

ABN 27 153 876 861

Unit 1B, 205-207 Johnston Street
Fitzroy, VIC 3065

P: +61 3 9191 0135

E: info@atrumcoal.com

W: atrumcoal.com

ASX: ATU

ASX Announcement

18 May 2020

ALBERTA GOVERNMENT TO REPEAL 1976 COAL POLICY

HIGHLIGHTS

- 1976 Alberta Coal Policy to be repealed effective from 1 June 2020.
- Removes the use of the coal categories land use classification system.
- Category 2 land classification for Elan no longer relevant or applicable.
- Represents a significant step forward with respect to the targeted future development of the world-class Elan Project

Atrum Coal Limited (ASX: ATU) (**Atrum** or the **Company**) advises that the Alberta Government has announced that it will be repealing the Coal Development Policy for Alberta (1976). This repeal is set to be effective from 1 June 2020.

The repeal of the policy will eliminate the use of coal categories in Alberta, a land use classification system that directed how and where coal leasing, exploration and development could occur. Removal of the outdated coal categories means that the coal industry in Alberta will now be subject to the same land use policies as other commodities within the province.

Atrum's flagship Elan Hard Coking Coal Project in southern Alberta (**Elan Project**) is located on tenure that is currently deemed to be Category 2 land. Under the existing policy, Category 2 designation refers to land that is generally considered not to be appropriate for open pit coal mining. This meant that any open pit permitting approval for Elan would have required an exemption to be granted.

The repeal of the policy means that the prior categorisation of lands is no longer relevant for Atrum. It represents a significant step forward with respect to the targeted future development of the world-class Elan Project.

The full media release from the Alberta Government can be found at:

<https://www.alberta.ca/release.cfm?xID=71360F8EBFAD6-F329-868E-8D338CE2C2A0A01F>

Atrum Chief Executive Officer, Andrew Caruso, commented: *"We welcome the decision of the Alberta Government to repeal the now heavily outdated 1976 Coal Policy. It is a big step forward for the targeted progression and future development of our flagship Elan Hard Coking Coal Project. I believe it is important to note that this decision sees absolutely zero loss of integrity with respect to proper environmental process. The Elan Project will still be subject to the highly robust and targeted Federal environmental approvals process as well as the full scrutiny of the Alberta Energy Regulator in its future development applications."*

This ASX release was authorised on behalf of the Atrum Coal Board by:

Andrew Caruso, Chief Executive Officer

For further information, contact:

Andrew Caruso
Chief Executive Officer
T: +61 3 9191 0135

Justyn Stedwell
Company Secretary
T: +61 3 9191 0135
E: jstedwell@atrumcoal.com

Michael Vaughan
IR & Media, Fivemark Partners
T: +61 422 602 720

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 resource estimate of 454Mt (142Mt Indicated and 312Mt Inferred). Comprehensive coal quality testing from the 2018 and 2019 exploration programs, combined with review of substantial historical testwork data for the broader Elan Project, has confirmed Tier 1 HCC quality.

Elan 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. It shares its southern boundary with Riversdale Resources' Grassy Mountain Project, which is in the final permitting stage for a 4.5Mtpa (saleable) open-cut HCC operation. Around 30km to the west, Teck Resources operates four mines (the Elk Valley complex) producing approximately 25Mtpa of premium HCC for the seaborne market.

Atrum completed a Scoping Study in April 2020 which demonstrated the strong technical and economic viability of development of the Elan Project. For full Scoping Study and resource details refer to Atrum ASX release dated 16 April 2020, Elan Project Scoping Study. Atrum confirms that all material assumptions underpinning the production target and forecast financial information within the Scoping Study, and the resource estimate outlined above, continue to apply and have not materially changed.