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ASX: ATU

ASX Announcement

31 October 2024

Atrum Coal signs Term Sheet for Sale of the Groundhog and Panorama Projects

Atrum Coal Limited (ASX: ATU) (**Atrum** or the **Company**) is pleased to announce that the Company has entered into a binding term sheet with Panorama Resources Pty Ltd (ACN 679 251 999) (**Panorama Resources**), for the sale of the Canadian subsidiaries Atrum Coal Groundhog Inc (**ACGI**) and Atrum Coal Panorama Inc (**ACPI**).

ACGI holds a 100% interest in the Groundhog Anthracite Coal Project with 19 exploration licenses (see Appendix 1), one license under application and a reclamation bond valued at CA\$628,000. ACPI holds 65% interest in the Panorama Anthracite Coal Project with Japan Oil, Gas and Metals National Corporation (JOGMEC), twelve exploration licenses (see appendix 1) and a reclamation bond valued at CA\$55,000.

Panorama Resources is a special purpose corporate entity associated with Perk Capital Advisors Pty Ltd, a Perth based consulting firm focused on restructuring, turnaround and special situations in the Asia Pacific region. The directors of Panorama Resources include Mark Chadwick, a seasoned restructuring professional who has undertaken numerous transactions in the Indonesian coal sector, and Evan Ball who has held senior executive roles in the coal industry with Rio Tinto Coal Australia and PT Bumi Resources Tbk.

The sale is subject to a number of conditions precedent including due diligence, receipt of necessary regulatory approvals and execution of definitive documentation. Atrum has granted exclusivity to Panorama in relation to ACGI and ACPI and their businesses, assets and undertakings. The exclusivity period will end on the earliest of the execution of definitive documents and 31 December 2024 (unless extended).

Under the agreed terms, Atrum will receive an initial consideration of AU\$100,000 on completion. On the 12-month, 24-month and 36-month anniversary of completion Atrum will receive a further AU\$50,000 (**Anniversary Consideration**). The Anniversary Consideration may be reduced if a shortfall is determined in the value of the reclamation bonds between the completion date and the relevant anniversary date.

In addition, Panorama Resources has agreed to pay a permitting consideration of AU\$750,000 upon the successful achievement of all necessary permits and regulatory approvals required for the development and operation of a mine at either project held by ACGI or ACPI, irrespective of whether the mine is developed by ACGI or ACPI. Panorama Resources has also agreed to pay a production consideration of AU\$750,000, which is subject to commercial production and the sale of 250,000 tonnes of commercial product.

Atrum is targeting execution of the definitive sale documentation by 15 November 2024 and completion by the end of November 2024.

Glen Koropchuk, the Chair of Atrum commented “The sale of the Groundhog and Panorama project assets allows Atrum to focus on delivering a favorable outcome for Shareholders in the Elan Coal Limited claim against the Government of Alberta. The claim is for de facto expropriating Elan’s coal leases and Atrum is also seeking monetary compensation pursuant to the doctrines of private nuisance and unjust enrichment.”

---ENDS---

This ASX release was authorized by the board of Directors.

For further information, contact:

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APPENDIX A: TENEMENTS LIST

Tenure Number	Owner	Business Unit	Tenure Type	Area (Ha)
394847	Atrum Coal Groundhog Inc.	Groundhog	Licence	259
417080	Atrum Coal Groundhog Inc.	Groundhog	Licence	565
417081	Atrum Coal Groundhog Inc.	Groundhog	Licence	636
417082	Atrum Coal Groundhog Inc.	Groundhog	Licence	212
417084	Atrum Coal Panorama Inc.	Panorama North	Licence	708
417085	Atrum Coal Groundhog Inc.	Groundhog	Licence	1,031
417086	Atrum Coal Panorama Inc.	Panorama North	Licence	142
417088	Atrum Coal Groundhog Inc.	Groundhog	Licence	777
417089	Atrum Coal Groundhog Inc.	Groundhog	Licence	142
417094	Atrum Coal Groundhog Inc.	Groundhog	Licence	71
417095	Atrum Coal Groundhog Inc.	Groundhog	Licence	425
417096	Atrum Coal Groundhog Inc.	Groundhog	Licence	71
417292	Atrum Coal Panorama Inc.	Panorama North	Licence	279
417296	Atrum Coal Panorama Inc.	Panorama North	Licence	71
417297	Atrum Coal Groundhog Inc.	Groundhog	Licence	918
417298	Atrum Coal Groundhog Inc.	Groundhog	Licence	1,059
417299	Atrum Coal Panorama Inc.	Panorama North	Licence	779
417520	Atrum Coal Groundhog Inc.	Groundhog	Licence	212
417521	Atrum Coal Groundhog Inc.	Groundhog	Licence	142
417525	Atrum Coal Panorama Inc.	Panorama North	Licence	425
417526	Atrum Coal Panorama Inc.	Panorama North	Licence	707
417527	Atrum Coal Panorama Inc.	Panorama North	Licence	71
417528	Atrum Coal Groundhog Inc.	Groundhog	Licence	142
418587	Atrum Coal Groundhog Inc.	Groundhog	Licence	1,411
418588	Atrum Coal Groundhog Inc.	Groundhog	Licence	1,412
418589	Atrum Coal Groundhog Inc.	Groundhog	Licence	1,273
418953	Atrum Coal Panorama Inc.	Panorama North	Licence	1,346
418955	Atrum Coal Groundhog Inc.	Groundhog	Licence	1,265
418957	Atrum Coal Panorama Inc.	Panorama North	Licence	1,415
418958	Atrum Coal Panorama Inc.	Panorama North	Licence	1,345
418961	Atrum Coal Panorama Inc.	Panorama North	Licence	71
419192	Atrum Coal Groundhog Inc.	Groundhog	Application	600
1320080043	Elan Coal Ltd.	Elan	Coal Lease	1,616
1320080044	Elan Coal Ltd.	Elan	Coal Lease	1,536
1320080045	Elan Coal Ltd.	Elan	Coal Lease	1,724
1320080046	Elan Coal Ltd.	Elan	Coal Lease	1,694
1320080047	Elan Coal Ltd.	Elan	Coal Lease	2,304
1320080048	Elan Coal Ltd.	Elan	Coal Lease	2,165
1320080049	Elan Coal Ltd.	Elan	Coal Lease	1,952
1320080050	Elan Coal Ltd.	Elan	Coal Lease	1,840
1320080051	Elan Coal Ltd.	Elan	Coal Lease	1,024
1320080052	Elan Coal Ltd.	Elan	Coal Lease	1,664
1320080053	Elan Coal Ltd.	Elan	Coal Lease	112

1320080054	Elan Coal Ltd.	Elan	Coal Lease	272
1320080055	Elan Coal Ltd.	Elan	Coal Lease	1,726
1320080056	Elan Coal Ltd.	Elan	Coal Lease	1,936
1320080057	Elan Coal Ltd.	Elan	Coal Lease	48
1320080058	Elan Coal Ltd.	Elan	Coal Lease	822
1320080059	Elan Coal Ltd.	Elan	Coal Lease	256