

# ASX ANNOUNCEMENT

11 December 2024

## Silica sand offtake MOU signed with Mitsui & Co

- **Non-binding Memorandum of Understanding (MOU) signed with leading Japanese trading and investment company, Mitsui & Co.**
- **MOU to evaluate potential offtake of silica sand products produced at Diatreme's North Queensland silica sand projects**
- **Agreement strengthens Diatreme's development drive for its Queensland silica sand projects, amid growing demand for low iron, high purity silica to power solar energy boom.**


**Emerging silica sands developer, Diatreme Resources Limited (ASX: DRX)** has strengthened its development drive for its North Queensland silica sand projects, signing a non-binding MOU with global trading and investment company, Mitsui & Co., based in Tokyo, Japan.

Under the agreement, the two parties will engage in further negotiations concerning the potential sale and purchase (offtake) of silica sand products produced by Diatreme. The MOU also acknowledges the parties' desire to engage in further analysis and discussion of one or more business opportunities. Effective until 1 November 2025, the agreement is subject to automatic annual renewal unless either party advises otherwise.

The agreement follows Diatreme's July 2023 non-binding offtake MOU signed with China's Flat Glass Group Co (refer ASX release 13 July 2023), and the Company's transformational strategic partnership and placement agreed with global material solutions leader Sibelco, signed the prior year (refer ASX release 27 June 2022).

Welcoming the agreement, Diatreme's CEO, Neil McIntyre said Mitsui's support was an enormous vote of confidence in the future of the Company's Queensland silica sand projects.

*"Mitsui & Co. is a global organisation with access to markets worldwide and with an enormous depth and range of resources, focused on sustainable business growth. Having the support of such a blue-chip company is hugely*



*encouraging for Diatreme as we work to develop our low iron, high purity silica projects to help power the global solar energy boom,” Mr McIntyre said.*

*“We look forward to engaging closely with Mitsui on future offtake and business opportunities with a goal of securing mutually beneficial agreements, ensuring the sustainable development of our silica sand projects for the benefit of all stakeholders.”*

Founded in 1947, Mitsui & Co. has a worldwide network with 125 offices in 61 countries or regions, with more than 5,400 employees. Its 16 business units cover a diverse range of needs, including minerals and metals, energy, infrastructure, iron and steel, IT and communication and agriculture.

Mitsui’s General Manager of Chlor-Alkali Div., Yuichi Fujii said: *“We are pleased to agree on this non-binding MOU with Diatreme Resources, a company with a strong commitment to community engagement, health and safety and sustainable development.”*

*“Diatreme’s silica sand projects are attractively located in proximity to fast-growing Asian markets, and its ability to deliver a low iron, high purity product makes it well placed to benefit from the continuing solar energy boom. By utilising our global networks and industry know-how, we will help generate maximum value from this valuable critical mineral key to global decarbonisation.”*

Solar is powering renewables growth worldwide, with solar PV set to account for 80% of new renewable capacity added globally through to 2030, according to the International Energy Agency. This demand growth has highlighted the importance of new silica sand projects capable of supplying the solar PV industry, with Diatreme’s North Queensland projects becoming increasingly strategic assets, recognised by the Queensland Government as key critical minerals.

This announcement was authorised for release by the Board:


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### **About Diatreme Resources**

Diatreme Resources (ASX: DRX) is an emerging Australian developer of mineral and silica sands based in Brisbane. Our key projects comprise the Northern Silica Project and the Galajar Silica Sand Project in Far North Queensland, located adjacent to the world's biggest silica sand mine at Cape Flattery, together with the recently acquired Cape Flattery Silica Project. Both the Northern Silica and Cape Flattery projects have been designated “Coordinated Projects” by the Queensland Government and are strategically located near the export focused Cape Flattery Port.

In Western Australia’s Eucla Basin, Diatreme’s ‘shovel-ready’ Cyclone Zircon Project is considered one of a handful of major zircon-rich discoveries of the past decade. Diatreme also owns 100% of the Clermont Copper-Gold Project in central Queensland.

Global material solutions group Sibelco is Diatreme’s development partner on its silica projects portfolio. Sibelco has completed an investment of circa \$49 million into both the silica sands project and Diatreme at the corporate level.

Diatreme’s silica sand resources will contribute to global decarbonisation by providing the necessary high-grade, premium quality silica for use in the solar PV industry. The Company has a strong focus on ESG, working closely with its local communities and other key stakeholders to ensure the long-term sustainability of our operations, including health, safety and environmental stewardship.

Diatreme has an experienced Board and management, with expertise across all stages of project exploration, mine development and project financing together with strong community and government engagement skills.

For more information, please visit [www.diatreme.com.au](http://www.diatreme.com.au)

### **About Mitsui & Co.**

Mitsui & Co. is a global trading and investment company with a presence in more than 60 countries and a diverse business portfolio covering a wide range of industries.



The company identifies, develops, and grows its businesses in partnership with a global network of trusted partners including world leading companies, combining its geographic and cross-industry strengths to create long-term sustainable value for its stakeholders.

Mitsui has set three key strategic initiatives for its current Medium-term Management Plan: supporting industries to grow and evolve with stable supplies of resources and materials, and providing infrastructure; promoting a global transition to low-carbon and renewable energy; and empowering people to lead healthy lives through the delivery of quality healthcare and access to good nutrition.

For more information, see <https://www.mitsui.com/jp/en/index.html>

**ASX releases referenced for this release:**

- 13 July 2023 – “Offtake MOU signed with FLAT Glass for Northern Silica Project”
- 27 June 2022 – “Transformational strategic partnership and placement with global material solutions leader Sibelco”

Diatreme confirms that it is not aware of any new information or data that materially affects the information included in the original releases and that all material assumptions and technical parameters underpinning the estimates in the original releases continue to apply and have not materially changed.