Atrum Coal NL Supplementary PFS at Groundhog North Delivers $1.7Bn NPV

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Perth, Australia (ABN Newswire) - Atrum Coal NL (ASX:ATU) (OTCMKTS:ATRCF) ("Atrum" or the "Company") is pleased to announce the results of its optimisation of the Groundhog North underground mine Pre-Feasibility study. New developments at Atrum's Groundhog Anthracite Project including acquisition of additional leases, additional drilling and coal quality test work, has led to an increase in JORC Resources, which has in turn facilitated improvements in project economics due to optimisation of the mine plan combined with refinement of road, rail and port infrastructure plans.

Groundhog North covers less than 5% of Atrum's broader Groundhog Anthracite Project in British Columbia, Canada which hosts a JORC Resource of 1.57 billion tonnes.

The SPFS was independently prepared by Valzan Pty Ltd (Valzan), with inputs on pricing from Wood Mackenzie, modelling assistance from Deloitte Touche Tohmatsu and independent cost inputs from industry participants in relation to port, power and road CAPEX.

WHAT HAS CHANGED?

Significant improvements to project metrics are largely attributed to the following:

- Total anthracite resource, mineable resource, and mine life have increased following optimised mine planning facilitated by additional drilling carried out this year, combined with an increase in the Groundhog North boundaries resulting from the acquisition of adjacent coal licences from Anglo Pacific Group PLC (August 2014);

- Operating costs have reduced on an 'owner operator' basis due to the identification of operational efficiencies;

- Capital costs have reduced across all facets of the operation. Mining fleet costs increased due to the decision favour an 'owner operator' model and employ and train locally. Surface infrastructure costs have reduced as expensive overland conveyors have been eliminated from the logistics chain. Road construction estimates have reduced due to broader tendering. CHPP has been redesigned as a modular arrangement, allowing staged capital expenditure; and

- Port capital costs have reduced due to a simpler stockpile management and storage design utilising much of the existing infrastructure at the port rather than new infrastructure as was modelled previously.

Further details of the SPFS are highlighted in the Company's power point presentation titled "Groundhog North Underground; Supplementary Feasibility Study"

The Company had $10.3m cash at bank as of June 30, 2014 and currently has a fully diluted share structure of 176.3 million with a fully diluted market capitalisation of $254 million at $1.44.

About Atrum Coal NL:

Atrum Coal NL (ASX:ATU) (OTCMKTS:ATRCF) 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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