

ASX

ANNOUNCEMENT

16 June 2023

NSP permitting pathway progresses with EPBC referral

- **Key milestone in permitting pathway for Diatreme’s Northern Silica Project (NSP), with EPBC referral decision received**
- **Environmental Impact Statement (EIS) study process to advance, combining Queensland and federal government requirements in streamlined approval process**
- **Far North Queensland project continuing to progress, following favourable Scoping Study and amid strong demand for high-grade silica product from booming solar energy industry.**

Emerging silica sands developer and explorer, Diatreme Resources Limited (ASX:DRX) has completed another key milestone in the advancement of the permitting and approvals pathway for its Northern Silica Project (NSP), with the project being determined a “controlled action” under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC) via a referral with the Australian (federal) government Department of Climate Change, Energy, the Environment and Water (DCCEEW).

This follows the lodgement of the referral with the Department in May, with the Queensland Government having earlier agreed that an EIS is appropriate for the Far North Queensland project (refer ASX release 19 May 2023).

The DCCEEW has deemed that the NSP constitutes a controlled action under the Act for the following matters: World Heritage properties (sections 12 & 15A), National Heritage places (sections 15B & 15C), Listed threatened species and communities (sections 18 & 18A), Listed migratory species (sections 20 & 20A) and Great Barrier Reef Marine Park (sections 24B & 24C).

As expected, the DCCEEW has directed that the NSP be assessed through an EIS process. The EIS will be delivered through the accredited Queensland EIS process, allowing for a single EIS document to address both State and federal requirements.

With these important EIS processes now confirmed, Diatreme will be advancing further site investigations and studies to support the EIS throughout 2023.

Investigations on-site this year will include flora and fauna surveys in both terrestrial and aquatic areas, groundwater monitoring, surface water quality monitoring, soil sampling and analysis and cultural heritage surveys. Social impact assessment work will also commence later in 2023.

Diatreme's CEO Neil McIntyre commented: *"This is another key step forward in gaining regulatory approval for our Northern Silica Project, which is rapidly emerging as a leading supplier of high-grade silica products for the solar PV market, supporting global decarbonisation."*

"Diatreme is committed to delivering a robust EIS underpinned by best practice standards for environmental management and social impact assessment. This includes building local capacity and skills to undertake baseline environmental monitoring work, using a combination of external consultants and on-site operational staff based full-time in Cooktown and Hope Vale."

"With our recent Scoping Study showing the solid potential economic returns from the NSP, we are focused on ensuring our project makes a long-lasting and sustainable contribution to local communities, and other key stakeholders."

Next Steps

The next step in the EIS process will be to prepare the draft Terms of Reference (ToR) for the EIS. This process will set out the specific matters and issues that the EIS must address, inviting feedback from the public during a notification period for affected and interested persons.

The draft ToR are expected to be released for public comment in Q3 2023 and will be published on government websites as well as Diatreme's website (www.diatreme.com.au). Details regarding the public notification will also be published in the media.

The latest regulatory advance follows the positive Scoping Study for the NSP (refer ASX release 14 June 2023), which highlighted the project's potential to deliver substantial economic benefits and increased shareholder value.

Key outcomes from the Scoping Study included an estimated 25-year mine life, from the current 235Mt of Mineral Resources. Metallurgical tests have shown the project's ability to produce a high purity, "low iron" silica product highly suitable for the solar PV market. Importantly, the NSP is favourably located in close proximity to existing marine infrastructure, with its strategic FNQ location offering access to fast-growing Asian markets.

Based on the successful study, Diatreme plans to progress a full Feasibility Study for the NSP, while advancing EIS planning and the relevant studies to secure regulatory approval.

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 next to the world's biggest silica sand mine at Cape Flattery.

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 has an experienced Board and management, with expertise across all stages of project exploration, mine development and project financing together with strong community engagement skills.

Diatreme's silica sand resources will contribute to global decarbonisation by providing the necessary high-grade silica for use in the solar PV industry. The Company has a strong focus on ESG, 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.

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

ASX releases referenced for this release:

- Positive Scoping Study for Northern Silica Project – 14 June 2023
- Permitting pathway advances for Northern Silica Project – 19 May 2023
- Quarterly Activities Report – 28 April 2023

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.