DIATREME Resources

ASX ANNOUNCEMENT

8 July 2026

Sibelco injects $4.4M in boost for silica sand joint venture

- **Diatreme Resources' silica sand joint venture partner, Sibelco Silica Pty Ltd exercises its call option to subscribe for additional shares in Diatreme and Sibelco's joint venture Cape Silica Holdings Pty Ltd**
- **Call option exercise follows completion of sale of Cape Flattery Silica Project and initial subscription by Sibelco Silica Pty Ltd announced on 9 June 2026**
- **Option exercise generates additional joint venture funding of approximately $4.4 million, with total funding now received as part of this recent transaction into CSH being approximately $7.4M (before costs and payment of any applicable stamp duty)**
- **Exercise brings respective holdings back to original pre-transaction percentages in the joint venture company of 73.2% Diatreme and 26.8% Sibelco**
- **Funding boost is timely with NSP Feasibility Study completion imminent and to further assist progress of Far North Queensland silica sand projects, supporting regional development and helping power global solar energy boom.**

Silica sand developer Diatreme Resources Limited (ASX: DRX) advises that Sibelco Silica Pty Ltd has exercised its option to acquire additional shares in the Diatreme/Sibelco joint venture company Cape Silica Holdings Pty Ltd (**CSH**), in a funding boost for the Far North Queensland silica sands joint venture. CSH will issue 376 fully paid ordinary shares in CSH to Sibelco Silica Pty Ltd (**Sibelco**) for approximately $4.4 million, with total funding now received as part of the transaction being approximately $7.4 million (before costs and payment of any applicable stamp duty).

On completion of the issue of the shares following exercise, Diatreme's interest in CSH will revert to 73.2%, being its original interest prior to the transaction announced to the ASX on 9 June 2026.

The completion of this call option will conclude the transaction, first announced to the ASX on 13 April 2026, under which Diatreme's wholly owned subsidiary Metallica Minerals Pty Ltd sold the Cape Flattery Silica Project to CSH as part of Diatreme streamlining ownership of its Far North Queensland silica sand assets. Divesting the company holding the Cape Flattery Silica Project allows project ownership rationalisation and facilitates increased funding and synergies for its flagship Northern Silica Project (**NSP**).

Welcoming the option exercise, Diatreme's Chief Executive Officer, Neil McIntyre said: "*We appreciate the strong support shown by our joint venture partner Sibelco, to exercise this option and contribute further significant funding of $4.4m as we progress the NSP through the next stages of feasibility, permitting and approvals.*

"Since launching our transformational partnership in June 2022, European-based Sibelco has been a major supporter of Diatreme and our silica sand projects and this financial backing is another vote of confidence in the future of our Queensland projects from one of the world's leading industrial minerals suppliers.

"The NSP will provide enormous regional positive economic impacts in FNQ and in particular the townships of Hope Vale and Cooktown. This ongoing show of support and funding will allow the Project to continue its advance towards mining activity, creating valuable new jobs and investment and furthering the energy transition through solar generation."

This announcement is authorised for release by the Board.

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ASX releases referenced in this release:

- 9 June 2026 – Completion of Sale of CFS to DRX/Sibelco Silica J/V
- 13 April 2026 – Sale of CFS to DRX/Sibelco Silica J/V
- 27 June 2022 – Transformational strategic partnership and placement

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.

About Diatreme Resources Limited

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 (NSP) and Galalar Silica Sand Project in Far North Queensland, located adjacent to the world's biggest silica sand mine at Cape Flattery, together with the Cape Flattery Silica Project. The NSP has been designated a "Coordinated Project" by the Queensland Government, and is strategically located near the dedicated silica sand export focused Cape Flattery Port facility.

The NSP has been designated a Major Project (see DRX ASX release on 17 June 2025) by the Australian federal government**.** This reflects the significance of the low iron, high purity silica sand project in the context of critical minerals, both for Queensland and Australia.

In Western Australia's Eucla Basin, Diatreme's Cyclone Zircon Project with major approvals in place is considered one of a handful of major zircon-rich discoveries of the past decade.

Global material solutions group Sibelco is Diatreme's development partner on its silica projects portfolio. Sibelco has invested circa $56 million into both the silica sands projects and Diatreme at the corporate level and is an important partner in all aspects of the projects' development.

Diatreme's significant silica sand resources will support 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 ESG, working closely with its local communities and 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 construction and project financing, together with strong community and government engagement skills.

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