

ATRUM COAL ANNOUNCES RIGHTS ISSUE

HIGHLIGHTS

- One (1) for 17 fully underwritten, non-renounceable, pro-rata entitlement offer of new shares in Atrum at \$0.50 per new share, together with one (1) new free option for every two (2) new shares subscribed for under the Entitlement Offer. Each new option is exercisable for one (1) share at \$0.80.
- The Entitlement Offer is intended to raise approximately \$5m.
- If the Entitlement Offer is oversubscribed or Atrum receives interest from third party investors, Atrum may, in its absolute discretion, raise up to an additional \$1 million under the Discretionary Placement.
- Funds will be used to enhance the value of Atrum's Groundhog Anthracite Project, in British Columbia Canada, including obtaining additional bulk samples for potential development partners and off-takers, completing and upgrading the high-wall scoping study to PFS level, to accelerate business development activities and cover general corporate costs.

Atrum Coal NL ("**Atrum**" or the "**Company**") (ASX: **ATU**) is pleased to announce a one (1) for 17 fully underwritten non-renounceable entitlement offer of fully paid ordinary shares in Atrum, together with one (1) new free option for every two (2) new shares subscribed for under the Entitlement Offer. Each new option is exercisable for one (1) share at \$0.80 ("**Entitlement Offer**"). Atrum lodged the prospectus for the Entitlement Offer with the Australian Securities and Investments Commission today.

The Entitlement Offer is intended to raise approximately \$5m.

If the Entitlement Offer is oversubscribed or Atrum receives interest from third party investors, Atrum may, in its absolute discretion, raise up to an additional \$1 million by way of the issue of new shares at \$0.50 per new share, together with one (1) new option free of charge for every two (2) new shares



ASX:ATU - Share Information
Issued Shares: 170.2m

Registered Office
Level 19 1 O'Connell St, Sydney,
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Board of Directors
Executive Chairman
Non-Executive Director
Non-Executive Director
Company Secretary

J. Chisholm
S. Boulton
C. Vorias
T. Renard

Key Projects
Groundhog
Peace River
Naskeena
Bowron River

Ownership: 100%
Ownership: 100%
Ownership: 100%
Ownership: 100%

subscribed for by institutional investors procured or nominated by the Underwriter (**Discretionary Placement**).

The Entitlement Offer is fully underwritten by Blackwood Capital Pty Ltd (**Underwriter**). Lenark Pty Ltd, a company associated with the Executive Chairman James Chisholm and Atrum's largest shareholder, has committed to take up its full entitlement under the Entitlement Offer.

The issue price of \$0.50 per New Share represents a discount of approximately 58% to the closing price of \$1.19 on 3 June 2015 (being the last trading day before Atrum went into a trading halt on 4 June 2015 and voluntary suspension from quotation on 9 June 2015).

The net proceeds of the Entitlement Offer will be used to enhance the value of Atrum's Groundhog Anthracite Project through the collection of bulk samples for potential off-take customers, complete and upgrade the high-wall scoping study to PFS level, accelerate business development activities with potential off-takers, and cover general corporate costs.

The record date for the Entitlement Offer will be Friday, 31 July 2015. The Prospectus will be despatched to eligible shareholders on 6 August 2015.

For further information contact:

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Forward Looking Statements

This release includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. Forward looking statements in this release include, but are not limited to, the capital and operating cost estimates and economic analyses from the Study.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of resources or reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company's business and operations in the future. The company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the company's control.

Although the company attempts to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be

anticipated, estimated or intended, and many events are beyond the reasonable control of the company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

Forward looking statements in this release are given as at the date of issue only. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.