



DIATREME RESOURCES LIMITED

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ASX Codes: DRX, DRXO

Company Announcement Office
Australian Stock Exchange Limited
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ADVANCEMENT OF GOLD PROJECTS THROUGH XTREME RESOURCES LIMITED

In line with Company objectives stated in July 2006, Diatreme Resources Limited (DRX) has commenced transfer of thirteen (13) gold exploration tenements into a separate wholly owned subsidiary, Xtreme Resources Limited (Xtreme). As part of the process, the Company also proposes to assign its interests in the Tick Hill Gold Project to Xtreme by way of a deed of assignment.

DRX is, at this time, compiling a prospectus for the purpose of applying for a listing of Xtreme on a recognized stock exchange.

In advancing the Company's gold exploration resources and projects, DRX is pleased this month to welcome Mr John Stacpoole as Xtreme's Exploration Manager. John holds a B.Sc. (Hons) in Economic Geology and joins the Company with over 16 years experience as a prospector/miner and exploration geologist/manager. He is currently undertaking study for a Graduate Diploma of Mine Engineering through the Ballarat School of Mines.

With broad based exploration and mining experience, John has previously worked with Platina Resources, Geospec, DRD Gold, Emperor Mines, Mt Coolon Gold Mines, Zinifex, Bemax and Consolidated Minerals.

The Queensland projects and tenements to be included within Xtreme's portfolio are listed below:

Burnett Gold Project	EPM 8402 Yarrol EPM 12834 Mt Steadman EPM 14524 Barrimoon EPM 15261 Mt Cannindah 2 EPM 15426 Gooroolba	Nymbool Gold Project	EPM 8994 Blacks Creek EPM 8998 Mt Garnet
		Georgetown Inlier Gold Project	EPM 11849 Langdon River EPM 12976 Ironhurst EPM 13126 Warrigal Creek
Burdekin Gold Project	EPM 12887 Pyramid EPM 14402 Tondarra EPM 14675 Teatree Creek	Tick Hill Gold Project	ML 7094 ML 7096 ML 7097

Definitions: "EPM" Exploration Permit for Minerals (Queensland)
"ML" Mining Lease (Queensland)

ANTHONY J FAWDON
Executive Chairman/CEO

Diatreme Resources Limited, as an Australian ASX listed company based in Brisbane, Queensland, operates as a diversified mineral explorer with advanced commodity holdings in zircon, copper and gold. The Company is currently exploring the southern Australia "Eucla Basin HMS Project", the Queensland "Clermont Copper Project" and a further seven Queensland gold projects. By conducting substantial exploration over its quality projects, the Company aims to bring successful projects to production status at the same time as increasing shareholder wealth.