

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")

30 September 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers (see footnote)	1,278	2,071
Received from ACG	146	939
Refund from JOGMEC	1,132	1,132
1.2 Payments for		
(a) exploration & evaluation (see footnote)	(2,585)	(3,716)
- Elan & Groundhog Projects	(1,539)	(2,172)
- Tenement renewals (see footnote 1.2)	(125)	(475)
- Panorama project	(921)	(1,019)
(b) development	-	-
(c) production	-	-
(d) staff costs (see footnote 1.2(d))	(54)	(197)
(e) administration and corporate costs	(199)	(744)
1.3 Dividends received	-	-
1.4 Interest received	-	5
1.5 Interest and other costs of finance paid	(2)	(53)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (GST received)	107	180
1.8 Other (METC)	-	-
1.9 Net cash from / (used in) operating activities	(1,455)	(2,454)

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 (9 months) \$A'000
--------------------------------------	----------------------------	---------------------------------------

1.2 (a) Year to date amount of \$2,172K includes \$105K paid in annual royalty due on the Groundhog project.

1.2 (a) A refund of \$79K is expected from JOGMEC regarding the tenement lease payments further to the recent agreement with the Company on Panorama South (see news release dated 7 August 2018)

1.2 (d) Lower due to a reallocation of staff resources to exploration projects for the nine months to 30 September 2018

1.2 (e) includes annual payments of insurance (\$73K) and audit and taxation (\$52K), ASX fees (\$73K) legal fees of \$ 42K with respect to Elan acquisition

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments (see footnote)	-	(3,049)
(d) other non-current assets (see footnote)	-	(102)
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)	-	(10)
2.6 Net cash from / (used in) investing activities	-	(3,161)

2.1(c) represents the cash consideration paid for the acquisition of Elan Project which closed at the end of the quarter. A total of 19,690,490 fully paid ordinary shares were also issued to the vendors as part of the purchase consideration

2.1(d) represents the annual cash consideration required to be paid to the vendors pursuant to the acquisition agreement of Groundhog Project

2.5 represents cash paid on redemption of Kuro Convertible Notes

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	9,598
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	-	(660)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(90)	(1,151)

For personal use only

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
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	(90)	7,787

3.1 In quarters 1 and 2, the Company completed the first and second tranches of the private placement and an entitlement issue totalling 99,937,639 shares for a total of \$9,598,764 in cash and \$395,000 towards loan repayment. A total of \$622K was paid as capital raising costs.

3.6 A total of \$1,204K was paid to Lenark in repayment towards the outstanding loan, of which \$53K represented interest. (see 1.5 above)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,737	2,020
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,455)	(2,454)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(3,161)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(90)	7,787
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,192	4,192

5.	Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	4,719	5,787
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)	4,719	5,787

For personal use only

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	(39)
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

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.		

Kuro Coal Ltd Convertible Notes \$800k – has been partly redeemed by the issuance of 7,650,000 Atrum shares at a price of \$0.10 (redeeming \$765,000) to the Noteholders who opted for the conversion pursuant to the Company's offer. A further \$10,000 was redeemed in cash. The remaining \$25,000 is expected to be redeemed in shares of the Company.

For personal use only

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	
- Elan Project	1,252
- Panorama (see footnote)..... (refund expected from JOGMEC).....	697 (885)
9.2 Development	-
9.3 Production	-
9.4 Staff costs.....	72
9.5 Administration and corporate costs.....	130
9.6 Other (provide details if material).....	93
9.7 Total estimated net cash outflows	1,359
- Total outflows	2,244
- Expected refunds by JOGMEC	(885)
Net Company's own funds	1,359

9.1 – After the completion of the refunds, JOGMEC will earn-in 35% of the Panorama North project.

9.6 – repayment of monthly \$30k plus interest on Lenark loan.

In addition to the refund from JOGMEC in the next quarter, the Company currently has \$4.7M in hand and approximately USD616K of ACG receivables.

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

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

Sign here: 

Date: 24 October 2018

Justyn Stedwell - Company Secretary

For personal use only

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