

ATRUM COAL COMMENCES DRILLING AT PANORAMA NORTH AND GRANTED ADDITIONAL COAL LICENCES FOR GROUNDHOG

HIGHLIGHTS

- Atrum, and its joint venture partner Japan Oil, Gas and Metals National Corporation ("JOGMEC"), has commenced exploration drilling at Panorama North.
- Atrum is investigating other potential exploration partners to advance projects at Panorama South and Groundhog Central.
- Atrum has secured an additional (42) coal licences from the Government of British Columbia for its Groundhog Anthracite Project in north-western British Columbia with the conversion of license applications to licenses. Total coal licenses now stand at 88, covering an area of over 800km².

Atrum Coal NL ("Atrum" or the "Company") (ASX: ATU) is pleased to announce that it, along with its joint venture partner Japan Oil, Gas and Metals National Corporation ("JOGMEC"), has commenced exploration drilling at the Panorama North Project in British Columbia, Canada ("Panorama North").

Panorama North is located approximately 15km south-west of Atrum's flagship Groundhog North Mining Complex in northwest British Columbia, Canada.

Atrum's Executive Chairman Robert Bell stated: *"We are very pleased to partner with JOGMEC on the exploration of Panorama North. Drilling commenced this week and we look forward to reporting results from the program. The exploration of Panorama North is a very important step in our strategy of developing multiple high grade and ultra-high grade anthracite mines within the Groundhog coal field."*

On 29 August 2016, Atrum announced it had entered an exploration agreement with JOGMEC under which JOGMEC can acquire an equitable interest of up to 35% interest in Panorama North by investing up to C\$5 million towards exploration over three years in a farm in arrangement. Since that announcement, personnel and equipment have been mobilized to site and drilling has commenced. The Company expects to drill approximately 1,800m of core over an area which is highly prospective for ultra-



Registered Office
Level 19, 1 O'Connell St, Sydney,
NSW, 2000
T +61 2 8249 1884
E info@atrumcoal.com
www.atrumcoal.com

Board of Directors
Executive Chairman
Non-Executive Director
Non-Executive Director
Non-Executive Director
Non-Executive Director
Company Secretary

R. Bell
J. Chisholm
S. Boulton
C. Vorias
J. Wasik
T. Renard

Key Projects
Groundhog
Naskeena
Bowron River

Ownership: 100%
Ownership: 100%
Ownership: 100%

high grade anthracite. The drilling is expected to take approximately one month, with analysis of the core samples being conducted in the following weeks.

Atrum is now preparing Panorama South for possible joint venture with major anthracite users. Internal modelling has also shown the potential for a joint venture for exploration at Groundhog Central, an area to the south of and adjoining Atrum's Groundhog North Mining Complex in British Columbia, Canada ("Groundhog North").

Panorama North is located south-west of Groundhog North. The other areas of interest with respect to potential joint ventures are Panorama South, located directly south of Panorama North, and Groundhog Central, which sits to the south of Groundhog North. With metallurgical coal prices increasing significantly over the last six months, the Company anticipates growing interest from potential partners. Anthracite prices are also increasing, as the increase in coking coal prices translates into increased coke prices, which creates a lift to the replacement product, ultra-high grade anthracite.

The Company is also pleased to announce that all of its Groundhog North coal license applications have been converted to coal licenses by the British Columbian Government. Groundhog covers an area of more than 800km², and comprises 88 granted coal licences. The additional licences almost double the area available for active exploration to the Company. Obtaining 42 new coal licences is another positive development providing considerable additional exclusive coal exploration and development rights in the Groundhog area. They also provide the Company with greater certainty with respect to exploration planning in these areas, which augers well for maximizing the overall future potential of Atrum's various projects in the Groundhog region.

For further information, contact:

Robert W. Bell
Executive Chairman
M +1 604 763 4180
rbell@atrumcoal.com

Theo Renard
Company Secretary
M +61 430 205 889
trenard@atrumcoal.com

Nathan Ryan
Investor Relations
M +61 420 582 887
nathan@atrumcoal.com