Atrum Coal
COAL FOR STEEL

ASX Release

11 July 2016

UPDATED CORPORATE PRESENTATOION

An updated corporate presentation is attached that Executive Chairman Robert Bell will be presenting to potential investors in Europe during the week commencing 11 July 2016.

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Atrum Coal
COAL FOR STEEL

INVESTOR PRESENTATION

GROUNDHOG NORTH MINING COMPLEX
British Columbia, Canada

July 2016

Important Information

Forward Looking Statements

This presentation 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.

Competent Person Statement

Exploration Results

The information in this document that relates to Exploration Results is based on information compiled by Mr Nick Gordon, who is a Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of Gordon Geotechniques Pty Ltd. Mr Gordon has read and understands the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition). Mr Gordon is a Competent Person as defined by the JORC Code, 2012 Edition, having twenty eight years’ experience that is relevant to the style of mineralisation and type of deposit described in this document.

Neither Mr Gordon nor Gordon Geotechniques Pty Ltd have any material interest or entitlement, direct or indirect, in the securities of Atrum or any companies associated with Atrum. Fees for the preparation of this report are on a time and materials basis. Mr Gordon recently visited the Groundhog project area on 21st March 2014 whilst exploration personnel were preparing for the next drilling program. Two days were also spent with Atrum geological personnel in Victoria, British Columbia evaluating the geological, coal quality and geotechnical information relevant to the Groundhog project area.

This announcement relates to information in the ASX Announcement made by the Company on 22 June 2016: “Updated Pre-Feasibility Study – Low Capital Starter Mine for Groundhog North” and 14 August 2015: “Atrum Coal Increases Groundhog North Resource” (Prior Announcements).

The Company confirms that it is not aware of any new information or data that materially affects the Previous Announcements and, in the case of estimates of Mineral Resources or Ore Resources, that all material assumptions and technical parameters underpinning the estimates in the Prior Announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the Prior Announcements

Coal Resources

The coal resources documented in this report were estimated in accordance with the guidelines set out in the JORC Code, 2012. They are based on information compiled and reviewed by Mr Nick Gordon, who is a Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of Gordon Geotechniques Pty Ltd.

With more than 28 years of experience in open cut and underground coal mining, Mr Gordon has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify him as a Competent Person as defined in the JORC Code, 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.”

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Mr Gordon consents to the inclusion in the report of the matters based on the information, in the form and context in which it appears.

Corporate Overview

Atrum Coal NL is a publicly listed Australian company developing anthracite mines in Canada

Groundhog Project

The world's largest undeveloped high/ultra-high (HG/UHG) grade anthracite deposit in British Columbia, Canada.

Management

Vancouver based in-country team led by Executive Chairman, Bob Bell

Capital Structure (ASX listed public company)

Shares on issue fully diluted	202 million
Share price (24/06/16)	A$0.47
Market capitalisation fully diluted	A$95 million

*See slide 14 for JORC details

Atrum: Board of Directors

Bob Bell

Executive Director and Chairman

Bob is a mining engineer with more than 35 years' experience in the Canadian mining industry, including roles in production, sales and marketing, and executive management. Bob was previously at Teck Resources, as Chief Commercial Officer, Coal from (2007–2013).Bob was also a previous Chairman of the Canadian Coal Association and Chairman of Neptune Bulk Terminals (Canada) Ltd.

James Chisholm

Non-Executive Director

James has worked in the engineering and mining sectors for 30 years. He co-founded Atrum Coal, as well as The Chairmen1 Pty Ltd, Ebony Iron Pty Ltd (now part of Strategic Minerals Plc,), Fertoz Limited and Ebony Energy Ltd.

Cameron Vorias

Non-Executive Director

Cameron has over 25 years' experience of both metalliferous, and coal mining operations. He is currently Managing Director of Sojitz Coal Mining Pty Ltd. Previous roles include director of numerous companies including Peabody Energy Australia Pty Ltd and New Hope Corporation Limited.

John Wasik

Non-Executive Director

John has more than 40 years' experience in the mining sector. He is currently a Non-Executive Director of Cobbora Holding Co. a permitted coal mine project in NSW. Previous roles include Group Executive for Peabody Energy Corporation's USA Southwest Operations, and General Manger of 6Mtpa Ravensworth and Narama operations in NSW.

Steve Boulton

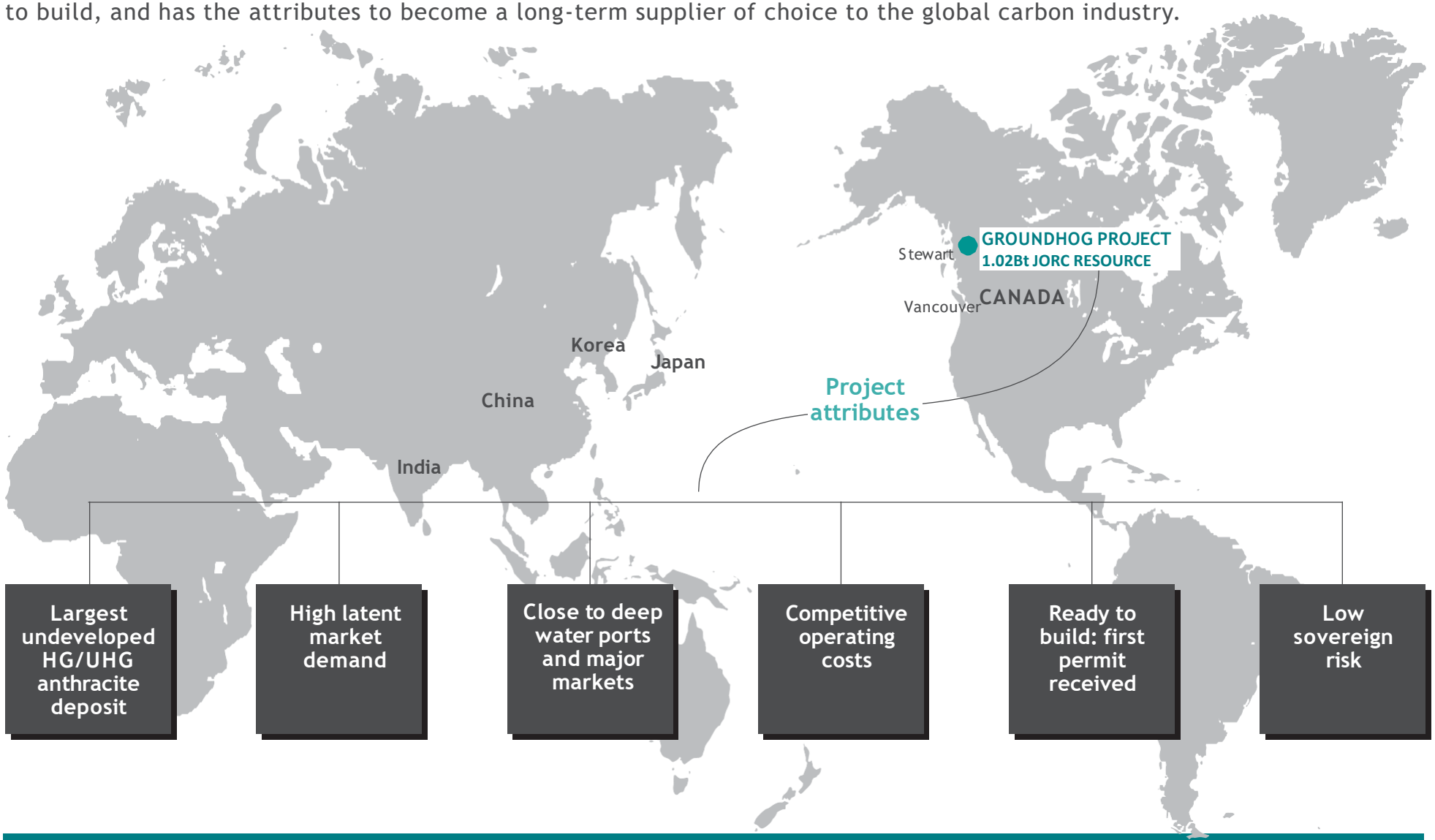
Non-Executive Director

Steve has more than 30 years experience in the infrastructure sector including 12 years as Chief Executive Officer of both funds management and stock exchange listed infrastructure businesses. He has held Executive Chairman and Director roles in the ports, electricity, gas, water, airports and rail sectors, with assets located in Australia, New Zealand, United States, United Kingdom and Europe.

Significant executive experience building and operating mines and associated infrastructure

Atrum: Building mines at the worlds largest undeveloped anthracite deposit

Atrum's Groundhog Project has the potential to be the largest supplier of exported anthracite globally. The project is ready to build, and has the attributes to become a long-term supplier of choice to the global carbon industry.



Atrum's Groundhog Project has distinct advantages in the global HG/UHG anthracite market

Groundhog Project: Key Achievements

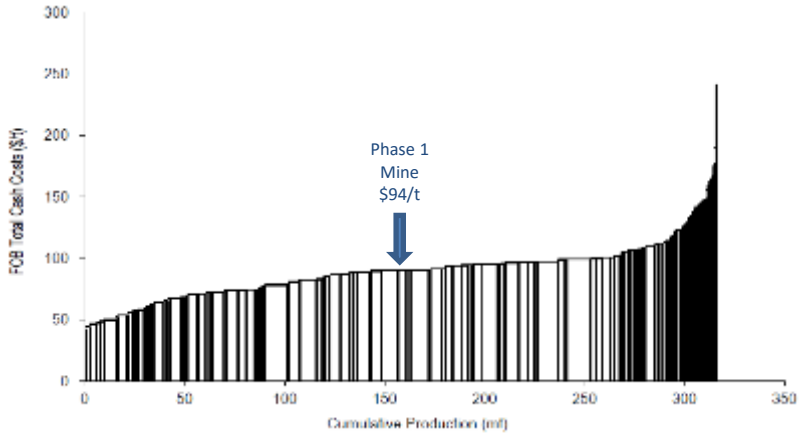
Groundhog Project	Key Achievements
Project	✔ Consolidation of entire 800km² Groundhog Coalfield (46 Licences & 40 Licence applications) ✔ Successful exploration of Groundhog delineating 1.02Bt of JORC Resource ($40M spent drilling 144 drill holes to date) ✔ Completed Pre-Feasibility study for low capital cost starter mine ("Phase 1 mine"), and engineering planning for bulk sample works ✔ Awarded Bulk Sample Permit - Q2 2016
Transport	✔ Options available to create export paths to multiple ports at Stewart and Prince Rupert ✔ Rail infrastructure 80km south, accessible by road, leading to Ridley Terminals ✔ Port allocation at Stewart Bulk Terminal increased from 1.5Mtpa to 3.5Mtpa (non-take or pay) ✔ Effective trial of the shiploader at Stewart Bulk Terminals in 2015
Commercial	✔ Signed Offtake MOUs with Japanese, Korean and European customers ✔ Arranged $100M Equipment Finance Package ✔ Advanced discussion on JV's at Groundhog and Panorama

The Groundhog Project is ideally positioned for successful commercialization

Groundhog North: Low capital entry, with high margin growth in volumes

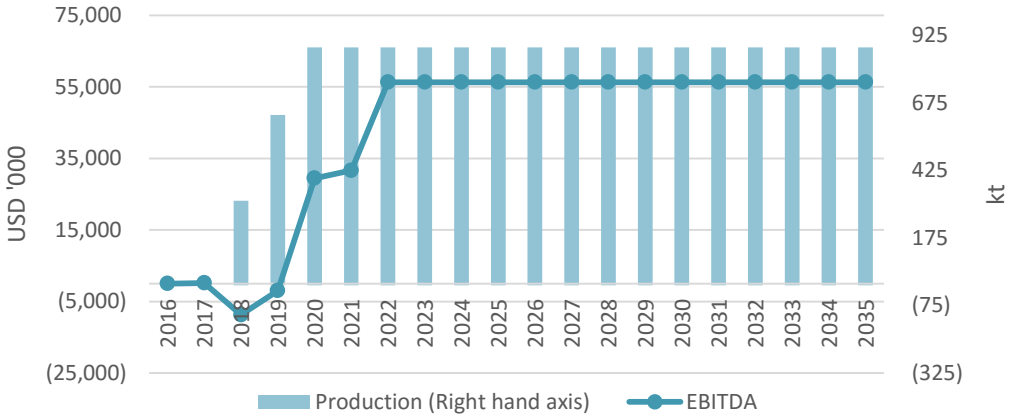
- Staged development with initial low capital, lower risk Phase 1 mine
- Competitive mining costs and strong margins
- Permitted for development (trial mining of 100kt anthracite)

Competitive Position: Low operating costs for Phase 1 mine

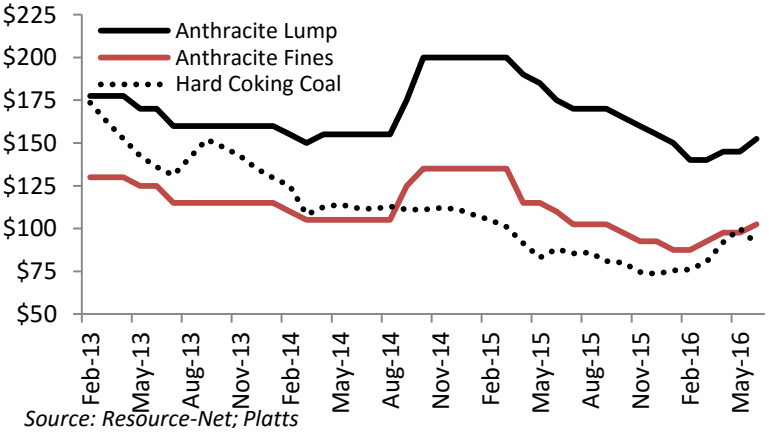


Source: Wood Mackenzie; Citi Research 2015; ATU

Production & Cash Flow: 180Mt over 40yrs with strong margins



Anthracite prices remain significantly higher than hard coking coal



Source: Resource-Net; Platts

Investment Opportunity: project de-risked by permitting

Project economic analysis:

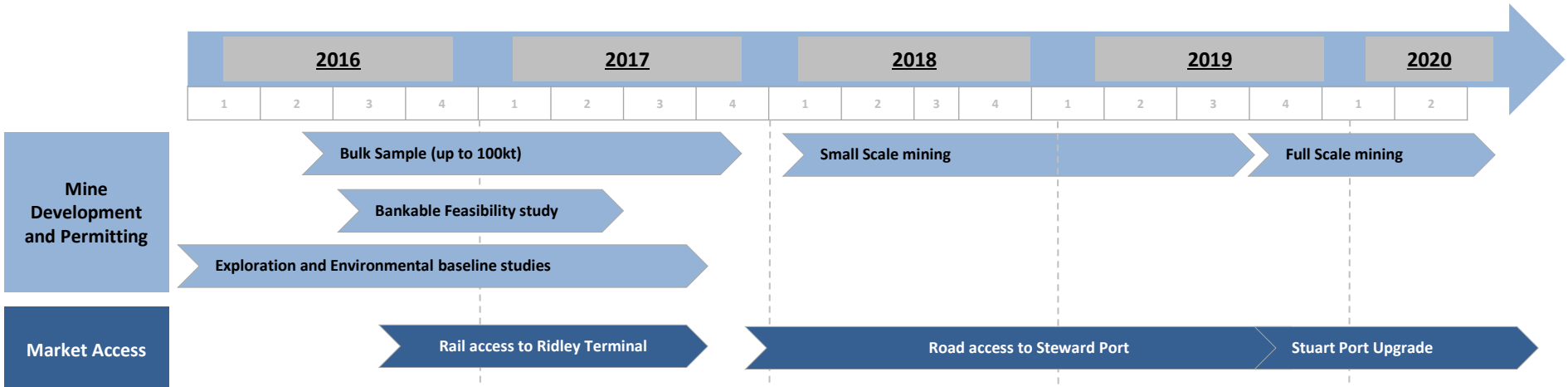
- Multiple mine development options
- Small Phase 1 mine cash-flow positive in year 3

	Project	Equity
NPV	US$239M	US$179M
IRR	21%	38%

Note: NPV uses WACC 7.6%
Long-term average lump anthracite price: US$179/t
Long-term average fine anthracite price: US$128/t
Modelling assumes 50:50 split for lump & fine anthracite

Groundhog: high margin, large volume, staged low-capital entry to production

Groundhog Project: Development timetable and use of funds



General & Administrative	**$0.5M** Atrum **$0.5M** Phase 1 mine	**$1.0M** Atrum **$1.5M** Phase 1 mine	**$1.0M** Atrum **$1.5M** Phase 1 mine	
Exploration & Studies	**$2.6M** Atrum tenements and Elan **$0.5M** Phase 1 mining	**$1.0M** Bulk sample **$3.0M** Phase 1 mine	**$1.0M** Phase 1 mine	
Regulatory Approvals, Engagement and Bonding	**$2.0M** Bulk sample including bonding	**$2.0M** Bulk sample including bonding **1.5M** Phase 1 mine	**$1.0M** Phase 1 mine	
Engineering, Construction & Equipment	**$3M** Bulk sample	**$13.0M** Bulk sample **$17.0M** Phase 1 mine	**$103.5M** Phase 1 mine	**$11.0M** Phase 1 mine
Total	**$9.1M**	**$40.0M**	**$108.0M**	**$11.0M**

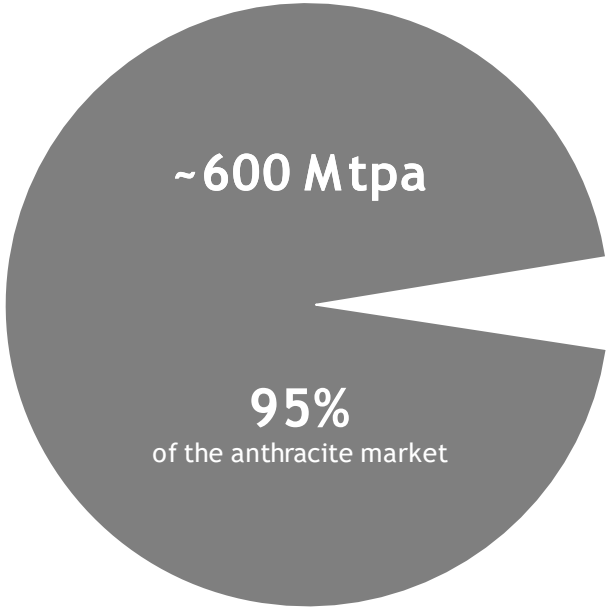
Figures in US$

Phased mine development starting with 880,000 tpa (saleable) mine

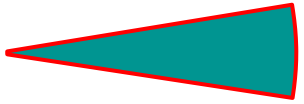
Anthracite Market

Anthracite has the highest carbon content, the fewest impurities and the highest calorific content of all types of coal. There are many high value industrial applications for HG/UHG anthracite. However, HG/UHG deposits are rare, with global production approximately five percent of the total anthracite market.

Standard / Semi – anthracite



High grade / Ultra-high grade



5%
of the anthracite market

- Substitute for metallurgical coke in smelting, sintering and chemical processes
- Blast furnace injection coal
- Carbon electrodes
- Lithium battery anodes
- Synthetic graphite replacement
- Charge carbon
- Carbon feed for manufacturing: silicon, phosphorous, plastic, soda
- Calcined anthracite
- Cathode paste
- Water filtration media

HG/UHG anthracite is a rare resource that can be used in many industrial sectors

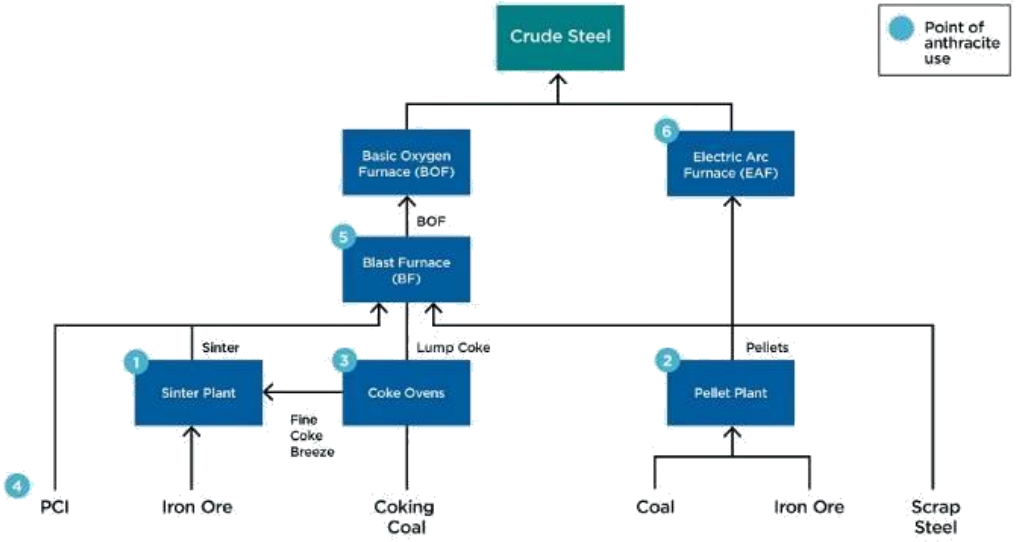
Anthracite Utilisation: Steel Production

- High grade and ultra-high grade anthracite has low ash, very high fixed carbon, and very low volatile matter
- High grade and ultra-high grade anthracite is a premium product sought by steel makers as carbon input
  - Meta-anthracite can replace up to 20% coke charge in BF/BOF
  - Is a preferred reductant binder in sinter and pellet plant
  - Receives premium to PCI benchmark due to value of high % fixed carbon
- Other uses: charge carbon and foamy slag in electric arc furnaces and smelting; feedstock in chemical plants, and urea production; filter media and activated carbon; briquetting for home heating; calcining for use in high carbon production (synthetic graphite)

Property (Basis)	High Grade Anthracite	Ultra-High Grade Anthracite	Chinese BF Coke
Total Moisture (ar)	15% max	13% max	12% max
Volatile Matter (ad)	10% max	5% max	2% max
Fixed Carbon (ad)	75% min	80% min	86% min
Ash (ad)	15% max	12% max	12% max
Sulphur (ad)	1% max	0.6% max	0.6% max
Industry Use	Primarily for metallurgical purposes such as sintering of iron ore fines	Highest grade of anthracite used in steelmaking, non-ferrous metallurgy and other industrial applications	Used in blast furnaces for the production of pig iron

Anthracite Replacement Ratio's

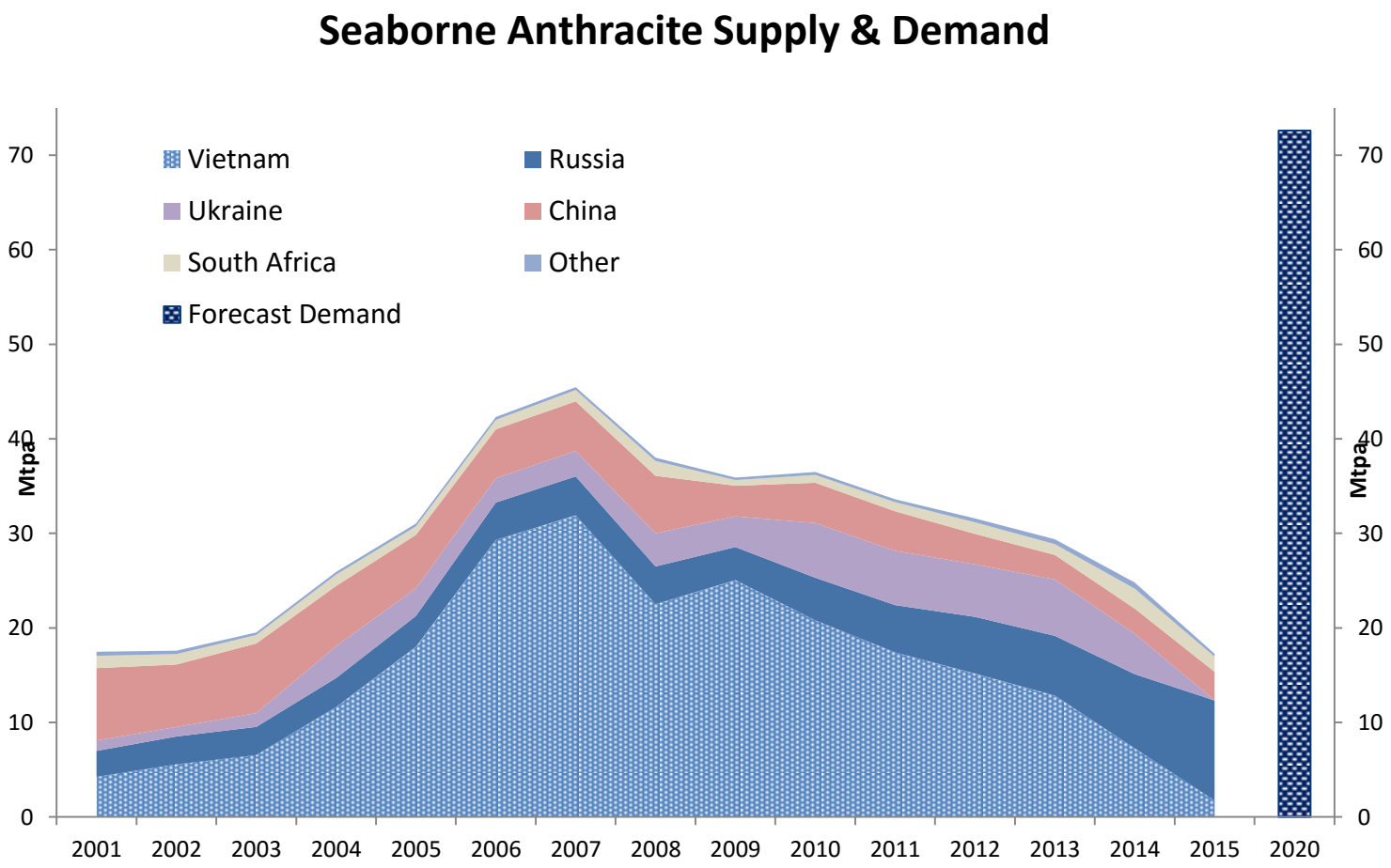
Anthracite as Input / Replacement	Carbon Substituted	Potential Substitution
1. Sinter plant fuel	Coke breeze	70%
2. Pellet plant fuel	Coke breeze; thermal coal	100%
3. Coking Coal	Suitable bituminous coals	5%
4. PCI	Other HV and LV coals	100%
5. Direct Blast Furnace charge	Coke	10%
6. EAF carbon additive	Coke / Petroleum coke	100%



Groundhog Ultra 10% ash has been tested by major Japanese steel makers and they want to purchase this product

Anthracite Supply and Demand

Global seaborne supply of high grade anthracite has fallen to below 20Mtpa. This is the result of Vietnam withdrawing from the export market, and difficulties for Ukrainian supply. There are no new suppliers of high-grade anthracite of significant volume other than Groundhog.

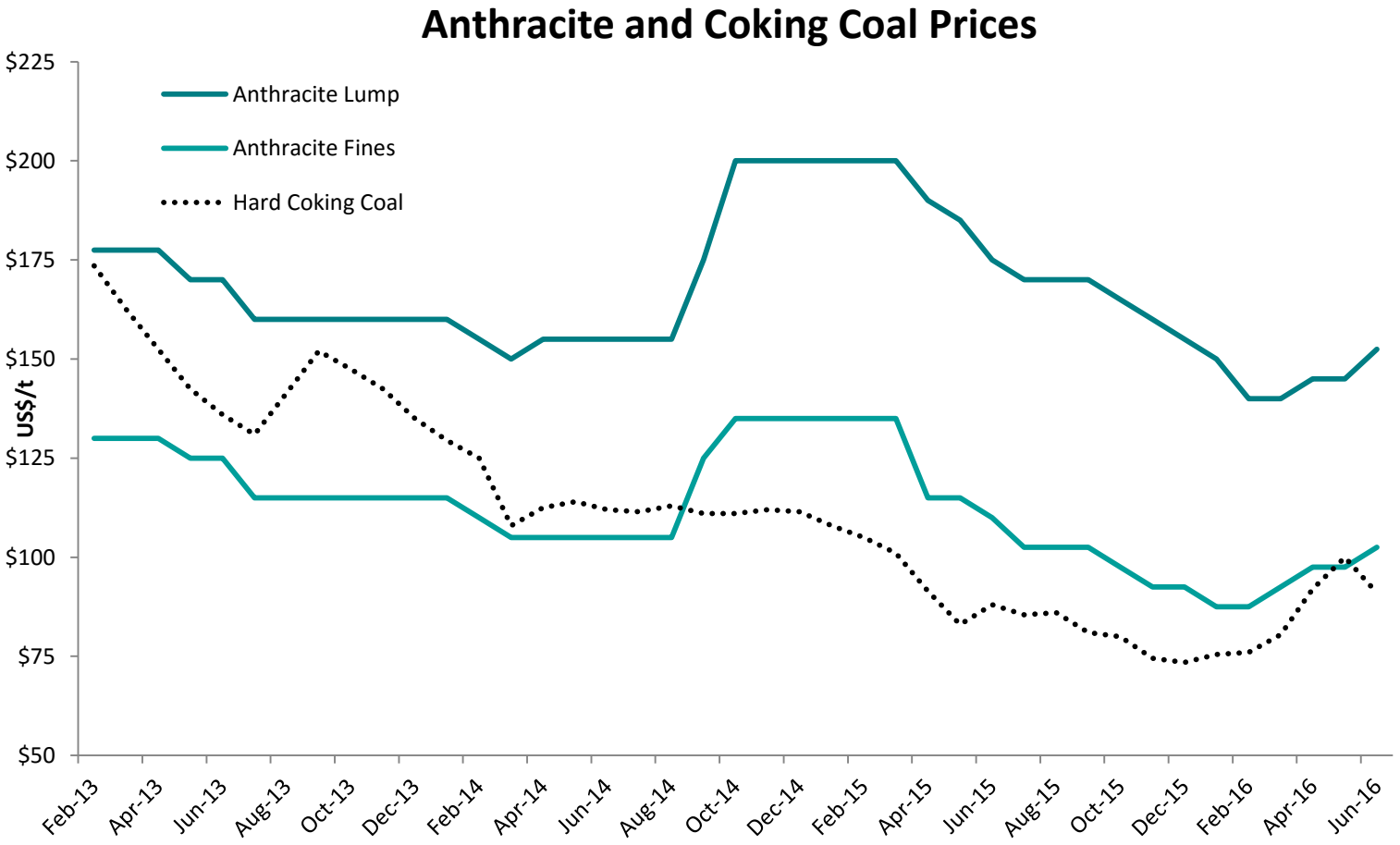


Source: Wood Mackenzie & Resource-Net

Seaborne supply of anthracite has halved in the past decade

Anthracite Price

Whilst coke and coking coal prices have fallen over 50% in the past 4 years, anthracite prices have remained strong.
Abundant availability of merchant coke has kept a ceiling on anthracite price rises, but supply scarcity has created price resilience.
Steady rises in coking coal prices in 2016 have been reflected in increasing anthracite prices.



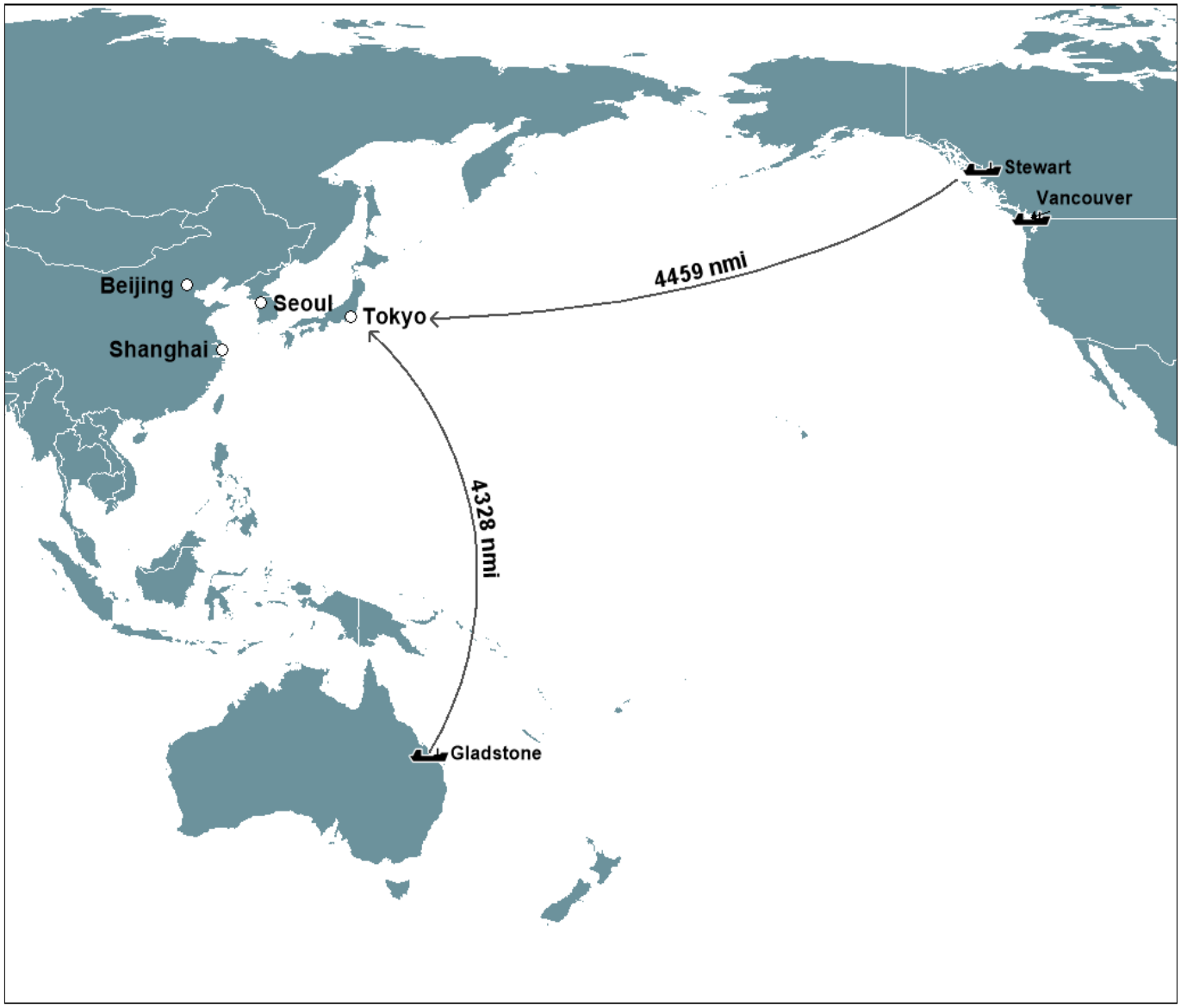
Source: Resource-Net

HG/UHG anthracite prices continue to outperform coking coal

BC, Canada: Strategically placed to service major Asian markets

British Columbia is a premier metallurgical coal export region, recognised by its strong customer base in Asia, Europe and the Americas

- **Low sovereign risk**
- **Extensive infrastructure:**
  - Direct rail access to deep water ports
  - Competitively priced accessible power
- **Comparable shipping distance to Asia from other major metallurgical export regions**
  - Equidistant Qld to Japan; BC to Japan
- **Regulatory environment encouraging new mine development:**
  - Rebate of $0.33 per dollar of exploration
  - 133% CAPEX amortisation

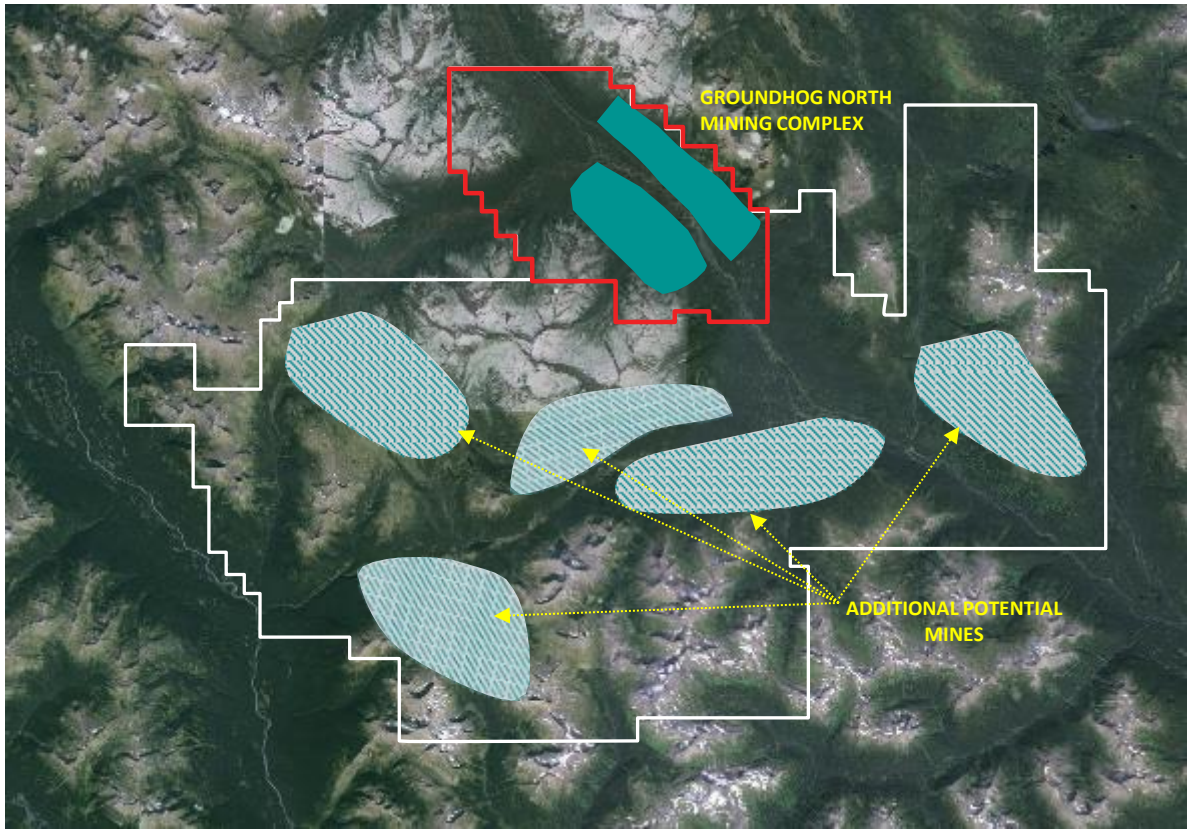


Pro-active government support for new mines in British Columbia

Groundhog North: Development of first mine on the 800km^2 coalfield

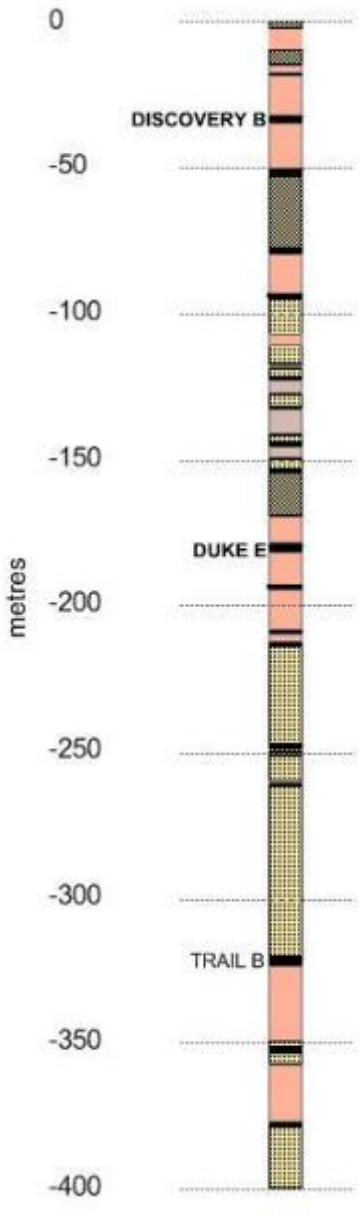
The Groundhog Coalfield is the world's largest undeveloped high grade anthracite deposit. Atrum controls 800km^2 lease area, and has explored only a small portion, delineating over 1Bn tonnes of resources.

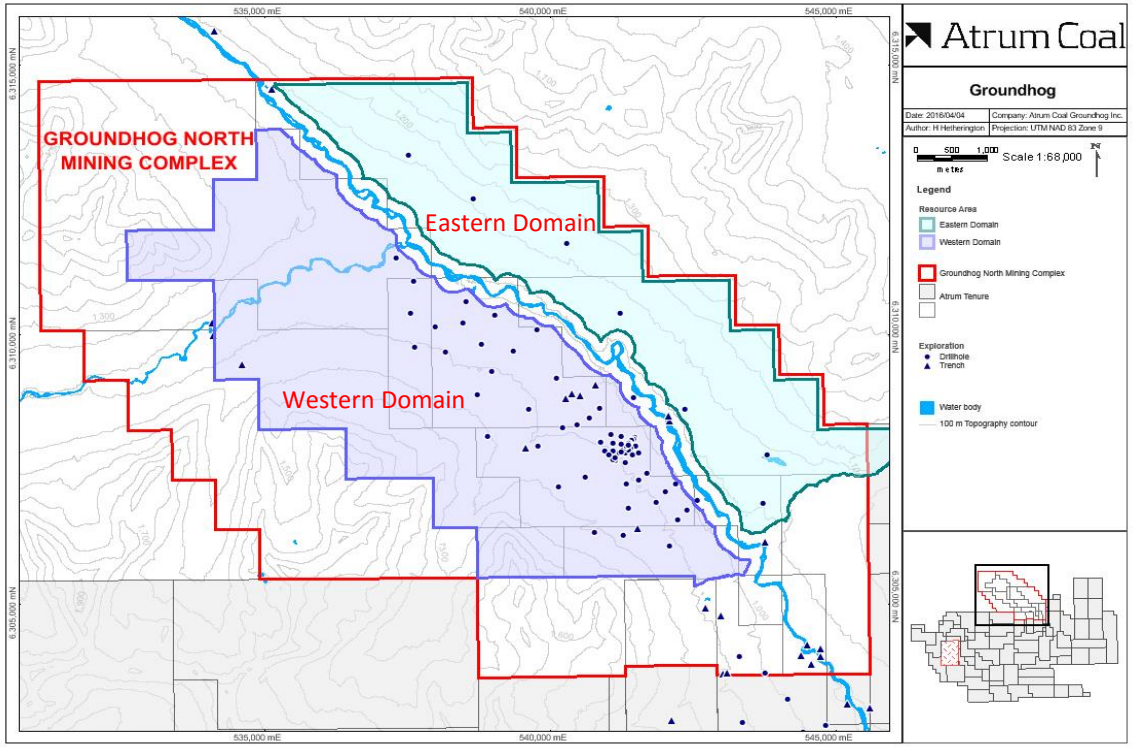
- **Atrum began exploration at Groundhog in 2012, building on knowledge gained from drilling programs in 1970, 1981, and 2008.**
- **144 fully-cored boreholes have been drilled including studies covering geotechnical, gas and water which have led to the delineation of the first mining zones on the Groundhog coalfield.**
- **First development zone is Groundhog North Mining Complex located in the north-eastern portion of the coalfield which contains:**
  - Multiple potential underground mines feeding central processing, beneficiation and coal dispatch centre
  - Phase 1 mine saleable anthracite capacity of 880,000 tpa in staged development leading to larger scale production
  - Additional underground and low impact surface operations identified within Groundhog North precinct, may provide either low cost early phase mines, and de-risk the project in development



Staged development of the world's largest undeveloped anthracite deposit

Geology & Resources: Multi-seam deposit of high-grade anthracite





JORC (2012) Resources (Mt)

Area	Measured	Indicated	Inferred	Total
Western Domain (mauve)	156	193	260	**609**
Eastern Domain (green)	0	260	147	**407**
Total	**156**	**453**	**407**	**1,016**

There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.

Groundhog North will mine seams within a package of more than 1 Bt of JORC resources

Target Seams: Produce ultra-high grade anthracite

Duke E Seam Product (washed at maximum density with 60% - 75% Yield)	
Inherent Moisture (ad)	1.5%
Ash (ad)	10%
Volatile Matter (ad)	5%
Fixed Carbon (ad)	83.5%
Sulphur (ad)	0.6%
SE kcal/kg (gad)	7,300
SE kcal/kg (gar)	6,820
HGI	55

Economic targets at Groundhog include the near-surface Discovery B seam, and the lower Duke E and Trail B seams. Mining studies have shown the Duke E seam is the most rewarding first target for mining, as it is the thickest target, with a working section averaging 2.2m, it produces higher product yields, and is shallowly emplaced in several areas across Groundhog North.

Successive drilling campaigns have identified three main target seams which are economically viable as mining targets:

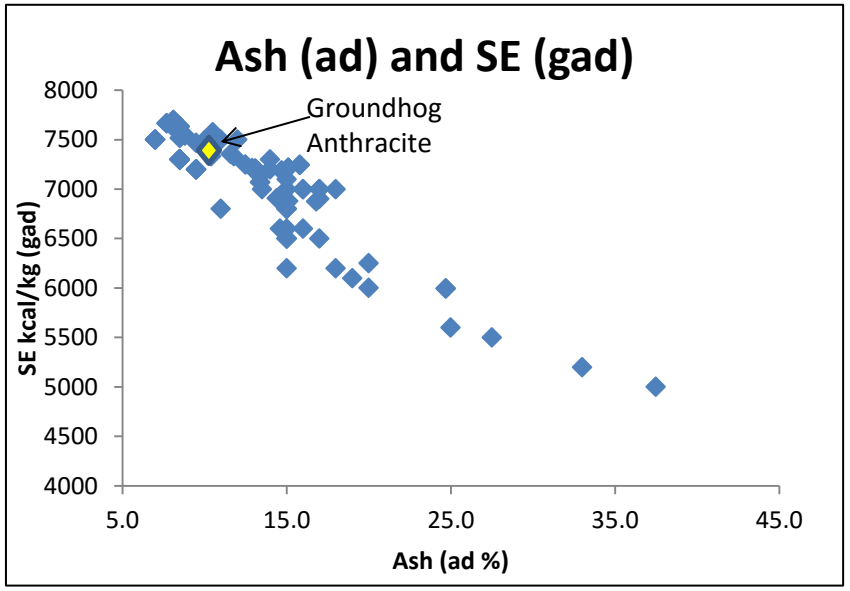
- Duke E seam (average 2.2m thick) is the primary mining target, with product yields ranging from 60% to more than 75%
- The shallow Discovery B seam (average 1.5m thick) yields approximately 50% which remains economic
- The deepest economic target is the Trail B seam (~2m thick) , representing an opportunity for further exploration

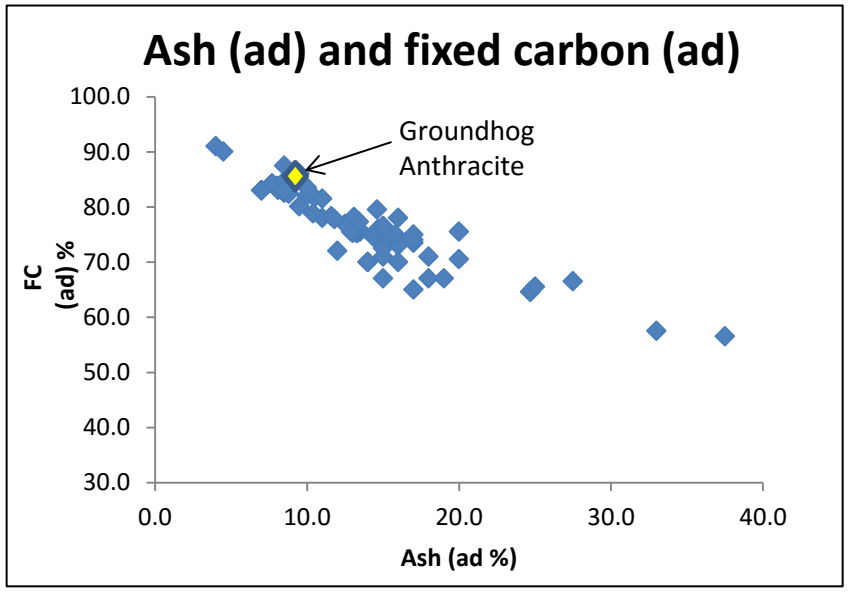
The Duke E seam is of particular interest due to its higher yield producing a very low ash product. The Discovery B seam outcrops in several areas across the mining complex, creating an attractive mining target for low cost entry to production.

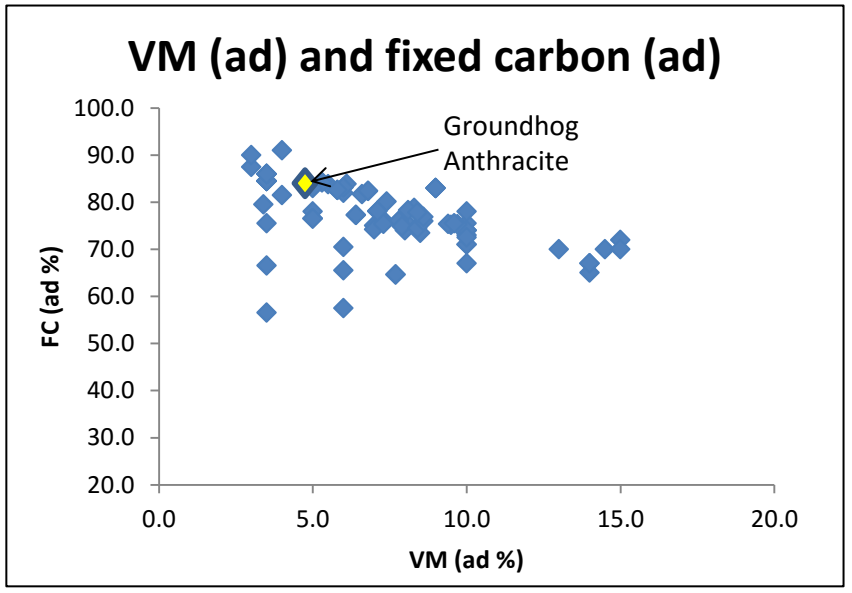
Duke E seam produces attractive quality for target customer base

Anthracite Quality: Groundhog "Ultra" compares favourably with peers

Anthracite Quality Comparison		
	Groundhog Anthracite	**Typical Vietnam** Hongai #8
Ash (ad)	**10%**	**8%**
VM (ad)	**5%**	**8%**
FC (ad)	**83.5%**	**84.0%**
Sulphur (ad)	**0.6%**	**1.0%**
SE kcal/kg (gad)	**7,300**	**7,250**
SE kcal/kg (gar)	**6,820**	**6,800**

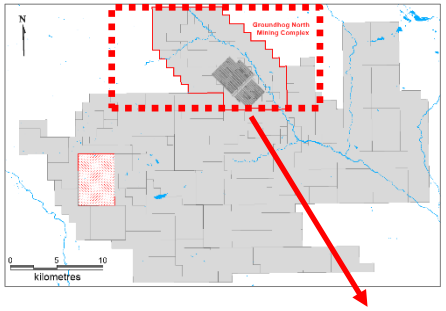






Groundhog Ultra 10% ash has been tested by major Japanese steel makers and they want to purchase this product

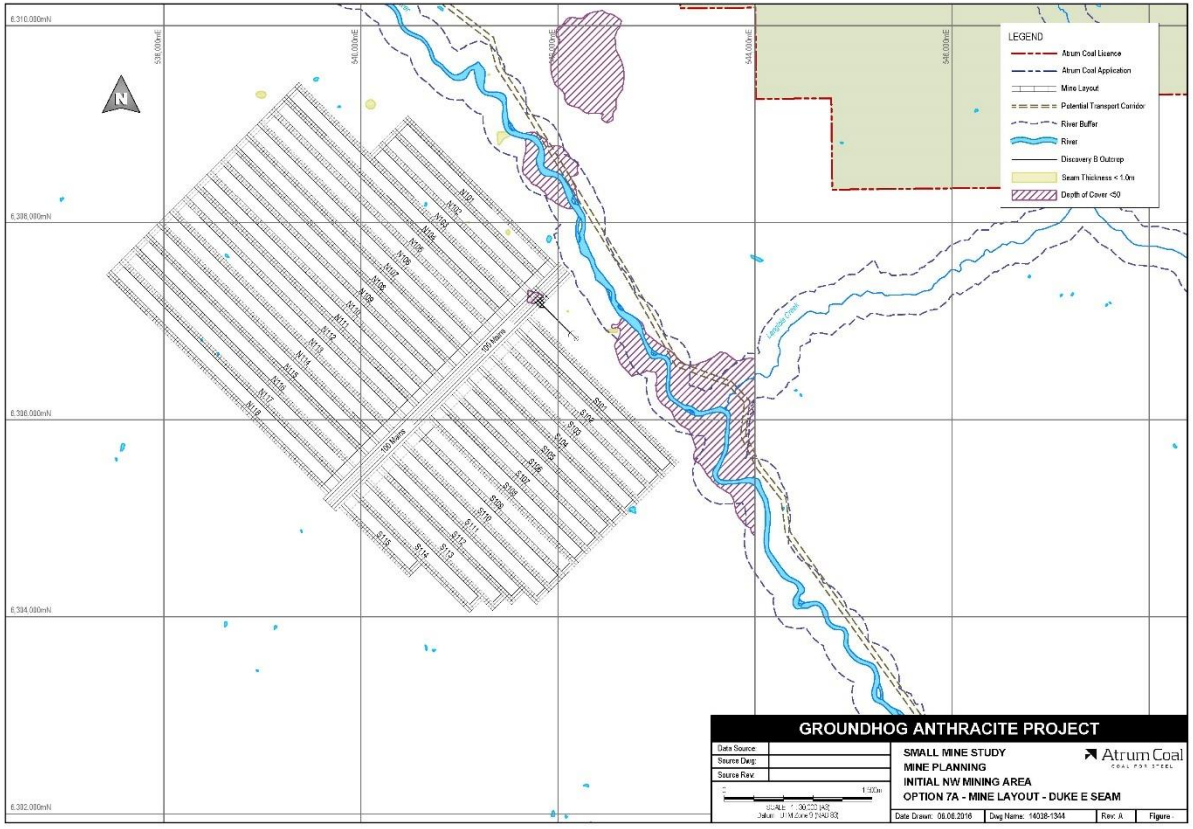
GHN Mining Complex: Development in phases to reduce risk



The Groundhog North Development Complex has been designed with a number of flexible mining approaches. Initial development is facilitated with permits awarded in May 2016 to begin construction of a bulk sample mine.

The highest project NPV is achieved from two large underground mines feeding a central washery and dispatch system, with entry via a short drift to access the seam. In this scenario, underground development work will take approximately two years before the first mini-wall begins producing ROM anthracite.

Initial production is planned from lower cost continuous miner operation, with modified pillar extraction. This provides a lower risk entry to prove the Groundhog coalfield viable, and produces strong cash flows which will be leveraged to assist finance a larger development at Groundhog



- **Multiple mines**
  - Bulk sample mine 2016/17
  - Short drift entry to Duke E seam at depth of 50m
  - Development mining 2018/19
  - Full production from 3 x continuous miners of 1.4Mtpa, ROM (880,000 tpa saleable)
- **Shared onsite infrastructure**
  - Central CHPP and dispatch
  - Onsite camp for workforce, with onsite technical teams, and offsite logistics and commercial teams
- **Accessing multiple ports**
  - Ridley and Westshore terminals to the south have unused capacity
  - Port of Stewart has two bulk export facilities both capable of handling Groundhog anthracite
- **Offsite infrastructure**
  - Rail access exists south to Ridley terminal; existing rail subgrade excavation provides access to rail head 80km south of Groundhog
  - Haul road to access Stewart will be complete by 2020

Multiple mining options and transport routes to market for this outstanding anthracite deposit

Capital Costs: $350M equipment finance package

Capital Expenditure (US$M)	Phase 1 Mine
Mining Equipment & Construction	$71
CHPP & Loadout	$12
Surface Infrastructure & Water Mgmt.	$9
Power Supply	$13
Offsite Infrastructure (Road/Rail/Port)	$32
Feasibility Studies & Gov't Approvals	$5
Total Capital	$142

Existing $100M finance facility from Chinese anthracite mining equipment manufacturer, to be complemented by second $250million tranche. This provides significant available leverage for equity participants in Groundhog.

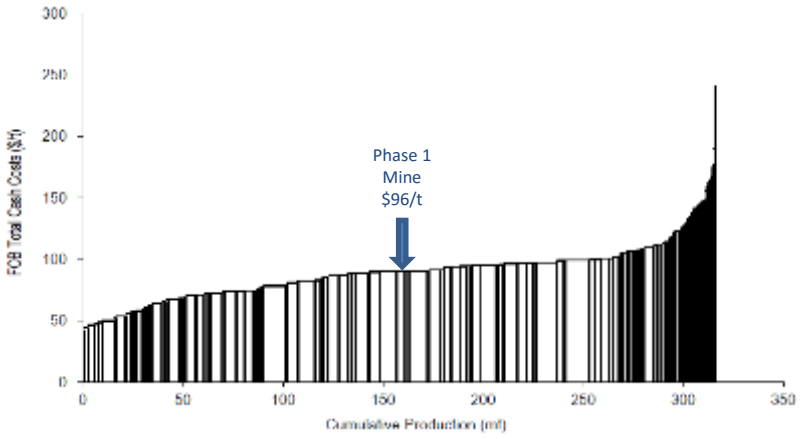
- Staged development plan, beginning with Phase 1 mine allows the company to:
  - Commence commercial production with minimal equity capital
  - Establish customer channels and investigate alternate high margin markets
  - Provide the logistics chain for larger volumes
  - Train Aboriginal and local personnel to build stable long-term workforce
  - Improve funding potential for larger scale operation including cash flows from operations
- Low entry capital for mine facilitated by shallow box-cut entry to underground
- Major underground mining by continuous miners, and modified pillar extraction to maximise resource recovery, and reduce cost
- Modular CHPP includes static bath, dense medium cyclone and Reflux classifier; belt press for dewatering fines
- Initial power provided by leased on-site generator sets
- Weatherproofed road for trucking access to Highway 37 planned by 2020. Paved road from Hwy 37 to Stewart Port.
- Current port at Stewart rated at 1.5Mtpa. Upgrades to facilitate 3.5Mtpa exports are relatively simple. Stewart World Port, established in 2016 is able to berth Capesize vessels, and can be converted to handle in excess of 10Mtpa bulk material exports
- **Equity capital required for Initial production: ~$50M**

Equity capital for first production ~$50M

Operating Costs: Competitive costs for low capex Phase 1 mine

Operating Costs (US$/t)	Phase 1 Mine
Mining ($/ROMt)	$30.14
Processing ($/ROMt)	$6.76
Yield (primary)	63%
Ex-mine (FOR/t)	$59.03
Transport & Port ($/t saleable)	$23.37
Royalties ($/t saleable)	$1.35
Admin & O/H ($/t saleable)	$12.21
Total Cash Cost (FOB/t)	$95.97

2015 Global Met Coal Cash Cost Curve



Source: Wood Mackenzie; Citi Research 2015; ATU

Staged approach to development, beginning with low capital cost underground mine, capable of producing up to 880,000 tpa of saleable ultra-high grade anthracite:

- The low cost Phase 1 mine can be a stand alone operation
- From Phase 1 mine, numerous development paths from a staged ramp-up to 1.5Mtpa continuous miner operation to a larger mini-wall

Shallow entry at 50m depth through a short drift, combined with a simple mine layout with efficient roadway development leads to operations with low costs and strong margins.

- Forecast operating costs of the Phase 1 mine are competitive with other anthracite exporters and well below current available pricing for high grade anthracite
- Underground mining will utilise high productivity pillar extraction methods, whilst employing modern roof bolting methods for improved strata control
- Encouraging exploration results have indicated yields for the primary cut at 10% ash to be up to 80%, however, modelling has assumed a conservative life of mine yield at 62.5%. Further analysis on propensity to produce moderate ash middlings product, as well as very low ash, high carbon products for specialised markets.
- Run-of-mine coal will be transported by conveyor to a small, modular coal handling and preparation plant which can be readily expanded in future. Processing costs include CHPP waste management, where majority will be emplaced underground.
- Transport costs are significantly reduced through the utilisation of a 110km private haul road.
- Low port charges – capacity currently underutilised at Ridley, Westshore and Stewart.
- Minimal existing royalties are held over the Groundhog tenements, and government payments are relatively low compared to international competitors.
- BC mineral taxes remain at the lowest rate until capital costs are recovered and capital costs for new mines can be grossed up to 133% for tax minimisation to encourage development.

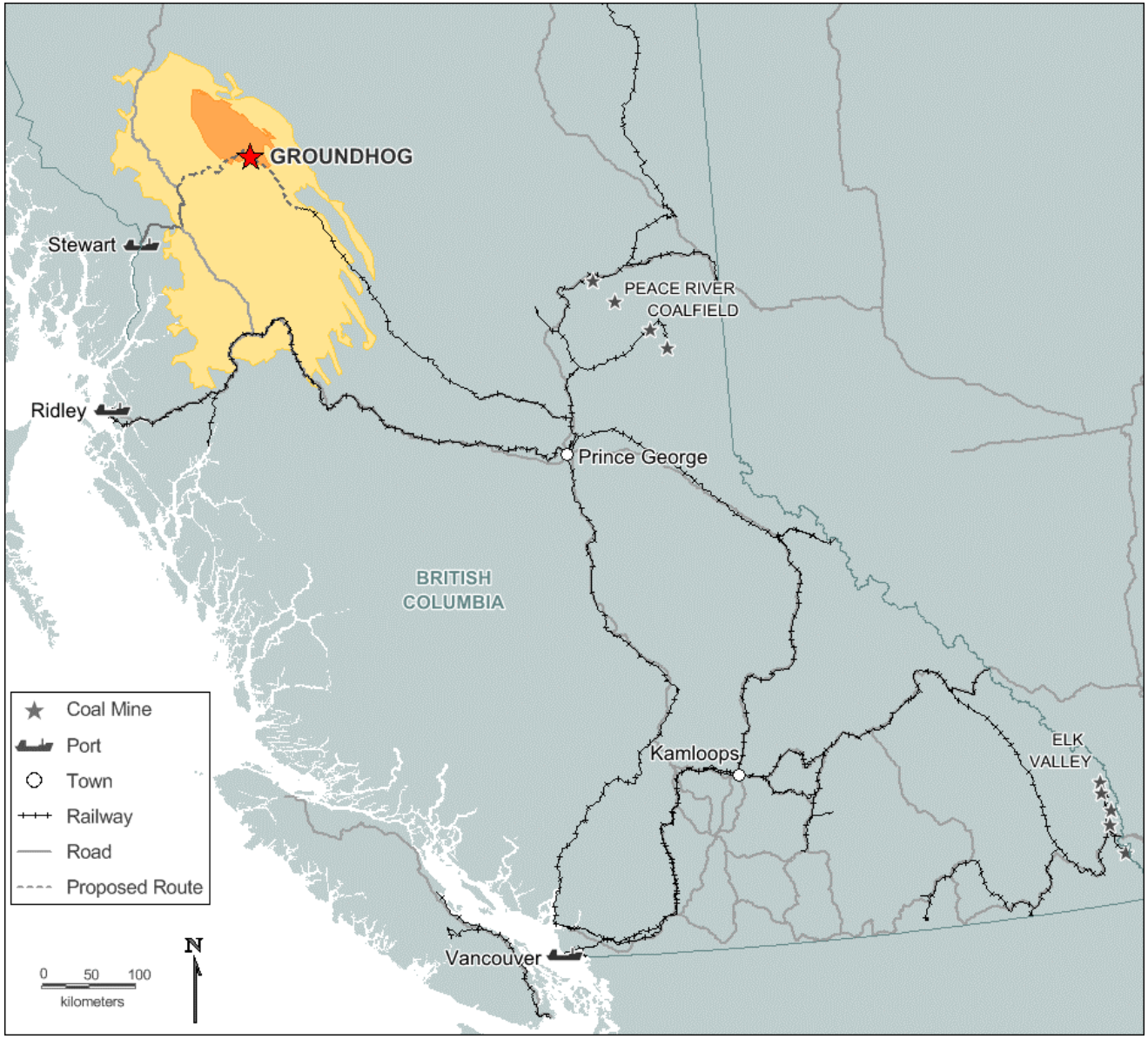
High productivity continuous miner operations keep operating costs low

Project Location: 150km from tide-water

Groundhog is strategically placed on an existing rail easement with access to Canada's mainline rail network via Prince George.

- Significant capacity exists on both the rail route, and at the port for new tonnage at competitive rates
- A western road is planned to provide access to the Port of Stewart
- Road construction is planned to complete in 2019/2020, to provide export capacity through Stewart

- **Via rail 1250km to Ridley Terminal:**
  - CN rail head 80km to south of Groundhog, connected by existing easement
  - Established coal terminal with significant unused capacity
- **Via road 235km to Port of Stewart:**
  - Higher production provides impetus to support dedicated infrastructure corridor to the west
  - New road construction for 118km to join Hwy 37 to Port of Stewart
  - This will be the shortest distance to port of any operating export mine in Canada



Strategically located with secured infrastructure links

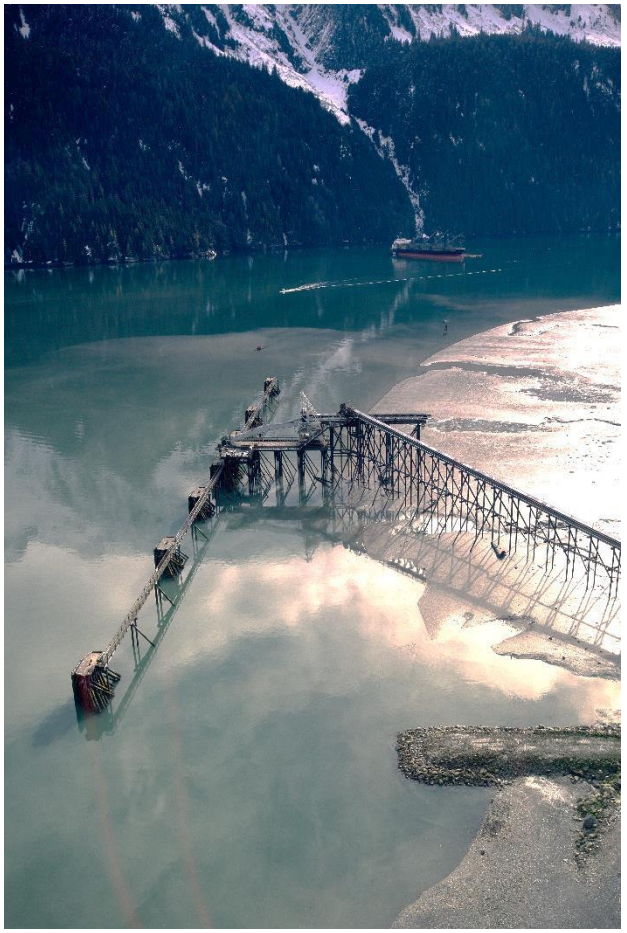
Market Access: Ports

Initial production from Groundhog North may be exported through either Ridley Terminals at Prince Rupert, or through one of the ports at Stewart, only 150km away.
Long-term, the plan is for the majority of production from Groundhog to be exported through Stewart, however, as the route to Ridley is established, it is likely exports of Groundhog anthracite will occur through both ports.

Currently two ports exist at Stewart: Stewart Bulk Terminals and Stewart World Port

- Current Stewart Bulk Terminal rated at 1.5Mtpa, with relatively simple upgrade to 3.5Mtpa. Further port and transport corridor upgrades required once producing beyond 3.5Mtpa.
- Stewart World Port forecast to have capacity >5Mtpa by 2020.

Stewart World Port (MOU for 5Mtpa capacity)



Stewart Bulk Terminal (currently operating at 1.5Mtpa capacity)

Groundhog anthracite will travel 235km when accessing Stewart Port – shortest haul in Canada export coal industry

Permitting: Government and aboriginal relations

Atrum's successful exploration programs since 2012, and the awarding of a permit to undertake bulk sample mining, demonstrate the Company's ability to work effectively with a multitude of government ministries and aboriginal groups.

Government Relations:

- Atrum's reputation with government as a credible mining company operating in BC is established
- Expert knowledge of government decision-making processes and influencers
    - Extensive networks with key government decision-makers formed

Aboriginal Relations:

- Solid foundation laid for constructive working relations with key local aboriginal groups, including Gitxsan, Tahltan and Takla Lake
    - Agreements executed successfully with several aboriginal groups
    - Engaged in productive discussions on cooperation agreements
- Proven track record of implementing exploration programs and developing mining plans that respect the local environment and aboriginal rights, and provide economic and social benefits to aboriginal peoples and businesses
    - Aboriginal people and businesses provide key services for exploration programs

Gitxsan

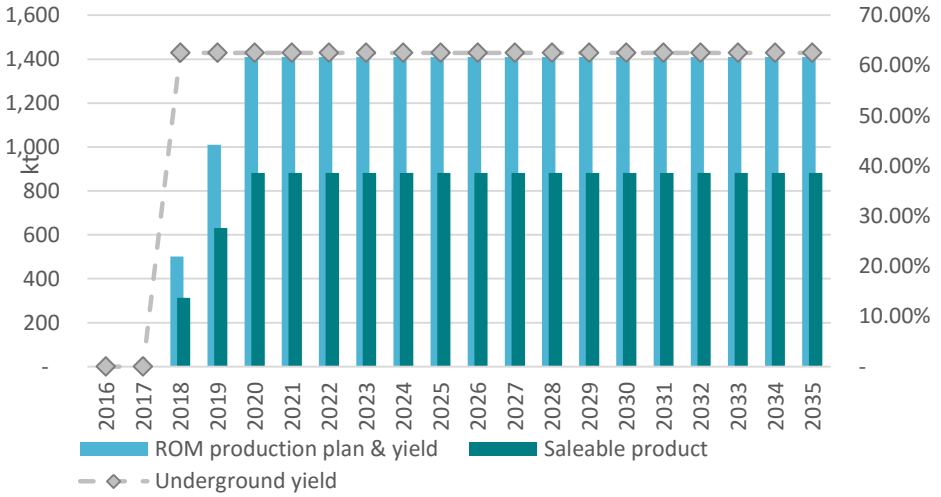
TAHLTAN Central Government

TAKLA LAKE FIRST NATION

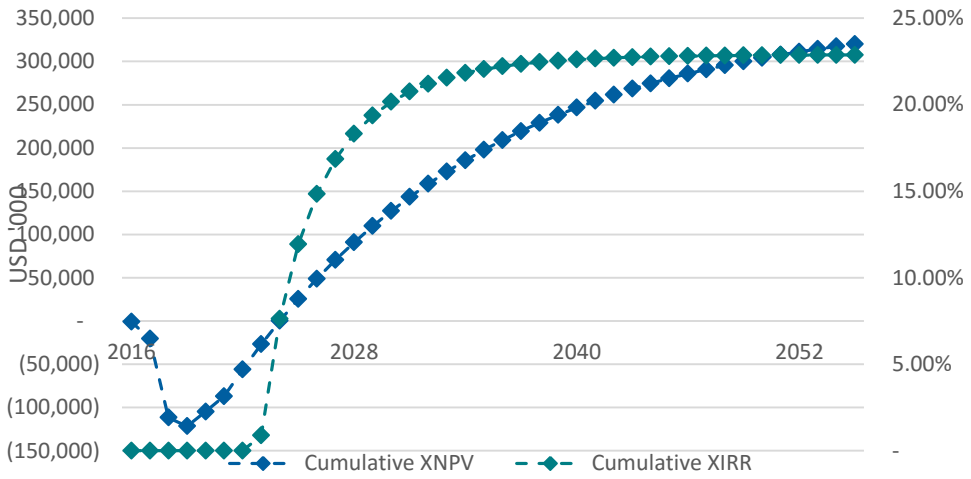
Solid foundation of government and aboriginal relations established

Key Metrics: Mining complex option at Groundhog North

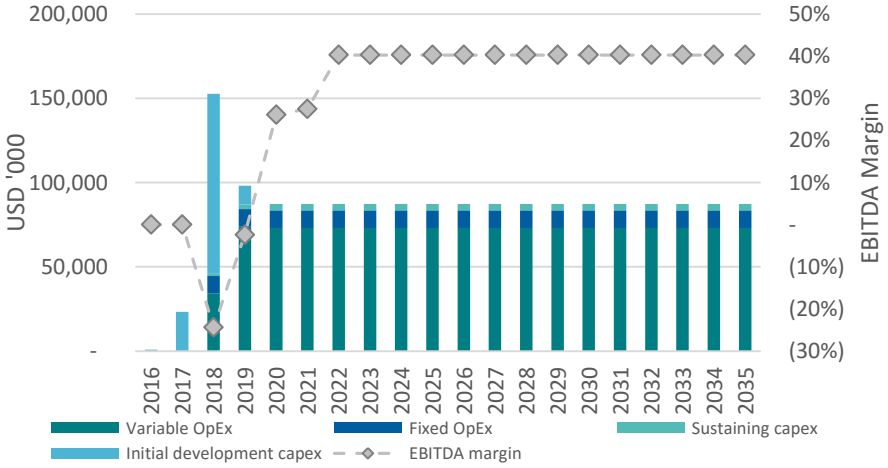
Production profile & saleable product



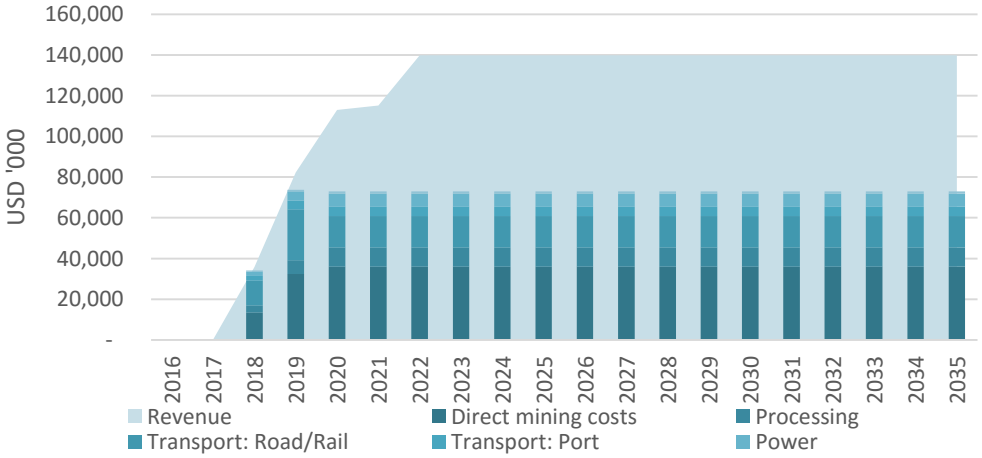
Project IRR and NPV



Composition of all capex and expenses



Variable cost composition v revenue

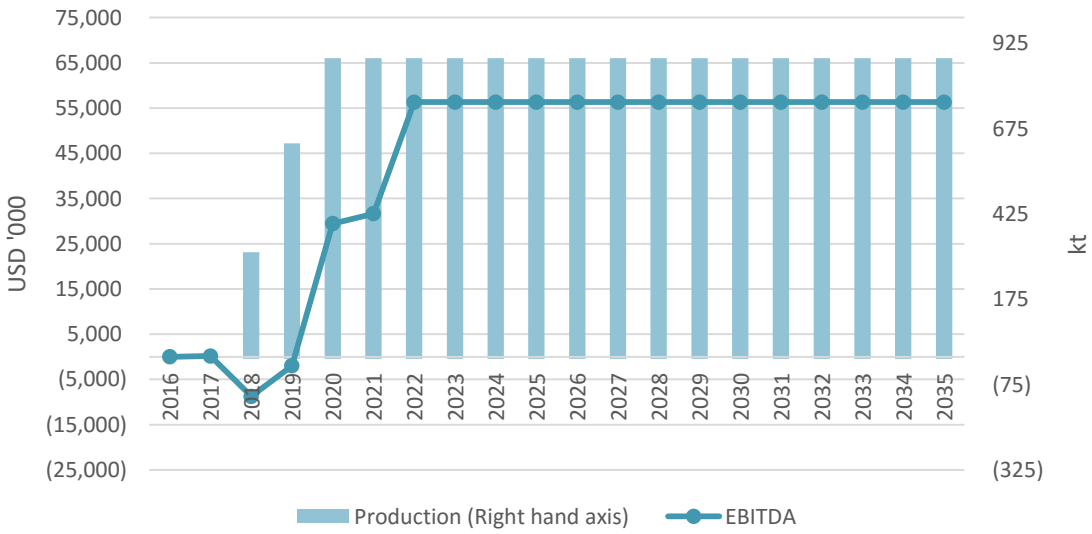


Staged capital entry over 5 years, maximises short term returns

Financial Analysis: Project and equity returns are strong

Groundhog North Mining Complex (US$)	Phase 1 Mine
Mine Life	28 years
ROM production (maximum)	1,400ktpa
Saleable product (maximum)	880ktpa
Equity Capital	$51M
Total Capital	$142M
Operating Cost (avg. FOB cash incl. royalties)	$96/t
Price (avg. FOB)	$156/t
Project NPV (post tax; WACC 7% real)	$239M
Equity NPV (post tax; CAPM 7% real)	$179M
Project IRR (post tax)	21%
Equity IRR (post tax)	38%

Production and Earnings



- Assumptions are based on:
  - average historical anthracite price (long-term, 5 year average price)
  - moderate production assumptions (global productivity averages)
  - standard exchange rates (current broker consensus outlook for CAD:USD)
- Minimise capital spend to produce first coal, and displacement of larger capital costs post cash-flow through in-place equipment financing
- Leveraging the project with debt; deferring non-essential capital and securing separate infrastructure funding increases equity returns significantly (38%)

Large positive NPV, with low capital start-up options provide early cash flow

Atrum: Senior Management

Theo Renard

Vice President - Finance

Theo has 20 years' experience in commercial and investment. He has held senior roles with The Standard Bank of South Africa, Deloitte & Touche and Nedcor Bank Limited. He was formerly Head of Credit for Nedcor Asia Limited, Director (Risk Management) and Executive Director (Relationship Banking and Portfolio Management) for ABN Amro, and Chief Financial Officer for Singer Asia Limited.

Theo is Company Secretary of Atrum Coal NL.

Ann Marie Hann

Vice President – External Relations

Ann Marie has significant experience leading advocacy discussions and strategies in mining and environment related issues across Canada and internationally. She was President of the Coal Association of Canada and a former provincial government Deputy Minister of Environment. She was also a member of the International Energy Agency's Coal Industry Advisory Board and Board of Directors of the Energy Council of Canada..

Ben Smith

Vice President – Operations

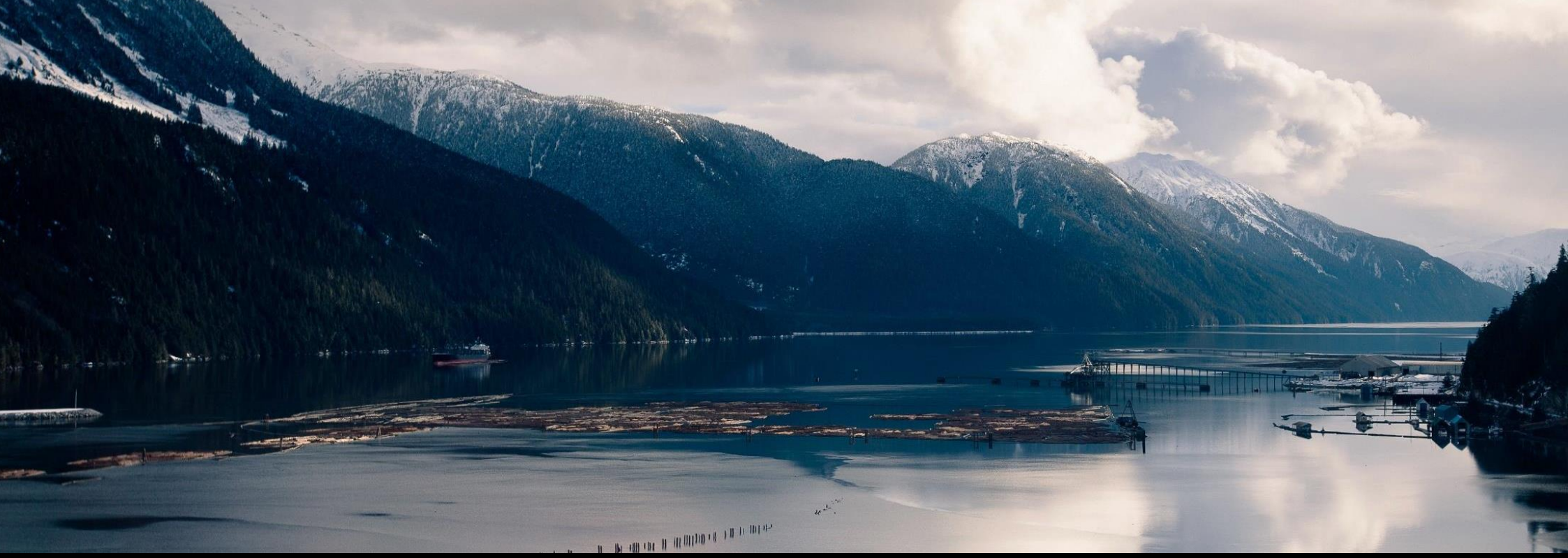
Ben has spent 15 years in coal mine operations specialising in mine planning and design, mining engineering, safety, risk engineering and mine management. Ben holds MMEng (Mine Management); Grad Dip (Mine Vent); BEng (Mining, Hons); BCom (Mgmt) and 1st Class (Mine Manager – Underground and Open Cut); 2nd Class (Undermanager); 3rd Class (Deputy); and Ventilation Officer Certificates of Competency (NSW).

Peter Doyle

Vice President – Marketing & Business Development

Peter has spent 20 years in the international coal industry in operations, marketing and asset development. Previous roles include Head of European Coal at Wood Mackenzie and Chief Operating Officer at Cockatoo Coal. Peter was formerly a Director at Wiggins Island Coal Export Terminal and a Director of ATEC Rail Group.

Assembling the expertise to build Groundhog North



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COAL FOR STEEL

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