

**FOR IMMEDIATE RELEASE**

16 May 2016

The Manager

Company Announcements Office

ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

**Atrum Coal NL (ASX Code: ATU)**

**Convertible Notes and notice under sections 708A(5)(e) and 708A(6) of the *Corporations Act 2001 (Cth)***

On 14 May 2016 Atrum Coal NL ACN 153 876 861 (**Atrum**) issued a total of 3,694,000 fully paid ordinary Atrum shares (**Share Issue**) and 3,694,000 options for fully paid ordinary Atrum shares with an exercise price of \$0.60 and an exercise period from issue until 2 July 2018 (**Option Issue**).

The Share Issue and Option Issue was a result of each convertible noteholder electing, pursuant to convertible notes between Atrum and each investor (each a **Convertible Note**), to convert the investor's advance and money owing under the relevant Convertible Note to fully paid ordinary Atrum shares, with the entitlement to receive one option for each such share.

Atrum notes that the Convertible Notes include a royalty component in respect of Atrum's Groundhog North Project, whereby each investor is entitled to:

1. (\$2.00 per tonne of high grade or ultra-high grade anthracite of the first 1 million tonnes of production over and above threshold production of 100,000 tonnes);



**ASX:ATU - Share Information**

Issued Shares: 189.4m

**Registered Office**  
Level 19, 1 O'Connell St  
Sydney, NSW, 2000  
**T** +61 2 8249 1884  
**E** info@atrumcoal.com  
[www.atrumcoal.com](http://www.atrumcoal.com)

**Board of Directors**

Executive Chairman  
Non-Executive Director  
Non-Executive Director  
Non-Executive Director  
Non-Executive Director  
Company Secretary

R Bell  
J Wasik  
S Boulton  
C Vorias  
J Chisholm  
T Renard

**Key Projects**

Groundhog	Ownership: 100%
Naskeena	Ownership: 100%
Bowron River	Ownership: 100%

2. A\$2.00 per tonne of high grade or ultra-high grade anthracite of the first 125,000 tonnes of production over and above threshold production of 1,100,000 tonnes);
3. Each multiplied by
4. that investor's proportion (expressed as a percentage) that their commitment under the relevant Convertible Note bears on the aggregate of all of the investors' commitments under the Convertible Notes,

(each a **Royalty**).

The Share Issue and Option Issue do not affect any Royalty.

This notice is given by Atrum under sections 708A(5)(e) and 708A(6) of the *Corporations Act 2001* (Cth) (**Act**), as notionally modified by the ASIC Instrument 16-0263. Atrum advises that:

1. new securities under the Share Issue and Option Issue will be offered for issue without disclosure to investors under Part 6D.2 of the Act;
2. this notice is being given under section 708A(5)(e) of the Act, as notionally modified by ASIC Instrument 16-0263;
3. as at the date of this notice Atrum has complied with:
  - (a) the provisions of Chapter 2M of the Act as they apply to Atrum; and
  - (b) section 674 of the Act as it applies to Atrum; and
4. as at the date of this notice, there is no excluded information of the type referred to in sections 708A(7) and 708A(8).

Yours faithfully

A handwritten signature in black ink, appearing to read 'Theo Renard', with a large, sweeping flourish extending upwards and to the right.

**Theo Renard**  
Company Secretary