



ASX RELEASE

10 October 2014

# KURO COAL GRANTED FOUR COAL LICENCES IN PEACE RIVER REGION

Kuro Coal Limited ("Kuro" or the "Company") is pleased to announce that following First Nations and community consultation, the Company has received four coal licences in the Peace River Coalfield, British Columbia, Canada.

Kuro Coal is a wholly owned subsidiary of Atrum Coal NL ("Atrum") (ASX:ATU) and will be separately listed on the ASX under the code "KCO" following an Initial Public Offering.

Commenting on the granting of the coal licences, Atrum Coal Executive Director and Kuro Coal Non-Executive Director Mr Gino D'Anna stated:

*"Kuro has an exciting portfolio of metallurgical coal opportunities in Canada. We look forward to maiden exploration later this year."*

The four granted coal licences total 5,239 hectares and are located in the coking coal rich area of Peace River. Licences were granted following consultation with local First Nations bands.

The Company is preparing a Notice of Work to conduct exploration across the four granted coal licences, which will initially comprise surface mapping, trenching, sampling and scout drilling of identified targets.

## PEACE RIVER COAL PROJECT OVERVIEW

The Peace River Project is located approximately 30 km west of the Wapiti Coal Project, owned by Hillsborough Resources Limited, approximately 40 km east of the operating Brule Mine, owned by Walter Energy Inc, and 35 km north of the Perry Creek/Wolverine Mine, owned by Walter Energy Inc. It is located on the western margin of the Western Canadian Sedimentary Basin and the eastern fringe of the Rocky Mountain foothills fold belt.

The coal licenses are located approximately 300 km north east of Prince George. The Chetwynd Highway (29) runs approximately 25 km to the west of the property and the Heritage Highway (52) runs approximately 10 km to the east of the property. Both highways connect at the locality of Tumbler Ridge, approximately 16 km south of the property.

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Chairman  
Non-Executive Director  
Non-Executive Director  
Non-Executive Director  
Company Secretary

R. Moran  
G. D'Anna  
J. Wasik  
A. Phillipps  
J. Ward

### Key Projects

Elan  
Peace River  
Naskeena  
Bowron River

Up to 70%  
100%  
100%  
100%



Figure 1 below shows the location of the Peace River Coal Project including the surrounding road and rail infrastructure.

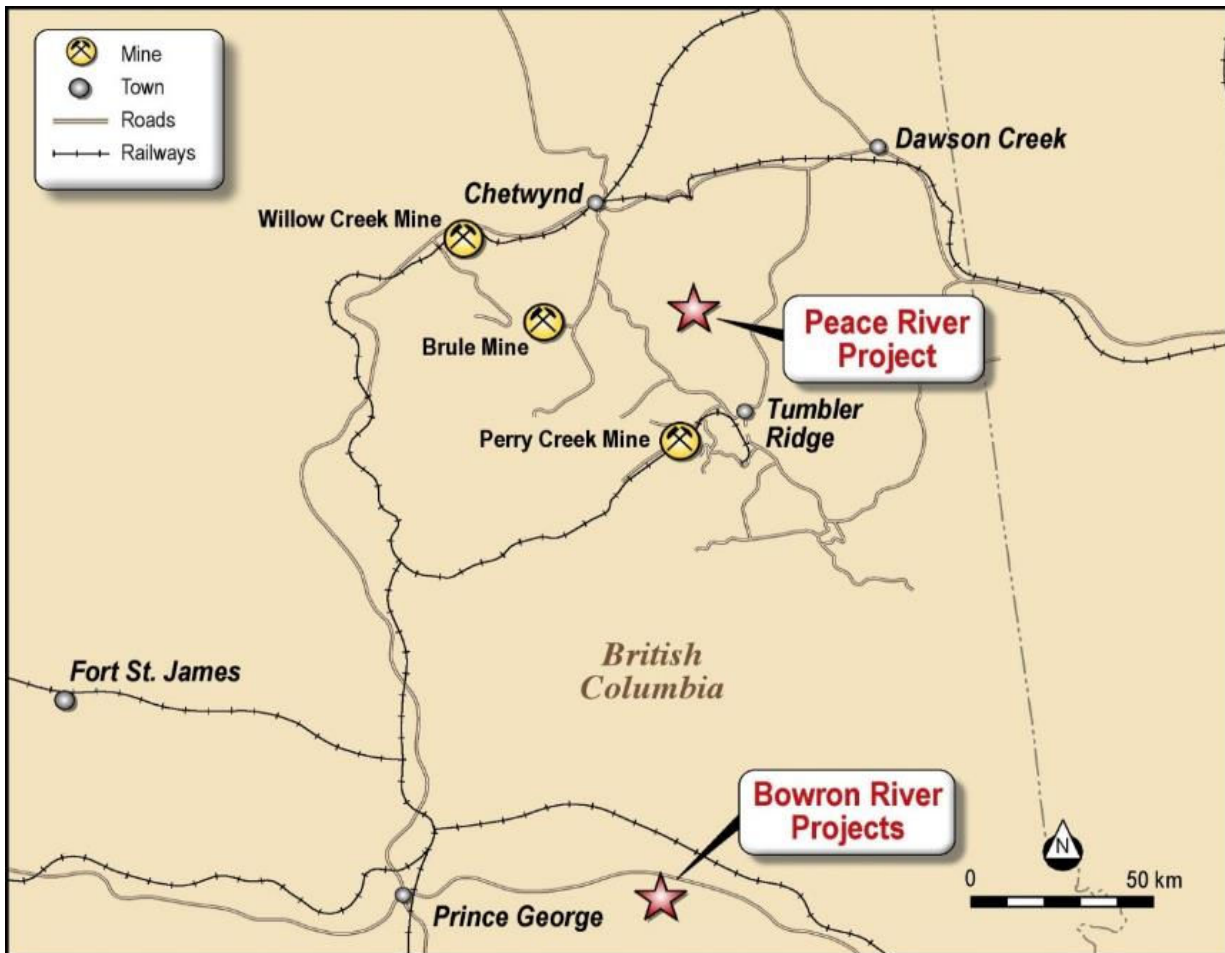


Figure 1: Peace River Coal Project Location

## IPO TIMETABLE

Kuro is satisfied with its due diligence investigations on the Elan Coking Coal Project in which it has agreed to acquire a 70% through a farm in arrangement. The Company is currently finalising the joint venture documentation with the Elan vendors and once executed, the IPO will proceed. Shareholders can expect further updates on the timetable later this month and despite recent delays, Atrum is on track seek shareholder approval for the spin out in 4Q 2014.

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## Forward Looking Statements

This release includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. Forward looking statements in this release include, but are not limited to, the capital and operating cost estimates and economic analyses from the Study.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of resources or reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company's business and operations in the future. The company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the company's control.

Although the company attempts to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be anticipated, estimated or intended, and many events are beyond the reasonable control of the company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

Forward looking statements in this release are given as at the date of issue only. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

