



DIATREME RESOURCES LIMITED

ABN 33 061 267 061

Level 2, 87 Wickham Terrace, Spring Hill, Qld, 4000
PO Box 10288
Brisbane Adelaide Street
Queensland 4000
ASX Code: DRX

Telephone : 61 7 3832 5666
Facsimile : 61 7 3832 5300
Email : manager@diatreme.com.au
Internet : www.diatreme.com.au

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

15 January 2008

GROUND MAGNETIC SURVEY – CYCLONE HM PROSPECT, EUCLA BASIN **Co-operative Geophysical Survey with Image Resources NL**

The co-operative, Image Resources NL (ASX: IMA), 80 line-kilometre orientation ground magnetic survey over DRX's **Cyclone HM Prospect** within the southern part of EL69/1920 Wanna Lakes has been completed and results announced by IMA on 14 January 2008.

The survey has revealed a correlation of high amplitude linear NW ground magnetic targets with the higher-grade mineralisation intersected by DRX in at least six (6) separate targets. This verifies the interpretation that three (3) palaeo coastlines are present in the Wanna Lakes Project area and also provides confidence for DRX to conduct future ground magnetic surveys in the search for, as yet, new unidentified mineralisation strands and mineralised strand extensions beyond current drilling intersections.

DRX is presently working towards early grant of the Wanna Lakes East exploration licence (immediately east of Cyclone) and a number of other licences overlying interpreted palaeo coastlines northwest of Wanna Lakes.

ANTHONY J FAWDON
Executive Chairman/CEO

The information in this report that relates to Exploration Results is based on information compiled by Diatreme Resources Limited personnel and reviewed by Mr David Jelley, an employee of the Company, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Jelley 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Jelley consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.