

ASX Announcement

20 December 2021

COAL POLICY PROCESS UPDATE

KEY POINTS

- Government of Alberta extended deadline for receiving report and recommendations from the Coal Policy Committee to December 31, 2021.
- Opinion Editorial supportive of the metallurgical coal industry in Alberta was released by the National Coalition of Chiefs.
- Stakeholder engagement activities continue with a mix of in-person, virtual and social media activities.
- Grassy Mountain and First Nation appeals to Provincial and Federal courts progressing according to prescribed timelines.

Atrum Coal Limited (ASX: ATU) (**Atrum** or the **Company**) provides an update on recent events with respect to metallurgical coal policy development and community engagement in Alberta.

Coal Policy Committee Report and Recommendations to the Energy Minister due December 31, 2021

The Government of Alberta has extended the reporting deadline for the Coal Policy Committee to December 31, 2021. Consistent with guidance provided by government earlier in 2021, the coal exploration activities on what is commonly referred to as Category 2 land remain paused.

Minister Savage has indicated that she has not seen a draft copy of the report and that once received her government will “look at the recommendations and release the report in due time.”

The Minister’s news release on the time extension reiterated that: “The government remains committed to the development of a modern coal policy made by Albertans for Albertans.”

NCC Op-Ed

The National Coalition of Chiefs has written an Op-Ed expressing support for metallurgical coal development and mining in Traditional Territories, outlining the requirements from industry and government for their support and highlighting that First Nations alone represent and determine their own interests.

The Op-Ed is available via the following link - <https://edmontonjournal.com/opinion/columnists/opinion-responsible-coal-mining-key-to-ensuring-indigenous-prosperity-and-sovereignty>

The NCC was established in 2017 with a mandate to defeat on-reserve poverty through Indigenous participation in Canada’s natural resource industries.

Developments in Canadian Law on Indigenous Economic Interests

Two recent court decisions, *Ermineskin v Canada* and *AltaLink v Alberta Utilities Commission*, from the Federal Court and Alberta Court of Appeal, respectively, state that economic interests of Indigenous communities are essential to reconciliation and must be considered as part of any government decision. These decisions state that projects that increase the likelihood of economic activity and provide job opportunities on a reserve should be encouraged and are in the public interest. In addition, partnerships that increase Indigenous economic participation are in the public interest.

In this regard, Atrum is continuing to engage with Indigenous communities with neighbouring project proponent, Cabin Ridge with a view to partnering in future¹. Both companies continue to work collaboratively in bringing an innovative approach to promote reconciliation, socio-economic development and self-determination for Indigenous communities. A model is proposed that enhances participation and benefits to Indigenous parties via their significant involvement in development, execution and post-closure activities, and commercial opportunities associated with, the respective Elan and Cabin Ridge projects.

Grassy Mountain and First Nation appeals – update

As previously announced, Piikani Nation and Stoney Nakoda Nations applied for permission to appeal to the Alberta Court of Appeal on the Joint Review Panel (**JRP**) decision for Riversdale Resources' Grassy Mountain Coal Project in the Crowsnest Pass area. Benga Mining Limited, a subsidiary of Riversdale Resources Limited and development proponent for the Grassy Mountain Coal Project, also applied to appeal the JRP decision.

Applications for permission to appeal the provincial decision (JRP in its capacity as the Alberta Energy Regulator) were heard by a single appeal judge on December 8, 2021. That judge will determine whether the case merits review by a full panel of three judges of the Alberta Court of Appeal. The Court of Appeal will likely issue a decision on permission to appeal by the end of January 2022.

If the Court grants permission, the appeal itself will take an additional 10-16 months, with the Court expected to issue its decision between Q4 2022 and Q2 2023.

A separate process (Judicial Review) was initiated August 13, 2020, to challenge the federal Minister's Decision Statement in Federal Court. The Judicial Review process normally takes between 10 and 16 months.

If the Federal Court grants the judicial review, it will refer the matter back to the Federal Minister of Environment to be redetermined. A favourable Federal Court decision will only be effective if the Alberta Court of Appeal also refers the provincial component of the Joint Review Panel Report back to the Alberta Energy Regulator, as the Project must be approved by both federal and provincial regulatory authorities.

Continued stakeholder engagement

Outreach, discussion and meetings continue with key stakeholders and important voices who have weighed in on met coal mining in Alberta. Following province-wide municipal elections in late October, additional information and offers to meet have been issued to newly elected Mayors, Reeves and Councils in the communities which have expressed concern about new met coal mining projects.

Social Media and the Responsible Mining Initiative

Atrum continues to support the activities of the Responsible Mining Initiative (**RMI**). RMI was launched earlier this year with the objective of presenting facts and key information to Albertans with respect to modern mining, environmental protection, and reclamation practice. RMI was introduced, in part, to counter

¹ Further details in ASX Release dated 23 September 2021 – *Final Submissions to the Coal Policy Committee*

misinformation being spread with respect to various mine development practices. RMI has also implemented a social media strategy to support the sharing of information.

The key content of the RMI can be found at www.responsiblemining.ca, and information is also shared on the following social media accounts:

- Twitter: [@responsiblemng](https://twitter.com/responsiblemng)
- Facebook: [Responsible Mining](https://www.facebook.com/ResponsibleMining)
- LinkedIn: [ARMI – Alberta Responsible Mining Initiative](https://www.linkedin.com/company/ARMI-Alberta-Responsible-Mining-Initiative)
- Instagram: [@responsibleminingab](https://www.instagram.com/responsibleminingab)

Atrum Managing Director and CEO, Andy Caruso, commented:

“Atrum continues engaging with stakeholders about responsible metallurgical coal development in southwestern Alberta to ensure we address concerns, while providing fact-based information to interested parties.”

“We continue to support the introduction of a policy that is balanced, reinforces strong environmental protections, and addresses the long-term land and water stewardship requirements that are important to Albertans.”

“Steel continues to be in great demand globally, and we look forward to an opportunity to present our plans for a responsible mining development that would support local, provincial and federal economies as well as providing meaningful participation and employment opportunities for Indigenous and local communities.”

This ASX release was authorised on behalf of the Atrum Board by:

Andrew Caruso, Managing Director and CEO

For further information, contact:

Andrew Caruso
Managing Director and CEO
T: +61 3 8395 5446

Justyn Stedwell
Company Secretary
T: +61 3 8395 5446
E: jstedwell@atrumcoal.com

Michael Vaughan
IR & Media, Fivemark Partners
T: +61 422 602 720