

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Diatreme Resources Limited
 ACN/ARSN 33 061 267 061

1. Details of substantial holder (1)

Name

Mr. Andrew Tsang

ACN/ARSN (if applicable)

The holder became a substantial holder on

12/8/08

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
<u>Ordinary</u>	<u>7543071</u>	<u>7543071</u>	<u>5.20%</u>

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
<u>Andrew Tsang</u>	<u>Holder</u>	<u>Ordinary, 7543071</u>

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
<u>Andrew Tsang</u>	<u>Andrew Tsang</u>	<u>Andrew Tsang</u>	<u>ORDINARY</u> <u>7543071</u>

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
<u>Andrew Tsang</u>	<u>1/5/2008</u>	<u>1344,464.00</u>		<u>ORDINARY</u> <u>7543071</u>
	<u>See Attachment</u>	<u>For details</u>		

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6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Name of association

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Andrew Tsang	39 Stanhope Road, Killara NSW 2071

Signature

print name

Andrew Tsang

capacity self

sign here

Andy

date 12/08/2008

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg, a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, when the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 611B(2) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (or any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 611B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting power or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applied).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg, if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Date: 13/08/2008 Trade day: 3987
Time: 10:38 am
Aequus Securities Pty Ltd

DRX C/note and Trades History
from 01/05/2008 to 13/08/2008
Organisation: TP1382

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dalryn

Account	Client/Broker	Type	Reference	Buy Trade/Cnote Sell date	Units	Unsett Units	Unit Value	Current Val
Unsettled Contract Notes								
34575	MR A TSANG	C/note	797520	Buy 12/08/2008	187,000	187,000	34961.24	
34575	MR A TSANG	C/note	797339	Buy 11/08/2008	153,927	153,927	29387.24	
34575	MR A TSANG	C/note	797214	Buy 08/08/2008	125,000	125,000	23126.50	
Settled Contract Notes								
34575	MR A TSANG	C/note	797138	Buy 08/08/2008	0	0	1038.00	
34575	MR A TSANG	C/note	797201	Buy 08/08/2008	0	0	22171.28	
34575	MR A TSANG	C/note	797034	Buy 07/08/2008	30,000	0	5738.00	
34575	MR A TSANG	C/note	797123	Buy 07/08/2008	95,000	0	18149.28	
34575	MR A TSANG	C/note	796763	Buy 06/08/2008	280,000	0	53341.78	
34575	MR A TSANG	C/note	796576	Buy 05/08/2008	4,000	0	818.00	
34575	MR A TSANG	C/note	796722	Buy 05/08/2008	183,000	0	33990.93	
34575	MR A TSANG	C/note	796439	Buy 04/08/2008	68,000	0	12541.00	
34575	MR A TSANG	C/note	796530	Buy 04/08/2008	118,000	0	20461.93	
34575	MR A TSANG	C/note	796169	Buy 31/07/2008	13,500	0	2511.00	
34575	MR A TSANG	C/note	795844	Buy 29/07/2008	140,000	0	25338.60	
34575	MR A TSANG	C/note	795714	Buy 28/07/2008	125,000	0	22377.41	
34575	MR A TSANG	C/note	795557	Buy 25/07/2008	88,000	0	14768.00	
34575	MR A TSANG	C/note	794697	Buy 17/07/2008	54,805	0	9503.88	
34575	MR A TSANG	C/note	794508	Buy 16/07/2008	0	0	0.00	
34575	MR A TSANG	C/note	794305	Buy 15/07/2008	156,191	0	26761.84	
34575	MR A TSANG	C/note	794140	Buy 14/07/2008	35,000	0	6213.00	
34575	MR A TSANG	C/note	794003	Buy 11/07/2008	74,404	0	12861.68	
34575	MR A TSANG	C/note	793767	Buy 10/07/2008	17,500	0	3150.50	
34575	MR A TSANG	C/note	793609	Buy 09/07/2008	116,646	0	20479.34	
34575	MR A TSANG	C/note	793463	Buy 08/07/2008	65,854	0	11383.18	
34575	MR A TSANG	C/note	793418	Buy 07/07/2008	40,000	0	6913.00	
34575	MR A TSANG	C/note	783938	Buy 19/05/2008	260,300	0	69344.04	
34575	MR A TSANG	C/note	783561	Buy 16/05/2008	100,000	0	22121.00	
34575	MR A TSANG	C/note	783288	Buy 15/05/2008	107,268	0	23088.91	
34575	MR A TSANG	C/note	782758	Buy 13/05/2008	162,232	0	34256.09	
34575	MR A TSANG	C/note	782527	Buy 12/05/2008	214,500	0	44991.10	
34575	MR A TSANG	C/note	782147	Buy 09/05/2008	177,500	0	36587.63	
34575	MR A TSANG	C/note	781722	Buy 07/05/2008	112,751	0	21100.15	
34575	MR A TSANG	C/note	781340	Buy 06/05/2008	19,000	0	1508.00	
34575	MR A TSANG	C/note	781046	Buy 05/05/2008	50,000	0	9088.00	
34575	MR A TSANG	C/note	780774	Buy 02/05/2008	315,480	0	53926.58	
34575	MR A TSANG	C/note	780572	Buy 01/05/2008	268,000	0	45272.64	