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SAMPLING CONFIRMS CONSISTENT COAL QUALITY AT MBUYURA/ MKAPA AND MBALAWALA SUB-BASINS

Atomic Resources Limited (ASX Code: ATQ) ("Atomic") is pleased to announce that analysis of coal samples taken during recent drilling in the Mbuyura/Mkapa sub basin and the Mbalawala sub basin, show a high level of consistency in coal quality in these northern and southern extensions of the Ngaka Coal Basin.

Testing, which was conducted at the SGS Lakefield Laboratory and the ALS Group Laboratory in South Africa, confirm that calorific values for samples taken at both Mbalawala and Mbuyura/Mkapa range between 3,370 kcal/kg to 7,170 kcal/kg, with average values for Mbuyura/Mkapa measured at 5,712 kcal/kg and average values for Mbalawala measured at 5,978 kcal/kg.

Managing Director Clinton Cain said the results of the sample analysis were extremely encouraging.

"Mbalawala and Mbuyura/ Mkapa are the southern and northern extensions of the Ngaka Coal Basin, which is approximately 25-30 kilometres in length. These results indicate that the coals lying in these areas of the Ngaka Coal Basin are of consistently high quality and composition, and are suitable as feedstock for a coal-fired power station and for a range of other industrial applications. This consistency enables Tancoal, our operating arm in Tanzania, to confidently plan for the development of the Ngaka Coal Mine and up to a 400Mw power station to be built at the Ngaka mine site."

Below is a table showing a summary of the arithmetic average values measured in the laboratory analysis conducted at the SGS Lakefield and ALS Group Laboratories of the Mbuyura/Mkapa and Mbalawala sub basins.

	Moisture	Ash	Volatiles	Fixed Carbon	Sulphur	Density	Calorific Value
	%	%	%	%	%	(g/cm ³)	(Kcal/ kg)
Mbalawala	2.8	22.8	27.1	47.3	1.5	1.7	5,978
Mbuyura/Mkapa	2	29.3	22.8	45.9	0.6	1.6	5,712

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The information in the report to which this statement is attached relates to Exploration Results, Mineral Resources or Ore Reserves compiled by Mr Gokhan Guler M.Sc. FSAIMM, MAusIMM, Pr. Eng.), with over 15 years experience in the mining industry and is a director of Shango Solutions Geological Consultancy.

Mr Guler has sufficient experience, as to qualify as a Competent Person as defined in the 2004 edition of the "Australian Code for Reporting of Mineral Resources and Ore reserves". Mr Guler consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About the company:

Atomic Resources Limited is an Australian-based exploration and resource development company with major thermal coal assets in Tanzania. Our operating arm in Tanzania is Tancoal Energy Limited, which is a Joint Venture between Atomic Resources Limited and the National Development Corporation of Tanzania (NDC).

For further information contact:

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