

Atrum Coal Completes Phase One Drilling for the 2018 Elan South Exploration Program

HIGHLIGHTS

- Drilling commenced at Elan South on 25 June 2018 and the first phase was completed on 16 July 2018
- Coal samples from drill cuttings have been sent to an independent laboratory for testing
- Modelling and interpretation are under way to refine drill targets for the next phase of the program which will resume in the coming weeks
- Drilling is aimed to be completed in mid-September

Atrum Coal Ltd (“Atrum” or the “Company”) (ASX: ATU) is pleased to update shareholders on progress and planning at the Elan Coking Coal Project in southwest Alberta, Canada (refer to Figure 1).

Over the past four weeks, the Company’s field staff and contractors have been busy with road construction, drilling, field testing, data logging and sample collection. The first phase of 12 holes with a total depth of 2,253m has been completed and coal samples from drill cutting were sent to an independent laboratory for testing, while rock cutting samples have been bagged and stored near Elan site for future testing.

Atrum’s Managing Director, Max Wang commented: *“The next phase of drilling work is to commence after the road building has been completed and the geological model updated to allow for maximum drilling efficiency and flexibility. In the interim, further ground works including mapping and hand-trenching of the coal outcrops and key geological features will continue.”*

“The approximate 4 – 5 week break will give our geologists and consultants the time to update and refine the geology models with the new information from the drilling and field surveys, which will facilitate fine tuning of the future drill hole locations. This type of progressive updating and refining will be on going throughout the drilling program.”



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Key Projects
Groundhog
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One of the on-going lab tests is to confirm the locations of large diameter cores to be extracted near the end of the drilling for comprehensive coking property testing. Also as planned, the northern part of Elan South, Wildcat and other project areas will be further inspected on foot by Atrum's geologists and consultants during the summer to develop future drilling plans and potential resource updates in these areas.

A more detailed update will be provided once drilling has been completed and results reviewed by an independent JORC accredited Competent Person.

The company anticipates completion of the field work by mid-September 2018.

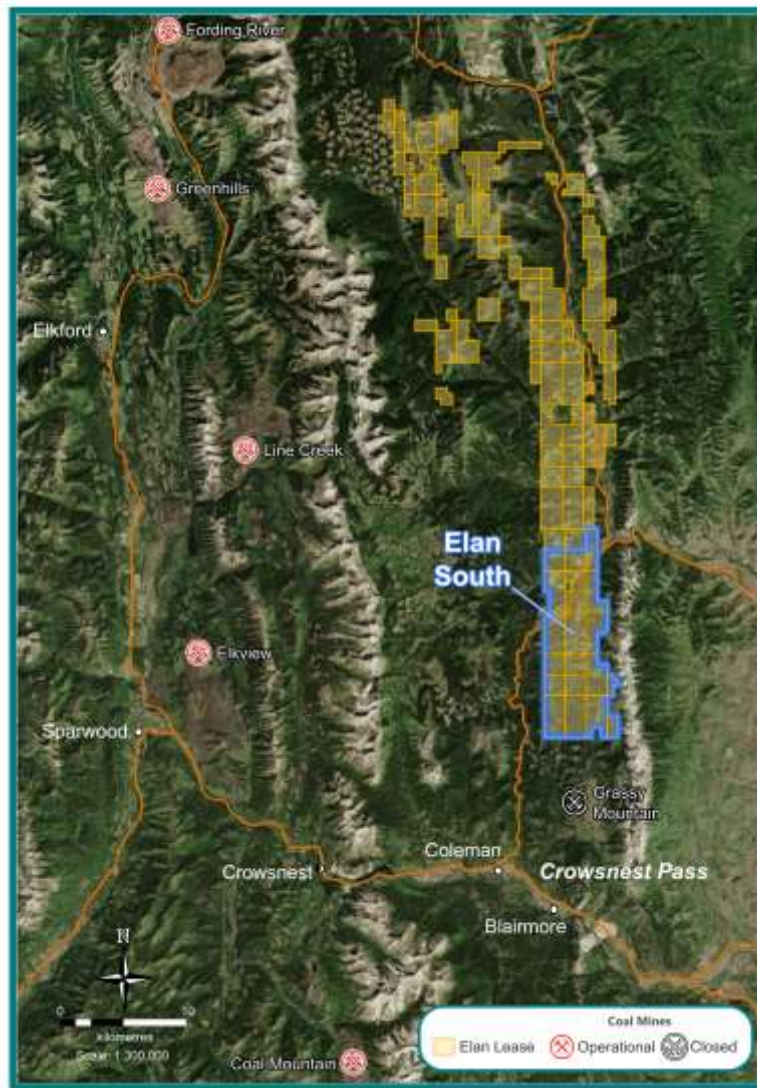


Figure 1. Elan South and other Elan Coking Coal Projects

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Figure 2 and 3. Drilling at Elan South

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Figure 4. Coal cutting collection during drilling



Figure 5. Field surveying at Elan South providing drill targets



Figure 6 and 7. Road construction at Elan South

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