



## DIATREME RESOURCES LIMITED

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ASX : DRX

Company Announcement Office  
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### BAOTI GROUP DELEGATION VISIT

As previously advised to market in August 2010, Chinese based BaoTi Group Limited ("BaoTi") entered into a non-binding Memorandum of Understanding ("MOU") with DRX to conduct due diligence on the Company's **Cyclone Heavy Mineral Project** with the stated aims of:

1. Undertaking an equity investment in DRX to secure a position as a substantial shareholder; and
2. Jointly developing Cyclone through a joint venture in which BaoTi can earn a significant stake in the Project.

Following the recent heavy rains, favourable weather conditions for field activities are now returning to the Cyclone Project area in Western Australia. Due diligence under the MOU has reached the stage wherein a delegation from BaoTi, consisting of senior executives and supporting technical staff, is visiting Australia to undertake a Cyclone Project field visit prior to the end of the month. The visit will coincide with ore characterisation bulk sample work and further resource definition drilling being undertaken by DRX.

The involvement of BaoTi in any planned development at Cyclone remains subject to government approvals both within China and Australia.

**Anthony J Fawdon**  
Executive Chairman/CEO

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#### **About BaoTi**

- The leading zircon and titanium fabrication company in China and presently dominates Chinese exports in zircon and titanium end user products, having an 80% market share.
- China's biggest production, research and development base for titanium and its alloys, with its output of titanium mill products ranked second in the world.
- As a leader in technology and production and holding a significant domestic market share, it produces a wide variety of products made from titanium, zircon, tungsten, molybdenum and rare earth metals.
- Employs a workforce in excess of 7,000 personnel within its whole titanium industry chain which includes mining, smelting, rolling, downstream production and titanium equipment manufacturing.