



DIATREME RESOURCES LIMITED

ABN: 33 061 267 061

Postal Address: P.O Box 10288 Brisbane Adelaide Street QLD 4000
Registered Office: Level 2 87 Wickham Terrace Spring Hill QLD 4000
PH: +61 (0)7 3832 5666 FX: +61 (0)7 3832 5300
www.diatreme.com.au manager@diatreme.com.au



ASX : DRX

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

31 March 2010

COMPLETION OF CAPITAL RAISING

Following the announcement on 3 March 2010 of positive scoping study results for the Cyclone Heavy Mineral Deposit, Diatreme Resources Limited (**ASX:DRX**) is pleased to announce that it has completed a Placement of 25.50 million ordinary fully paid shares ("Shares") at nine cents per share (raising \$2,295,000), to sophisticated and professional investors, including existing major shareholders.

The Company now advises that a total of 5.15 million Shares of the 25.50 million Shares are subject to shareholder approval at a general meeting of shareholders, due to Directors taking up Shares in the Placement. The 5.15 million Shares will not be issued until the relevant approval is obtained.

Funds will be applied towards the Cyclone prefeasibility studies being undertaken during the remainder of this year, together with the proposed co-funding from international industry groups of the Wanna Heavy Mineral Sands Project (encompassing the Cyclone Deposit).

The Placement was managed by Intersuisse Ltd, together with PhillipCapital Australia in Melbourne.

This announcement ends the voluntary suspension requested by DRX on 30 March 2010.

Leni Stanley
Company Secretary