

## Isolation South Exploration Permit Received

### HIGHLIGHTS

- **Isolation South exploration permit received for planned 2019 field activities**
- **Access road building activities at Isolation South have commenced**
- **Drilling at Isolation South expected to commence in late August**
- **Elan South drilling ongoing; dual area field advancement strategy at Elan now in full progress**

Atrum Coal Ltd (**Atrum** or the **Company**) (ASX: ATU) is pleased to announce the receipt of the exploration permit for its planned 2019 field activities at the Isolation South area of its Elan Hard Coking Coal Project (**Elan Project**) in southern Alberta, Canada.

Receipt of the exploration permit for Isolation South has enabled immediate commencement of access road building and re-establishment activities in this area by a local contractor. Mobilisation of drill rigs and commencement of drilling activities at Isolation South is expected by late August.

Total planned drilling at Isolation South for 2019 is approximately 4,000 metres. Extension drilling is targeted to increase the current Isolation South resource (120Mt total; 39Mt Indicated and 81Mt Inferred)<sup>1</sup> with infill drilling also planned to upgrade a significant part of the existing resource into Measured and (additional) Indicated categorisation. Drilling will be followed by detailed coal quality testwork that is targeted to confirm historical test results for Isolation South that point to Tier 1 hard coking coal quality.

The decision to concurrently progress evaluation of Isolation South, alongside acceleration of the flagship Elan South development area, reflects Atrum's strategy to rapidly advance multiple, large Tier 1 hard coking coal developments across its highly endowed and 100%-owned Elan Project.



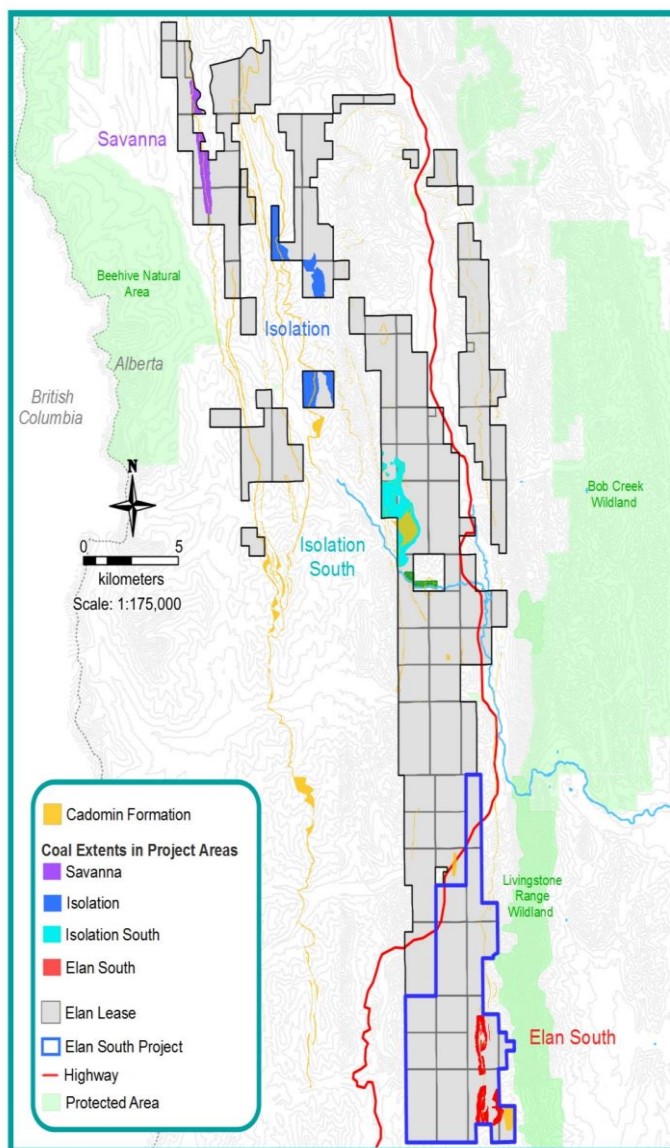
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**Key Projects**  
Elan 100%  
Groundhog 100%  
(incl Panorama North JV) (65%)  
Bowron River 100%

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Managing Director, Max Wang, commented: "We are very pleased to now be on the ground and active at Isolation South. I look forward to a rapid transition to drilling at Isolation South over the next month. The significant body of coal deposition already identified in this area is both geologically and geometrically attractive. Our dual area progression strategy for Elan is also now in full swing, with Elan South drilling continuing to forge ahead strongly. We plan to provide another update on our drilling progresses within the next several days."



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## About Atrum Coal

Atrum Coal (ASX: ATU) is a metallurgical coal developer. The Company's flagship asset is the 100%-owned Elan Hard Coking Coal Project in southern Alberta, Canada. Elan hosts large-scale, shallow, thick, hard coking coal (HCC) deposits with a current JORC Resource Estimate of 298 Mt (70 Mt Indicated and 228 Mt Inferred).<sup>1</sup> Comprehensive quality testing of Elan South coal on samples from the 2018 exploration program, combined with review of substantial historical testwork data for the broader Elan Project, has confirmed Tier 1 HCC quality.

The initial focus for development is the Elan South area, which is located approximately 13 km from an existing rail line with significant excess capacity, providing direct rail access to export terminals in Vancouver and Prince Rupert. Elan South shares its southern boundary with Riversdale Resources' Grassy Mountain Project, which is in the final permitting stage for a 4.5 Mtpa open-cut HCC operation. Around 30km to the west, Teck Resources operates five mines (the Elk Valley complex) producing approximately 25 Mtpa of premium HCC for the seaborne market.

A Scoping Study to evaluate development of Elan South is underway with targeted completion in 4Q 2019. This work will feed into a Pre-Feasibility Study (PFS) which is planned to be completed in 2H 2020.

<sup>1</sup> Atrum confirms that it is not aware of any new information or data that materially affects the information included in its ASX releases dated 6 January 2019 (*Elan South Hard Coking Coal Resource increased by 170% to 97Mt*) and 22 January 2019 (*Additional 201Mt JORC Resources defined for Elan Project*). All material assumptions and technical parameters underpinning the estimates in these releases continue to apply and have not materially changed.