



## DIATREME RESOURCES LIMITED

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### **Cyclone Zircon Project - BaoTi Joint Venture Status Progressing MOU to Heads of Agreement**

Diatreme Resources Limited ("DRX") is pleased to announce that it has received the following confirmation from BaoTi Group Limited ("BaoTi"):

- Following a successful site visit to the Cyclone Zircon Project in March by a delegation from China, BaoTi have completed a comprehensive report.
- BaoTi is still assessing further samples acquired during the visit and will advise DRX of the results in due course.
- BaoTi wish to jointly progress the Cyclone Zircon Project based upon the previously signed Memorandum of Understanding (DRX ASX release 10 August 2010) and the agreed timetable (DRX ASX release 6 April 2011).
- BaoTi will shortly commence corporate due diligence on DRX, asking that both parties finalise the negotiations and prepare the Heads of Agreement, with the expressed aim of completion at or before the end of June 2011.

**Tony Fawdon**  
Executive Chairman/CEO