DIATREME Resources

ASX ANNOUNCEMENT

9 June 2026

Completion of Sale of Cape Flattery Silica Pty Ltd to Diatreme/Sibelco Joint Venture Company – Cape Silica Holdings Pty Ltd

- **Completion of the sale of Cape Flattery Silica Pty Ltd to Diatreme and Sibelco's joint venture Cape Silica Holdings Pty Ltd**
- **Diatreme reimbursed approximately $2.1M in costs, supplementing existing working capital.**
- **Transaction generates additional joint venture funding of approximately $3m, increasing to approximately $7.4m if Sibelco exercises its option (before costs and payment of any applicable stamp duty).**
- **Transaction streamlines ownership of Far North Qld silica sand assets, enabling consolidation of project costs, focused community engagement and development pathway for strategic critical minerals projects.**

Silica sand developer Diatreme Resources Limited (ASX: DRX) advises that it has completed the sale of the Cape Flattery Silica Project (Cape Flattery Silica Pty Ltd (**CFS**)) in accordance with the Share Sale Agreement dated 13 April 2026 (**Sale Agreement**).

The transaction formally completed on the Sale Agreement terms previously disclosed to the market including:

- **Sale and Purchase of Shares:** Metallica Minerals Pty Ltd sold and Cape Silica Holdings Pty Ltd (**CSH**) purchased 100% of the issued share capital in CFS in exchange for the issue to Diatreme of 2,220 ordinary shares in CSH.
- **Sibelco Subscription:** Sibelco Silica Pty Ltd (**Sibelco**) subscribed for 435 ordinary shares in CSH for approximately $5.1M.
- **Reimbursement:** Diatreme being paid the agreed reimbursement amount of approximately $2.1M.

Sibelco also has a Call Option that was granted under the Sale Agreement and is exercisable before 7 July 2026, enabling Sibelco to subscribe for an additional 376 ordinary shares in CSH for approximately $4.4M.

The completion of the transaction is part of Diatreme streamlining ownership of its Far North Queensland silica sand assets, divesting the company holding the Cape Flattery Silica Project to rationalise project ownership and facilitate increased funding and synergies for its flagship Northern Silica Project.

This announcement is authorised for release by the Board.

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ASX releases referenced in this release:

- 13 April 2026 – Sale of Cape Flattery Silica asset to Diatreme/Sibelco Joint Venture Company – Cape Silica Holdings Pty Ltd

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.