



DIATREME RESOURCES LIMITED

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Australian Stock Exchange Limited
Level 4, 20 Bridge Street
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7 June 2007

DESPATCH OF PROSPECTUS

The Company advises that it has today completed the despatch to shareholders of the prospectus and entitlement and acceptance form in relation to the Non-Renounceable Pro-Rata Rights Issue announced to ASX on 16 May 2007.

In accordance with the timetable in the Prospectus, the rights issue closes at 5:00pm Brisbane time on 22 June 2007.

Yours faithfully
DIATREME RESOURCES LIMITED

LAWRENCE J LITZOW
Corporate Secretary

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 numerous 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.