



**HD** Atrum **Coal** NL (ASX:ATU) Quarterly Activities Report - 31 December 2013

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Perth, Australia, Jan 31, 2014 - (ABN Newswire) - Atrum **Coal** NL ("Atrum" or the "**Company**") (ASX:ATU) (OTCMKTS:ATRCF) is pleased to report the **Company**'s activities for the quarter ended 31 December 2013 in relation to its 100%-owned metallurgical **coal** projects located in British Columbia, Canada.

Commenting on the quarterly achievements, Chairman James Chisholm stated:

**TD**

"This is an exciting year for the **Company**. We have defined a world class **mining** opportunity in a **mining**-friendly jurisdiction. We are well funded and look forward to delivering a high value, low capex operation in the near term."

#### HIGHLIGHTS

Groundhog Anthracite Project:

2013 Drilling Program and Field Season

- Pre-Feasibility Study (PFS)/ Reserve Definition drilling program completed at Groundhog with a total of 64 diamond core drill holes with excellent core recovery designed to target early reserve definition and advanced **coal** quality testing
- Large diameter core drilling completed enabling the **Company** to undertake product specific washability analysis proximate to a Run-of-Mine scenario which will demonstrate product suite identification
- **Coal** and ply samples submitted to ALS and Loring Laboratories for **coal** quality testing including ash mineralogy, proximate and ultimate analysis
- Environmental and baseline monitoring studies including hydrogeology, hydrology, geochemical and geotechnical studies continue
- Gas and reservoir testing completed for mine planning and future assessment for development of bulk sample and small scale mine
- Climatology, mountain ungulate and groundwater hydrology testing and monitoring continues to feed into the environmental baseline for mine planning and permitting
- Advanced geological modelling from the 2013 drill program completed, with the results currently being compiled for an updated resource statement for the PFS
- Offtake discussions progressing with Managing Director workshopping **coal** specifications with customers in Japan, Korea, **China**, Russia and India
- Environmental engineering group Knight Piesold engaged to complete hydrogeological and subsurface water quality testing in preparation for bulk sample planning and permitting
- SRK Consulting engaged to complete geochemical studies

- PFS advancing at Groundhog with an initial focus on the north-west zone with the primary objective to delineate a reserve - expected completion end-Q1 2014

#### Identification of Bulk Sample locations hosting ultra-high grade anthracite

- Completed seam correlation, structural modelling and **coal** quality interpretation from the 64 diamond core drill hole program completed in 2013
- Recent **coal** quality results are excellent and in line with 2012 results with wash yields ranging from 57% to 83% for a range of potential anthracite products
- Two areas have been identified as shallow entry points into the high quality #70 seam for maiden production of a 100,000 tonne bulk sample in 2014, with these areas confirmed to host ultra-high grade anthracite
- Atrum in advanced discussions with a number of key consumers of high grade anthracite and ultralow volatile PCI **coal** for potential bulk samples during 2014

#### Appointment of Consultants for Stage 1 Mine Development at Groundhog

- Appointment of key consultants to progress the PFS and Stage 1 Mine Development at Groundhog: Valzan - mine planning, mine design and engineering for Stage 1 Mine Development
- DMT Geosciences - bulk sample mine design and engineering for the bulk sample
- Norwest Corporation - **Coal** Handling Preparation Plant and process engineering design.
- Atrum is on track to execute on its plans for a bulk sample Q4 2014 - application expected to be lodged with the British Columbia Ministry of **Energy** and Mines in Q1 2014

#### Port Capacity Secured at Stewart

- Terminal Services Agreement and Land Reservation Agreement signed with Stewart Bulk Terminals for the export of 1.5Mtpa on non 'take or pay' terms commencing 2014
- Memorandum of Understanding signed with Stewart World Port for the export of up to a further 5Mtpa with staged export commencing 2016
- Initial trucking strategy to the deep sea Port of Stewart only 150km away is fundamental to the **Company's** strategy of minimising capital entry to production

#### Extended Mines Act Permit Granted

- Atrum granted Mines Act permit for a further five-year term at Groundhog
- Key permitting milestone allows Atrum to progress exploration work on 15 Groundhog licences including the northern zone where a bulk sample and test shipments program is planned

#### Naskeena **Coal** Project:

##### **Acquisition** of contiguous **coal** licence application at Naskeena **Coal** Project

- Atrum has entered into an agreement to acquire a 100% interest in 1,500 hectares of **coal** licence applications in the Naskeena coalfield in British Columbia, Canada
- Newly acquired licences strategic to Atrum's spin-out strategy of the Naskeena, Bowron River and Peace River **coal** projects
- Atrum now controls 12,900 contiguous hectares representing the entire Naskeena coalfield
- A revised Notice of Work ("NoW") will be submitted to the BC Ministry for Mines and **Energy** and includes the newly acquired area in preparation for maiden exploration in 2014
- Spin-out of Naskeena, Bowron River and Peace River **coal** projects progressing with ATO tax ruling expected in early 2014

#### IPO and spin-out of exploration projects:

##### Spin-out of Naskeena, Peace River and Bowron River **Coal** Projects

- Atrum has continued preparations for spin-out and ASX listing (IPO) of its Naskeena, Bowron River and Peace River exploration assets
- Spin-out will assist funding development of the **Company**'s exciting greenfield metallurgical **coal** assets and allow Atrum to focus on the development of Groundhog
- Spin-out will have new Board and management
- Existing Atrum shareholders, as at the Record Date, will receive a substantial share position in the new IPO at no cost
- Spin-out timing, capital structure, management personnel and Record Date currently being finalised, with shareholders meeting anticipated late March 2014
- ASX waivers received assisting the **Company** with distributing shares to existing Atrum shareholders as part of the spin-out

Corporate:

Private Placement

- Atrum completes ~\$18.5 **million equity** placement (before costs) to Sophisticated and Institutional Investors with overwhelming demand from existing shareholders and new institutional funds
- Atrum to accelerate development at its 1.57Bt Groundhog Anthracite Project in British Columbia towards first **coal** production in 2014

UBS **Coal** and **Iron Ore** Conference

- Managing Director Dr Eric Lilford participated in the UBS **Coal** and **Iron Ore** Conference held in Sydney in November 2013

Atrum Infrastructure and Logistics

- Establishment of "Atrum Infrastructure and Logistics" business unit and appointment of Business Development Manager to drive additional shareholder value through infrastructure opportunities beyond Atrum's non take or pay transport arrangements

To view the full report, including figures, please visit:

<http://media.abnnewswire.net/media/en/docs/ASX-ATU-665849.pdf>

About Atrum **Coal** NL:

Atrum **Coal** NL (ASX:ATU) is an emerging metallurgical **coal** explorer and developer.

The **Company** has a substantial **coal** position in British Columbia which, as a region boasts:

- Abundance of high quality PCI, coking and anthracite coals
- Well developed rail and port infrastructure with excess capacity
- Access to deep sea ports
- Competitive shipping distance to Asia
- Positive government stance on **mining**

The **Company** is building a quality portfolio of metallurgical **coal** assets suited to the Asian export market and the Board of Directors have a strong track record in identifying and developing world class **coal** assets in Australia and abroad.

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