

Atrum Coal Commences Drilling at Elan South

RECENT CORPORATE HIGHLIGHTS

- **Drilling started at Elan South on 25 June 2018**
- **Planning on almost 7,000m of total drilling depth, focusing on significantly expanding the JORC resources and refining the coal quality definition through extensive testing of samples extracted from large diameter cores**
- **A consultant for the environmental baseline study has also been appointed, and the field work is to start in July**

Atrum Coal Ltd (“**Atrum**” or the “**Company**”) (**ASX: ATU**) is pleased to update shareholders on progress and planning at the Elan Coking Coal Project in southwest Alberta, Canada (refer to Figure 1).

Drilling Started for the 2018 Elan South Exploration Program

Over the past several weeks, the Company’s field staff and contractors have been busy conducting field geology reconnaissance, surveying drilling sites, confirming the final drill hole locations and building access roads for the 2018 Elan South exploration program.

Drilling started on 25 June 2018 (refer to Figures 2 and 3). Detailed geology logging and downhole testing are ongoing and the Company will provide updates as drilling progresses.

The aim of the 2018 exploration program is to significantly increase the JORC resources and refine the coking properties of the Elan hard coking coal.

The Company has also appointed a consultant to start the environmental baseline study in July 2018 as part of the overall plan to eventually permit Elan South hard coking coal mining operation.

Independent non-executive chairman, Chuck Blixt commented: *“We are very pleased to start the 2018 drilling program at Elan South. We have high confidence in the quality of the field drilling work because of our staff’s experience and the fact that the drilling contractor and downhole wireline testing contractor are very seasoned in coal exploration in Canada and have both worked extensively in the same geological setting and site conditions for the Riversdale Resources’ Grassy Mountain Project in recent years.*”



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M. Wang
C. Fear
G. Edwards
J. Chisholm
J. Stedwell

Key Projects
Groundhog
Elan
Bowron River

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

“We plan to drill 40 holes with a total depth of approximately 7,000m at Elan South in the coming months, aiming to significantly expand our JORC resources. We also plan to extract samples from large diameter cores to further test the coking characteristics of the Elan hard coking coal.”

“Together with our plan to start the environmental baseline study in the next several weeks, we look forward to updating our shareholders on further progress of our field work throughout the Canadian summer months.”

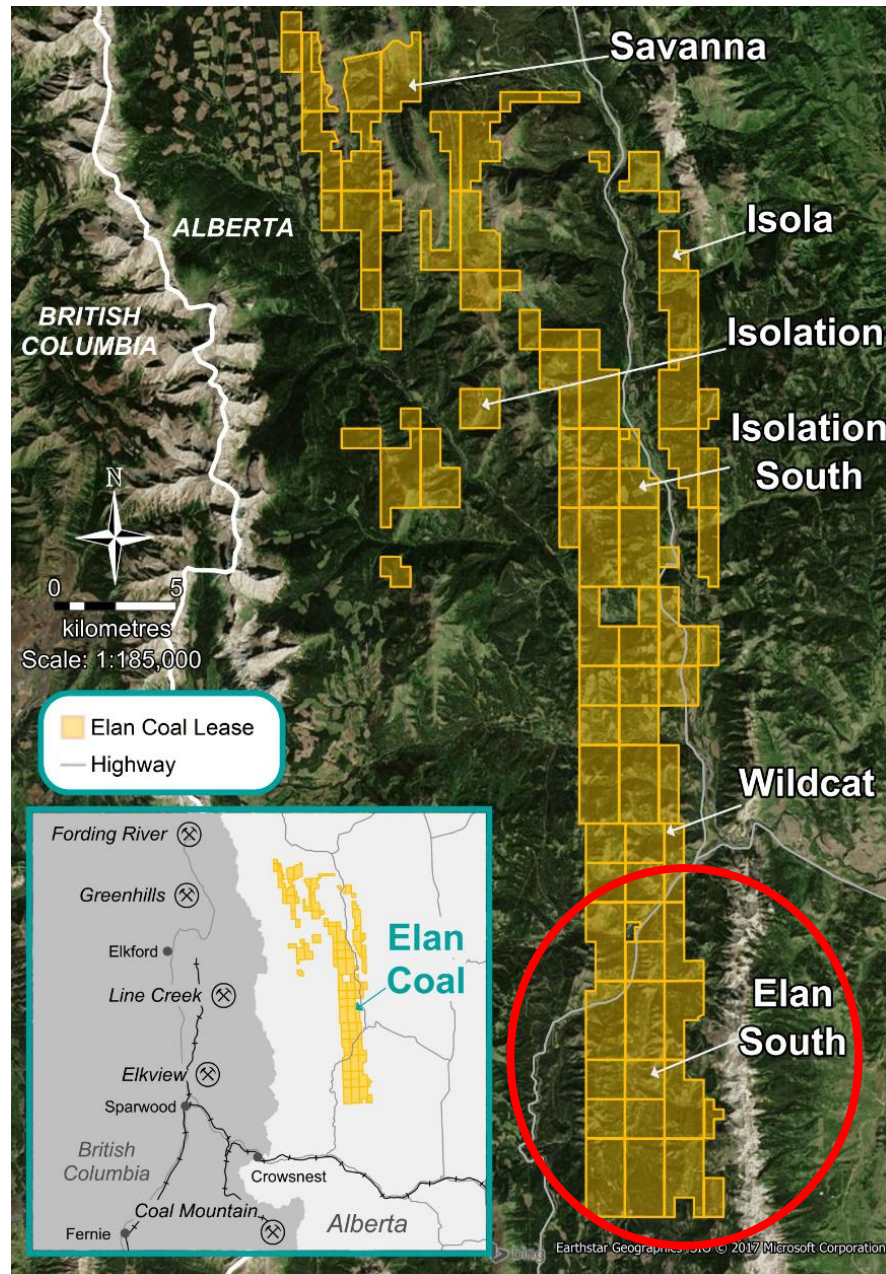


Figure 1. Elan South and other Elan Coking Coal Projects



Figure 2 Drilling at Elan South (Photo 26 June 2018)



Figure 3 Coal cuttings flowing out of the drill hole during drilling (Photo 26 June 2018)

For further information, contact:

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