

ASX

ANNOUNCEMENT



ABN: 33 061 267 061

ASX:DRX 



CYCLONE PROJECT MINING LEASE APPROVED

Diatreme Resources Limited is an Australian based diversified mineral explorer with significant projects in WA, VIC and QLD.

The Company seeks to develop the Cyclone Zircon Deposit in WA, through a joint venture arrangement, and conducts exploration over a number of project areas prospective for heavy mineral sands, silica sand, copper and gold.

The Board and senior personnel exhibit wide experience, ranging through the exploration, development and financing phases of resource project management.

Australian Securities Exchange
Codes: DRX, DRXO

Board of Directors – Non-Executive
William Wang - Chairman
Andrew Tsang
Daniel Zhuang

Executive:
Neil McIntyre – Chief Executive
Tuan Do – Chief Financial Officer
Ian Reudavey – Chief Geologist

Joint Company Secretaries:
Leni Stanley
Tuan Do

Key Projects:
• Cyclone Zircon Project
• Clermont Copper Project
• Cape Bedford Silica/HMS Project
• Tick Hill Gold Project

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Link Market Services Ltd
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24 November 2014

HIGHLIGHTS

- **Cyclone Project Mining Lease (ML69/141) granted by Western Australia's Department of Mines and Petroleum.**
- **Mining Lease follows signing of Project Agreement with traditional owners, the Spinifex People, as Diatreme pushes forward with de-risking activities to enhance project's investment attractiveness.**

Plans for a new mineral sands mine in Western Australia's Eucla Basin have moved a major step forward, with WA's Department of Mines and Petroleum granting a Mining Lease (ML69/141) for Diatreme Resources Limited's (ASX:DRX) Cyclone Zircon Project.

Diatreme's Chief Executive Officer, Neil McIntyre, said the award of a Mining Lease was an important milestone in the project's progression towards mining operations. "Diatreme is rapidly progressing the final stages of our project 'de-risking' activities to improve the investment fundamentals. We can now focus on final aspects of the Definitive Feasibility Study, with the support of our project partners and additional investors," he said.

Diatreme's Chairman, William Wang said: "On behalf of the company, I would like to thank the Western Australian Government, the Indigenous owners and all others who have supported the award of a Mining Lease for Diatreme's Cyclone project. We are committed to continuing cooperation with all stakeholders and potential cornerstone partners to ensure the project is a success and provides a positive contribution to the region".

About the Cyclone Zircon Project

Discovered in 2007, the Cyclone Zircon deposit is located along the Barton shoreline within the Wanna Lakes area of the northern Eucla Basin, 25 kilometres from Western Australia's state border with South Australia and 220 kilometres north of the transcontinental railway.

Based on the acquisition of the Cyclone Extended Heavy Mineral Resource (refer ASX announcement 11 November 2014) the Cyclone Project's JORC resource will comprise 223 million tonnes at 2.1% heavy minerals (containing 4.6 million tonnes HM). On 17 November 2014, Diatreme announced the signing of a Project Agreement with the traditional owners, the Spinifex People, an important step towards the now granted Mining Lease.

A Definitive Feasibility Study is underway along with further project specific commercial and operational enhancement studies, with Cyclone representing potentially the largest undeveloped zircon project in the Eucla Basin.

Neil McIntyre
CEO

Competent Person Statement

The information in this report, insofar as it relates to Exploration Results and Mineral Resources is based on information compiled by Mr Ian Reudavey, who is a full time employee of Diatreme Resources Limited and a Member of the Australian Institute of Geoscientists. Mr Reudavey has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of 'The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Reudavey consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.