

ATRUM COAL ANNOUNCES SPIN-OUT PLANS FOR COAL EXPLORATION ASSETS

HIGHLIGHTS

- Atrum prepares for spin-out and ASX listing (IPO) of its Naskeena, Bowron River and Peace River exploration assets
- Spin-out will assist funding development of the Company's exciting greenfield metallurgical coal assets and allow Atrum to focus on the development of Groundhog
- Spin-out will have new Board and management
- Existing Atrum shareholders, as at the Record Date, will receive a substantial share position in the new IPO at no cost
- Spin-out timing, capital structure, management personnel and Record Date will be finalised over the next few weeks

Atrum Coal NL ("**Atrum**" or the "**Company**") (**ASX: ATU**) is pleased to announce plans to spin-out its Naskeena, Bowron River and Peace River coal assets ("**Exploration Assets**"), located in British Columbia, Canada.

Commenting on the spin-out plan, Managing Director Dr Eric Lilford stated:

"This is a huge win for shareholders. They will benefit from additional returns by way of shares in an exciting new exploration venture in one of the most attractive mining jurisdictions in the world, leaving Atrum free to focus its management time and balance sheet on developing the tier 1 Groundhog project."

The Company is currently finalising the capital structure and management team for the spin-out vehicle as well as determining the timing for an Atrum shareholders meeting to approve and facilitate the timetable and subsequent ASX listing.



ASX:ATU - Share Information
Issued Shares: 110.6m

Registered Office
Ground Floor, 510 Hay Street,
Subiaco WA 6008
T +61 8 9388 3131
E info@atrumcoal.com
www.atrumcoal.com

Board of Directors

Chairman
Executive Director
Executive Director
Managing Director
Company Secretary

J. Chisholm
R. Moran
G. D'Anna
E. Lilford
G. D'Anna

Key Projects

Groundhog	Ownership: 100%
Peace River	Ownership: 100%
Naskeena	Ownership: 100%
Bowron River	Ownership: 100%

The spin out will allow Atrum to concentrate on the development of Groundhog, which is currently in the process of completing a pre-feasibility study, together with providing shareholders with exposure to the exploration upside of the Naskeena, Peace River and Bowron River coal projects.

"The Board and management of Atrum consider this to be the most appropriate method of delivering long term shareholder value whilst enabling exploration funding to be allocated to these three exciting projects," said Dr Lilford.

For further information contact:

Russell Moran
Executive Director
M +61 415 493 993
russell@atrumcoal.com

Gino D'Anna
Executive Director
M +61 400 408 878
gino@atrumcoal.com

Dr Eric Lilford
Managing Director
M +61 424 757 452
eric@atrumcoal.com

James Chisholm
Chairman
M +61 419 256 690
james@atrumcoal.com

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

Forward Looking Statements

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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.

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