.

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ASX releases referenced for this release

- 23 October 2025 – “Cyclone metallurgical testwork shows improved recoveries”
- 9 October 2025 – “Receipt of R&D Tax Incentive Rebate”
- 9 September 2025 – “Bulk metallurgical testwork confirms NSP product quality”
- 28 August 2025 – “Proposed sale of Clermont Gold Project”
- 27 August 2025 – “Half Year Accounts”
- 25 August 2025 – “Project Status granted, key tenure renewals secured”
- 22 August 2025 – “Casuarina Exploration Targets updated”
- 29 July 2025 – “Diatreme signs negotiation protocol with Gulaal People”
- 24 July 2025 – “Presentation to Noosa Mining Investor Conference”

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.

APPENDIX 1

Appendix 1 provides information required under ASX listing rule 5.3.3 for mineral exploration entities.

Interest in mining tenements at end of quarter

State	Tenement Name	Tenement ID	Status	Location	Interest	Holder
WA	Cyclone	M 69/141	Granted	Eucla Basin	100%	LSPL
	Cyclone Extended	R 69/1	Granted		100%	DRX
	Cyclone	E 69/4143	Granted		100%***	DRX
	Cyclone	L 69/26	Granted		100%	LSPL
QLD	Clermont	EPM 17968	Granted	Clermont	100% *	CHAL (49%) & PGE (51%)
	Hillview North	EPM 28949	Granted		100%	PGE
	Cape Bedford	EPM 17795	Granted		100% **	Cape Silica Holdings Pty Ltd
	Cape Flattery Project	EPM 27265	Granted		100% **	Cape Silica Holdings Pty Ltd
	Cape Flattery Project	EPM 27212	Granted		100% **	Northern Silica Pty Ltd
	McIvor	EPM 27430	Granted		100% **	Cape Silica Holdings Pty Ltd
	Cape Flattery	EPM 25734	Granted		100%	Cape Flattery Silica Pty Ltd
QLD	Galalar Silica	MLA 100235	Application		100% **	Galalar Silica (QLD) Pty Ltd
	Northern Silica	MLA 100308	Application		100% **	Northern Silica Pty Ltd
	Casuarina Silica	MLA 100309	Application		100%	Casuarina Silica Pty Ltd
	Northern Silica Port Access	MLA 100310	Application		100% **	Northern Silica Pty Ltd
	Starcke - Northern Silica Access 1	MLA 100311	Application		100% **	Northern Silica Pty Ltd
	Starcke Northern Silica Access 2	MLA 100312	Application		100% **	Northern Silica Pty Ltd
	FNQPCL Cape Flattery Access	MLA 100313	Application		100% **	Northern Silica Pty Ltd
	Cape Flattery Silica	MLA 100283	Application		100%	Cape Flattery Silica Pty Ltd
	Cape Flattery	MLA 100352	Application		100%	Cape Flattery Silica Pty Ltd

* PGE Minerals Pty Ltd had historically earned a 51% interest in the tenement through a progressive earn-in. Note: PGE Minerals Pty Ltd was a wholly owned subsidiary of Metallica Minerals Limited (MLM), which is now wholly owned by DRX.

** Cape Silica Holdings Pty Ltd is owned by DRX (73.2%) and Sibelco Silica Pty Ltd (26.8%). Northern Silica Pty Ltd and Galalar Silica (QLD) Pty Ltd are wholly owned subsidiaries of Cape Silica Holdings Pty Ltd. Accordingly, DRX's beneficial ownership of the mining tenements held by these entities is 73.2%. During the quarter ending 31 December 2022, the following tenement interests

were transferred from DRX to Cape Silica Holdings Pty Ltd, Northern Silica Pty Ltd, and Galalar Silica (QLD) Pty Ltd, as set out in the table above: EPM 17795, EPM 27265, EPM 27212, EPM 27430 and MLA 100235.

*** Company notes the award of tenement area E69/4143 in late November 2023. No exploration activity has been undertaken to date.

Beneficial percentage interests held in farm-in or farm-out agreements at end of quarter.

State	Project name	Agreement type	Parties	Interest held at end of quarter by exploration entity or child entity	Comments
WA	Cyclone Zircon Project	Farm-out Heads of Agreement	LSPL and Perpetual Mining Holding Limited	94%	HoA announced Jan 2014, initial 6% farm-out completed 18 Sept 2014 – Subject to dilutionary non-contribution clauses.

Abbreviations:

M	Western Australia	Mining Lease	DRX - Diatreme Resources Limited
R	Western Australia	Retention Licence	CHAL - Chalcophile Resources Pty Ltd
E	Western Australia	Exploration Licence	LSPL - Lost Sands Pty Ltd
EPM	Queensland	Exploration Permit for Minerals	PGE - PGE Minerals Pty Ltd
MLA	Queensland	Mining Lease Application	

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

DIATREME RESOURCES LIMITED

ABN

33 061 267 061

Quarter ended ("current quarter")

30 September 2025

Consolidated statement of cash flows *	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs	(242)	(817)
(e) administration and corporate costs	(587)	(1,380)
1.3 Dividends received (see note 3)		
1.4 Interest received	33	161
1.5 Interest and other costs of finance paid	(23)	(64)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)	86	797
1.9 Net cash from / (used in) operating activities	(733)	(1,303)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		(10)
(d) exploration & evaluation	(267)	(969)
(e) investments		
(f) other non-current assets		

Consolidated statement of cash flows *	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	8	8
(d) investments		
(e) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other		
2.6 Net cash from / (used in) investing activities	(259)	(971)
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options		
3.4 Transaction costs related to issues of equity securities or convertible debt securities		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)	(14)	(98)
3.10 Net cash from / (used in) financing activities	(14)	(98)
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	3,822	5,188
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(733)	(1,303)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(259)	(971)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(14)	(98)

Consolidated statement of cash flows *	Current quarter \$A'000	Year to date (9 months) \$A'000
4.5 Effect of movement in exchange rates on cash held		
4.6 Cash and cash equivalents at end of period	2,816	2,816

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	816	1,822
5.2 Call deposits	2,000	2,000
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 * Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,816	3,822

* Note: in addition to the above cash balances, the Cape Silica Joint Venture (JV) between Diatreme and Sibelco spent during the quarter, \$3.3m of exploration & evaluation expenditure on the Company's Silica projects in northern Queensland. Consequently, cash at end of September 2025 for the JV totalled \$7.98M, giving total cash of **\$10.79m** being held by the Company.

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	163
6.2 Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<i>Note: the term 'facility' includes all forms of financing arrangements available to the entity.</i>		
	<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)	1,000	1,000
7.4	Total financing facilities	1,000	1,000
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	\$1.0M debt facility, due for repayment 30 May 2026, with interest rate of 7.5% p.a. (Refer to ASX announcement 31 May 2025)		
8. Estimated cash available for future operating activities		\$A'000	
8.1	Net cash from / (used in) operating activities (item 1.9)		(733)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))		(267)
8.3	Total relevant outgoings (item 8.1 + item 8.2)		(1,000)
8.4	Cash and cash equivalents at quarter end (item 4.6)		2,816
8.5	Unused finance facilities available at quarter end (item 7.5)		-
8.6	Total available funding (item 8.4 + item 8.5)		2,816
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)		2.8
	<i>Note: if the entity has reported positive relevant outgoings (i.e. a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:		
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?		
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?		
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 October 2025

Authorised by: The Board of Diatreme Resources Ltd

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.