

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Atrum Coal NL

ABN

153 876 861

Quarter ended ("current quarter")

30 June 2013

Consolidated statement of cash flows

	Current quarter \$A	Year to date (12 months) \$A
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	1,364,368	4,513,523
(b) development	-	-
(c) production	-	-
(d) administration	431,006	1,690,709
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	23,944	197,295
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (GST paid/received)	120,255	382,038
Net Operating Cash Flows	1,891,685	6,388,975
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	51,552	546,676
(b) equity investments	-	-
(c) other fixed assets	-	1,329
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (Performance Bond)	-	-
Net investing cash flows	51,552	548,005
1.13 Total operating and investing cash flows (carried forward)	1,943,237	6,936,979

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	1,943,237	6,936,979
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	629,748	8,775,338
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Share issue costs)	-	85,551
	Net financing cash flows	629,748	8,689,787
	Net increase (decrease) in cash held	1,313,489	1,752,808
1.20	Cash at beginning of quarter/year to date	3,458,842	392,545
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter *	2,145,353	2,145,353

*Any fractional differences are due to rounding

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A
1.23	Aggregate amount of payments to the parties included in item 1.2	119,890
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

<p>Item 1.23 refers to payments to Directors and related parties for the period including April, May and June (inclusive).</p> <p>Item 1.2 Includes exploration expenditure incurred during the quarter relating to the Groundhog Anthracite Project.</p> <p>Item 1.8(a) includes the consideration paid to Panstone Mines and Minerals Inc. in relation to the option fee pertaining to the Adams and White Rabbit Projects located in the Peace River Coalfield in British Columbia for the amount of CAD\$50,000.</p> <p>Item 1.14 refers to the conversion of 3,150,000 @ 0.19992 cents of fully paid ordinary shares as a result of the conversion of partly paid shares held by Lenark Pty Ltd</p>
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Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A	Amount used \$A
3.1 Loan facilities	2,681,927	0
3.2 Credit standby arrangements	-	-

Notes:

- Loan facilities outlined in item 3.1 above refers to the Offset Loan Agreement executed on 30 June 2013 between Atrum Coal NL and Lenark Pty Ltd, an entity associated with the Chairman, Mr James Chisholm.

Estimated cash outflows for next quarter

	\$A
4.1 Exploration and evaluation	1,200,000
4.2 Development	-
4.3 Production	-
4.4 Administration	400,000
Total	1,600,000

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A	Previous quarter \$A
5.1 Cash on hand and at bank	246,949	90,940
5.2 Deposits at call	1,898,704	3,368,202
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,145,653	3,459,142

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Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2	Interests in mining tenements acquired or increased	Nil		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	-	-		
7.2				
7.3	110,592,500	60,781,250	Fully Paid	Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs 3,243,750 (shares issued pursuant to escrow restriction period ending on 21 April 2013) 1,605,000 (shares issued pursuant to the satisfaction of the Class 4 Performance Shares Milestone on 23 April 2013) 3,150,000 (shares issued pursuant to the conversion of partly paid shares held by Lenark Pty Ltd on 12 June 2013)	3,243,750	Fully Paid	Fully Paid

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7.5	+Convertible debt securities <i>(description)</i>	-	-		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	5,450,000	-	<i>Exercise price</i> \$0.30	<i>Expiry date</i> 24 July 2016
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures <i>(totals only)</i>	-	-		
7.12	Unsecured notes <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



(Executive Director)

Date: 31 July 2013

Print name: Gino D'Anna

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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