

 **ASX**
ANNOUNCEMENT

31 March 2025

Sale of dormant IP asset

Emerging silica sands developer, Diatreme Resources Limited (ASX: DRX) is pleased to advise that its recently acquired subsidiary, Touchstone Resources Pty Ltd (“**Touchstone**”), acquired through the acquisition of Metallica Minerals Limited, has received payment for the sale of its intellectual property rights in scandium extraction and refining process technology (“**IP**”). The IP, developed between 2011 and 2012, was specifically designed for the SCONI Scandium Cobalt Nickel Project which Touchstone previously held an interest in, but which since had not progressed.

The technology founders, Element 21 Pty Ltd, approached Touchstone in April 2024 indicating there was third party interest in the IP and agreed to assist in the sale process. The sale of the IP netted Touchstone \$562,500.

Diatreme’s CEO, Neil McIntyre said the funds would be applied to further advance the Company’s North Queensland silica sand projects, with the focus firmly on its flagship Northern Silica Project.

“This provides additional cash reserves for Diatreme as we progress development of our Northern Silica Project towards production,” Mr McIntyre said.

“These funds add to existing total cash reserves of \$21.4 million as at 31 December 2024 (\$5.1M held by Diatreme and \$16.3M in the silica sand projects joint venture), putting the Company in a solid financial position to achieve our goals.”

The funds for the transaction have been deposited into the trust account of the company’s legal representative, pending disbursement to the parties involved.

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 next to the world's biggest silica sand mine at Cape Flattery, together with the recently acquired Cape Flattery Silica Project. Both the Northern Silica and Cape Flattery projects have been designated "Coordinated Projects" by the Queensland Government and are strategically located adjacent the export focused Cape Flattery Port.

In Western Australia's Eucla Basin, Diatreme's 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 Queensland silica projects portfolio. Sibelco has completed an investment of circa \$49 million into both the silica sands projects and Diatreme 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 its ESG obligations, working closely with its local communities and all 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