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## ASX Announcement

**29 May 2023**

# Chair's AGM Address

Dear Shareholders,

Welcome to the 2022 Atrum AGM.

After a challenging, and in the main, disappointing year, it is still my honour to speak with you, our valued Shareholders, today on behalf of the Atrum team.

The past year has brought significant changes to Atrum's core business, the Elan Hard Coking Coal Project (the "Elan Project"). In September 2022, Atrum and Elan Coal Limited ("Elan") brought a claim against the Government of Alberta for de facto expropriating Elan's coal leases and we are also seeking monetary compensation pursuant to the doctrines of private nuisance and unjust enrichment.

At the time of Atrum's investment, in early 2018, Alberta's existing policy on coal exploration and development, "A Coal Development Policy for Alberta" ("1976 Coal Policy"), did not prohibit coal exploration and development where the Elan Coal Leases are located. Further, established regulatory guidance, land-use planning, and Alberta representatives both allowed and encouraged exploration in support of coal development in the lands underlying the Elan Coal Leases.

In June 2020, Alberta rescinded the 1976 Coal Policy, and further clarified that development on lands that include the Elan Coal Leases would follow normal regulatory processes. In February 2021, Alberta reversed course and reinstated the 1976 Coal Policy. At the same time, Alberta announced an immediate ban on mountain top mining on lands that include the Elan Coal Leases (the "Prohibition"); however, Alberta did not, and has not, defined mountain top mining. In March 2022, Alberta imposed a new, indefinite moratorium on coal exploration and development on lands that include the Elan Coal Leases (the "Indefinite Moratorium").

As a result of the Indefinite Moratorium—and, possibly, as a result of the Prohibition—Atrum and Elan cannot proceed with the Elan Project. More fundamentally, Alberta has eliminated all reasonable uses of the Elan Coal Leases for purposes of further developing a metallurgical (steel-making) coal project and otherwise.

The claim is currently in the document discovery phase. Atrum produced its documents in February 2023. The Government of Alberta produced its documents on May 23, 2023. The case is in the process of being referred to case management along with claims filed by Cabin Ridge Project Limited, Montem Resources Alberta Operations Ltd. and Black Eagle Mining Ltd., each of which raise similar causes of action regarding the rescission and reinstatement of the 1976 Coal Policy.

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 primary focus on advancing the Elan Project legal claim.

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.

I would like to offer again my great appreciation to past directors, Richard Barker and Jeff Gerard. Their steady guidance and extensive experience will be missed. We have welcomed two new Australian Directors, Kelvin Flynn and Konrad de Kerloy in the last ~6 months. Their business, corporate and legal experiences will be very well suited for our current road forward and will complement the local knowledge, government relations, political and operational experience of our two Canadian Directors.

Finally, I would like to thank you, our Shareholders, for your continued support. We will have more challenges going forward and we will require your guidance and support to help us navigate through the various options in order to best serve your interests and enable the best possible outcomes.

**This ASX release was authorised by the Atrum Coal Board.**

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