

30 November 2015

CHAIRMAN'S ADDRESS ATRUM AGM 27 NOVEMBER 2015, 11:00

Good morning and thank-you for attending the Atrum Coal Annual General Meeting. For those that do not know me my name is John Wasik, and I will be chairing this meeting in the absence of Bob Bell, our Chairman who is currently in overseas in meetings with various potential investors and customers as we are now entering a new and exciting phase in the development of our company.

It has been a challenging year for the Company, and a challenging year for resources in general. Much has happened in the 12 months since our last AGM. During that time, we have progressed our Bulk Sample Permit Application, identified other areas in the Groundhog North Mining Complex that are amenable to lower cost anthracite extraction, progressed sell-down discussions with interested steel mills and traders, found new potential customers in industrial markets, elected a new chairman, appointed a new Vice President, appointed two additional directors to replace the two directors who resigned mid-year, have become involved in a disclosure issue over director loans secured over their holding of shares in the Company, and identified new potential joint venture partners interested in helping us explore and develop other areas of the Groundhog Anthracite Project. All this while coal markets and commodity markets in general around the world declined, iron ore hit historic lows, and resources fell out of favour with many investors. The Company was able to raise \$8million in these difficult markets which is indicative of the strong support we have from our shareholders

What is not often reported in the press, is that anthracite enjoys much higher pricing than coking coal. It can be used in a myriad of industrial sectors not just in steel-making, and it is rare; the rarest form of coal in fact. As you would all be aware, Atrum has a lot of anthracite, and not just the standard or semi-anthracite found in other parts of the world including China, but high grade and ultra-high grade anthracite. In these tough times, it is long-term investments in low-cost operations of high value, rare resources in demand that are close to export ports and/or customers that make sense.



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Board of Directors
Executive Chairman
Non-Executive Director
Non-Executive Director
Non-Executive Director
Non-Executive Director
Company Secretary

B. Bell
J. Wasik
S. Boulton
C. Vorias
J. Chisholm
T. Renard

Key Projects
Groundhog
Naskeena
Bowron River

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

I am not intending to go into detail on the Groundhog project this morning- we have put out much information and updates over the last three years. I intend to comment on the next stage of development of our company. We know we have a great resource. We know we have access to a port with two operators (one has just completed a \$70m construction project). We are progressing route discussions and the application to the Government for a bulk sample permit to allow us to extract up to 100,000t of anthracite- an important milestone over the coming months.

We are now entering a new phase in the development of this company. The Company started with a small JORC resource and an idea. We believe that we now need strong in country management to deal with and bring credence to the multiple stakeholder groups that we by necessity must deal with- Government, First Nations potential customers to name a few. It has now grown to the point that an experienced coal executive, based in Canada, has taken the reigns. He is ably supported by directors experienced in coal project development, operations, logistics, marketing and corporate governance. He has a management team who are focussed on delivering steel mills and traders who want to invest in the project, securing the permits to operate a full-scale mine including the social license, and managing the funds in a judicious manner to enable the Company to meet its targets. It's a very different company now to this time last year. A great project deserves a great team, and the Board is confident that Bob Bell can deliver not only this project, but in time the other projects in which we have an interest. It's been a difficult period, especially given the actions of the former directors. We cannot control what shareholders and margin lenders do, but we can control the amount of effort and expertise we put into permitting, mine design, feasibility studies, sales and marketing and project execution. In this time of exceptional circumstances, we ask is that you continue to support the Company.

My message is simple. We have a distinct advantage in the coal space with Groundhog. We have a great team led by Bob Bell. We have seen some significant falls in share price, but the project remains the same great project and the team has grown in experience and expertise. We believe that the fundamentals are strong. We are now moving on from the distractions of the past and focus instead on the next stage of development after the award of the Bulk Sample Permit.

Finally, I'd like to take this opportunity to thank all of our shareholders, our directors, employees and contractors, our First Nations partners, and of-course our general supporters – brokers, advisors, journalists and so on, who have supported us this past twelve months. I would also like to thank James Chisholm for his vision and tireless work in bringing Atrum to the stage it is now.

I am personally very much looking forward to the next twelve months. Our workload will increase dramatically as we transit into this new phase and we look forward to reporting our progress in twelve months time.

Yours sincerely

John Wasik

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