

ATLANTIC CARBON GROUP PLC ANNOUNCEMENT OF POSSIBLE OFFER

HIGHLIGHTS

- Under Rule 2.4 of the UK City Code on Takeovers and Mergers (the "UK Takeover Code"), Atlantic Carbon Group PLC ("ACG") has released an announcement relating to a possible takeover offer by Atrum for the outstanding shares in ACG
- Under Rule 2.6(a) of the UK Takeover Code, Atrum has 28 days to either announce the details of a takeover offer or advise that it will not make an offer for the remaining shares in ACG
- If Atrum announces that it will be proceeding with a takeover offer, Atrum will have 28 days to submit an Offer Document to the shareholders of ACG outlining the details and terms of the offer
- Atrum is currently conducting due diligence on ACG

Atrum Coal NL ("Atrum" or the "Company") (ASX: ATU) is pleased to announce that it has assisted ACG with the preparation of an announcement under Rule 2.4 of the UK Takeover Code which confirms that Atrum has approached ACG in relation to making a possible takeover offer for all of the shares issued by ACG.

Under the UK Takeover Code, Atrum has until 5 pm on 17 October 2016 (UK time) before it must either announce its intention to proceed with the takeover offer (and announce the terms of the offer) or announce that no offer will be submitted. The announcement released by ACG indicates that ACG has also been approached by Live Microsystems Inc in relation to a possible offer. The announcement released by ACG can be viewed on the ACG website (www.atlanticcarbongroup.com/news/RNS.html).

If Atrum decides to proceed with the takeover offer, it will have 28 days from the date of announcing that decision within which it will be required to submit formal Offer Documents to the shareholders of ACG.

Irrespective of whether or not Atrum decides to make a takeover offer in relation to ACG, Atrum still intends to proceed with the acquisition of the 26.68% interest in ACG announced to the market on 4 August 2016



Registered Office
Level 19, 1 O'Connell St, Sydney,
NSW, 2000
T +61 2 8249 1884
E info@atrumcoal.com
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. Chisholm
S. Boulton
C. Vorias
J. Wasik
T. Renard

Key Projects
Groundhog
Naskeena
Bowron River

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

("Acquisition of Shares in Atlantic Carbon Group PLC") (subject to the conditions of the acquisition being satisfied), an acquisition that can occur without Atrum being required to make a takeover offer under the UK Takeover Code.

Atrum is currently conducting due diligence on ACG as well as engaging in discussions with multiple off-shore parties in relation to samples from the 100,000t of anthracite that has been optioned by Atrum (as discussed in Atrum's press release dated 11 August 2016 – "Atrum Secures Option for the Supply of 100,000 Tonnes of Anthracite").

Further information in relation to ACG and its operations are contained in the notice of meeting for Atrum's extraordinary general meeting of shareholders scheduled to occur on 29 September 2016.

Atrum has received a determination from the ASX that, if it decides to proceed with the potential takeover of ACG, the potential takeover will require shareholder approval under Listing Rule 11.1.2 (but should not require Atrum to re-comply with the requirements for admission and quotation under Listing Rule 11.1.3). Further details of the process and timetable for seeking shareholder approval will be released to the market within the next 28 days.

In accordance with Rule 2.9 of the UK Takeover Code, Atrum confirms that, as of close of business on 19 September 2016, it had in issue 200,207,176 fully paid ordinary shares and 2,761,600 partly paid ordinary shares.

Atrum has a listing of its fully paid ordinary shares on the ASX. The ISIN for Atrum's fully paid ordinary shares is AU000000ATU1.

The above figures may be used by shareholders to determine the percentage of issued share capital they hold in Atrum and if they are required to notify their interest in, or a change to their interest in, Atrum under Rule 8 of the UK Takeover Code. A summary of the disclosure requirements under Rule 8 of the UK Takeover Code is contained in the Rule 2.4 announcement released by ACG.

For further information, contact:

Robert W. Bell
Executive Chairman
M +1 604 763 4180
rbell@atrumcoal.com

Theo Renard
Company Secretary
M +61 430 205 889
trenard@atrumcoal.com

Nathan Ryan
Investor Relations
M +61 420 582 887
nathan@atrumcoal.com