STOCK EXCHANGE OF NEWCASTLE LIMITED
ABN 11 000 902 063

Ground Floor
384 Hunter Street
GPO BOX 283
Newcastle NSW 2300
AUSTRALIA
Tel: +61 2 4929 63 77
Fax: + 61 2 4929 1556
Web: www.newsx.com.au
Email: mail@newsx.com.au

18 April 2005

Mr David Hall
Manager
Diatreme Resources Limited
PO Box 10288
Adelaide Street
Brisbane QLD Australia 4000

By fax: 07 3229 6627

Dear Mr Hall,

Re: Current Status of Trading Halt

The NSX Compliance Committee has reviewed the status of the current trading Halt on the securities of Diatreme Resources Limited.

The Committee has recommended lifting the Trading Halt for the following reasons:

1. The initial reason for the trading halt so that the market could absorb the information in the submitted prospectus and for the company to apply for listing on the ASX.
2. The information has now been absorbed by the market.
3. The company is still in the process of raising capital but as yet has not been granted admission to the official list.
4. The trading halt and subsequent suspension of securities, in this instance, is intended for the orderly transfer of companies to the ASX when admission has been granted or would be granted in a short space of time.
5. The NSX will re-impose the trading halt once the company has been granted admission to the ASX.

The trading Halt will be lifted at the commencement of trading on Tuesday 19 April 2005

Yours Sincerely
<u>On behalf of the NSX Compliance Committee</u>

Scott Evans
General Manager