

**DIATREME RESOURCES LIMITED****ABN: 33 061 267 061**

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ASX : DRX

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

8 April 2011**COMPLETION OF RIGHTS ISSUE**

Diatreme Resources Limited (**DRX**) confirms that it has today allotted and issued 88,650,039 ordinary shares at 8 cents each and 88,650,039 free listed options exercisable at 15 cents each to existing shareholders and underwriters pursuant to the Company's non-renounceable rights issue.

Following the allotment of the rights issue, Diatreme has on issue the following:

Description	Total Issued
Fully Paid Ordinary Shares (DRX)	354,597,423
Listed Options (DRXO) expiring 30 September 2013 (exercisable at 15 cents)	88,650,039
Unlisted Options expiring 30 June 2011 (exercisable at 47 cents)	16,800,000
Unlisted Options expiring 31 July 2011 (exercisable at 47 cents)	3,000,000

Statements setting out the names of the 20 largest holders of ordinary fully paid shares and the 20 largest holders of listed options and the percentages held by each have been released to ASX this morning, as well as a distribution schedules setting out the number of holders in each category.

Yours sincerely
Diatreme Resources Limited

Leni Stanley
Company Secretary