

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Atrum Coal Limited

ABN

27 153 876861

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	272	1,656
1.2 Payments for		
(a) exploration & evaluation	(656)	(2,294)
(b) development	-	
(c) production	-	
(d) staff costs	(265)	(707)
(e) administration and corporate costs	(516)	(1,058)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (GST received)	126	175
1.8 Other (METC)	1,786	1,786
1.9 Net cash from / (used in) operating activities	748	(441)

1.1 "Receipts from customer" represents A\$239 refunded by JOGMEC with respect to exploration work carried out on Panorama project and A\$32K with respect of sale of Anthracite inventory

1.2(a) includes \$215k paid with respect to annual leases of coal tenements held in Canada

1.2(e) includes A\$72K representing legal fees with respect to Elan Project, A\$55K for audit fees

For personal use only

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	-	-

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(2,052)	(2,052)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(2,052)	(2,052)

3.6 During the quarter the outstanding loan from Moneytech of \$1.8M was repaid in full and an amount of \$252K was repaid with respect to the Lenark loan.

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	3,199	4,391
4.2 Net cash from / (used in) operating activities (item 1.9 above)	748	(441)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(2,052)	(2,052)
4.5 Effect of movement in exchange rates on cash held	(2)	(5)
4.6 Cash and cash equivalents at end of period	1,893	1,893

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,893	3,199
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,893	3,199

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	(65)
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Amount in 6.1 represents directors' fees

For personal use only

Mining exploration entity and oil and gas exploration entity quarterly report

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Lenark Offset Loan Agreement- Principal has been reduced to \$1.6m through a cash repayment, and will be repaid through monthly instalments of \$30,000 at an interest of 8% per annum. The loan may be partly repaid through the issuance of shares at the option of Lenark.

Kuro Coal Ltd Convertible Notes \$800k – no interest rate, convertible into Kuro ordinary shares at \$0.10 per share, redeemable for cash by noteholders or repurchased by the company. The Company has issued note holders the necessary documentation to convert their convertible notes to Atrum shares.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	155
9.2 Development	-
9.3 Production	-
9.4 Staff costs	222
9.5 Administration and corporate costs	408
9.6 Other (provide details if material)	3,262
9.7 Total estimated cash outflows	4,047

9.1 – Exploration and evaluation includes A\$100k payable as part of the acquisition agreement for the Groundhog project;

9.5- Includes \$100K of professional fees with respect to the acquisition of Elan Project, and \$50K of audit fees ;

9.6 – Includes A\$3.1M for the acquisition of Elan project and preparatory work to be carried out on the Elan project. Also included is part-repayment of Lenark loan of \$162K

The Company is currently in advanced discussions to raise the required funding for the Elan acquisition.

For personal use only

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Secretary

30/1/18

Print name: Justyn Stedwell

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

For personal use only