



DIATREME RESOURCES LIMITED

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ASX : DRX

27 January 2015

Company Announcement Office
Australian Securities Exchange
Level 4, 20 Bridge Street
Sydney NSW 2000

APPENDIX 5B QUARTERLY CASH FLOW REPORT TO 31 DECEMBER 2014

Please find attached Appendix 5B Quarterly Cash Flow Report for the period ended 31 December 2014.

On 8 December 2014 Diatreme announced that it had received commitments for placements totalling \$1,061,680 (before costs) for the issue of 88,473,333 ordinary fully paid shares. During the quarter to 31 December 2014, Diatreme received \$86,400 of those funds while a further \$300,000 has been received during January 2015. Diatreme anticipates receiving the final \$675,280 prior to 31 March 2015.

Tuan Do

Joint Company Secretary

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

DIATREME RESOURCES LIMITED

ABN

33 061 267 061

Quarter ended ("current quarter")

31 DECEMBER 2014

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	21	77
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(553)	(1,129)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	(4)	31
1.5 Interest and other costs of finance paid	(2)	(7)
1.6 Income taxes paid		
1.7 Other (include \$719k R&D rebate)	(78)	855
Net Operating Cash Flows	(1,175)	(2,347)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	9	30
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (refund of deposits from relinquished tenements)	13	382
Net investing cash flows	22	412
1.13 Total operating and investing cash flows (carried forward)	(1,153)	(1,935)

1.13	Total operating and investing cash flows (brought forward)	(1,153)	(1,935)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	287	1,423
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)	(202)	(115)
	Net financing cash flows	85	1,308
	Net increase (decrease) in cash held	(1,068)	(627)
1.20	Cash at beginning of quarter/year to date	1,423	982
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	355	355

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	183
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Include early retirement and redundancy package for Chairman/CEO and Executive Director Operations.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	(578)
4.2 Development	
4.3 Production	
4.4 Administration	(280)
Total	(858)

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	355	1,423
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	355	1,423

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter	
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	EL5045	Direct – full relinquish	100%	Nil
		EL5429	Direct – full relinquish	100%	Nil
		EL4783	Direct – full relinquish	100%	Nil
		EL5138	Direct – full relinquish	100%	Nil
		E69/3113	Direct – full relinquish	100%	Nil
6.2	Interests in mining tenements and petroleum tenements acquired or increased	M69/141	Direct – grant	Nil	100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)	
7.1	Preference securities <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	726,415,709	726,415,709	Fully paid	Fully paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	23,866,667	23,866,667	Fully paid	Fully paid
7.5	+Convertible debt securities <i>(description)</i>				

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	Listed 15,266,611	15,266,611	Exercise price 2 cents	Expiry date 11 March 2016
		Unlisted 9,400,000	-	10 cents	30 April 2019
		33,333,333	-	2 cents	30 June 2016
7.8	Issued during quarter	Unlisted 8,333,333	-	Exercise price 2 cents	Expiry date 30 June 2016
7.9	Exercised during quarter				
7.10	Expired during quarter	Unlisted 1,000,000	-	Exercise price 10 cents	Expiry date 30 April 2019
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

(Joint Company Secretary)

Date: 27 January 2015

Print name:

Tuan Do

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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