

Management Update

29 May 2023

This ASX release was authorised by the Atrum Coal Board



Agenda – Atrum Coal 2022 AGM

- ❑ **Corporate Update**
 - **Capital Raise**
 - **Director Changes**
 - **ASX Suspension**
- ❑ **Elan Project Legal Claim Update**
- ❑ **Groundhog and Panorama Projects**
- ❑ **Regulatory Requirements**



Capital Raise – September / October 2022

Atrum issued 691.3M shares at A\$0.006 per share, totalling net proceeds of A\$3.988M from the capital raise

Director Changes

- Andrew Caruso (appointed as CEO on 12 May 2020, resigned 27 April 2022 and appointed as Managing Director on 12 August 2020, resigned on 1 February 2022)
- William (Bill) Fleming (appointed on 24 February 2020, resigned on 9 June 2022)
- Jeff Gerard (appointed on 26 March 2021, resigned on 1 December 2022)
- Richard Barker (appointed 4 February 2019, resigned on 31 December 2022)
- Kelvin Flynn (appointed on 1 December 2022)
- Konrad de Kerloy (appointed on 1 January 2023)

Core Team Remains

Atrum has continued to reduce the size of our team to further align with our workflows and to ensure our costs continue to be as low as possible whilst still maintaining appropriate functionality and retaining corporate knowledge. The core team that remains with Atrum have assumed many roles through the cost-cutting processes and the Company feels we are in a good position to retain the knowledge required to assess options for the Groundhog and Panorama assets and advance the legal claim.



ASX Suspension from Official Quotation

The ASX suspended quotation of Atrum's securities at the close of trading on Thursday, 9 March 2023. The ASX determined that Atrum's level of operations did not warrant the continued quotation of its securities, and therefore it is not in compliance with ASX Listing Rule 12.1. Private off-market trading is still possible.

The Company will continue to be suspended under ASX Listing Rule 17.3 until such time as compliance with ASX Listing Rule 12.1 is demonstrated to the satisfaction of the ASX. Despite the suspension of trading, Atrum will remain listed on the ASX and continue to meet its continuous disclosure obligations and communicate with shareholders in accordance with the ASX Listing Rules.

At the time the suspension from official quotation occurred, Atrum was advancing a Scoping Study on the Groundhog project. The Scoping Study has now been paused. Atrum continues to evaluate all options for the Groundhog and Panorama projects but maintains a strong focus on advancing the Elan Project legal claim.

Elan Project Legal Claim Update

Overview

Atrum and its wholly owned subsidiary Elan Coal Limited (“Elan”) commenced a claim on 14 September 2022 against the Government of Alberta for de facto expropriating Elan’s coal leases and are also seeking monetary compensation pursuant to the doctrines of private nuisance and unjust enrichment. If Atrum is unsuccessful in its liability claim it will not receive any compensation. Even if Atrum is successful on its liability claim the quantum of damages will be determined by the Court and may differ from Atrum's pleaded amount

Consolidation

By consent of all parties, the Court is appointing a single case management judge to determine, among other things, procedures applicable to Atrum and Elan's claim along with claims filed by Cabin Ridge Project Limited, Montem Resources Alberta Operations Ltd. and Black Eagle Mining Ltd.

Status of the Claim

The claim is currently in the document discovery phase. Atrum produced its documents in February 2023. The Government of Alberta’s document production was provided to Atrum in late May 2023.



Groundhog and Panorama Projects

Overview

Atrum Scoping Study on the Groundhog project has now been paused. Atrum continues to evaluate all options for the Groundhog and Panorama projects but maintains a strong focus on advancing the Elan Project legal claim.

Atrum continues to focus on reviewing all options regarding the Groundhog and Panorama projects to ensure any outcomes maximize value.

Atrum has recently begun discussions with a third-party asset manager to understand the market conditions for anthracite projects, as global demand for metallurgical coal remains strong. Atrum looks forward to updating shareholders in the future regarding the assets and delivering value back to shareholders.

Joint Venture Update

Atrum continues to work with our Joint Venture (JV) partner, Japan Organization for Metals and Energy Security (JOGMEC) on the Groundhog and Panorama projects. JOGMEC is a 35% owner of the Panorama project and can earn up to 10% of the Groundhog project with a CAD\$1 million investment.

Regulatory Requirements

Elan Project

- Reclamation preparations and assessments will begin in 2023 to further understand reclamation work to be completed in 2024 and forward
- Reclamation remains an obligation of our existing Coal Exploration Permits
- Care and maintenance activities continue to ensure site safety and to address seasonal environmental issues

Groundhog and Panorama Projects

- Increased the projects bond paid to the BC Government by CAD\$411k in 2022
- An additional CAD\$90k bond was paid in Q2 2023
- Annual coal tenure fees have been paid until May 2024



Thank you

 **Atrum Coal**
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