

ASX Announcement

30 March 2021

ALBERTA STAKEHOLDER CONSULTATION PROCESS DETAILS RELEASED

KEY POINTS

- Initial framework and details announced by Alberta Government for stakeholder consultation process with respect to design of a new coal policy.
- Stated objective of this process is a new, modern coal policy that provides greater certainty and considers the development of metallurgical coal resources in a responsible and sustainable manner.
- Independent Coal Policy Committee members announced; Committee to design and undertake engagement process with final recommendations to Minister of Energy due by 15 November 2021.
- All Elan Project site-based activities (excluding baseline environmental studies) halted to direct maximum focus and effort to the stakeholder consultation process.
- Elan Project Pre-Feasibility Study paused for the short-term.

Atrum Coal Limited (ASX: ATU) (**Atrum** or the **Company**) advises that the Government of Alberta has released initial details for its planned stakeholder consultation process targeted at the design of a new, modern coal policy to replace the recently reinstated Coal Development Policy for Alberta (1976).

Atrum believes that this stakeholder consultation process is an important and necessary step towards achieving greater certainty while also balancing and resolving the views of Albertans with respect to responsible resource development.

As a result, Atrum will continue to work intensively with all stakeholders over the course of this year to assist in the development of a balanced and fair coal policy that reflects modern and sustainable mining practices. Additional specialist advisors have been engaged to assist with this key objective.

Atrum Managing Director and CEO, Andrew Caruso, commented:

"We welcome these initial details from the Alberta Government and see the clear opportunity for a consultation process that is rigorous, inclusive and transparent. We believe such a process is how all key stakeholders including First Nations, ranchers, local communities, industry and other land users can work towards a balanced, modern policy that makes Alberta a global leader in progressive, inclusive and sustainable metallurgical coal development."

"It is fundamental that Atrum is actively and comprehensively involved in this process. We will seek to engage with, and listen closely to, the potential concerns of key stakeholder groups – as we have always tried to do. I look forward to continuing the open dialogue and consultation on the ground with First Nations, local community members, ranchers and other Albertans that our team has been actively engaged in over recent years. We will also seek to present facts and science into the formal engagement process with respect to responsible and sustainable mining, water use and selenium management, and sequential multi-generational land use."

“The objective is for all parties, including Atrium itself, to be fully informed of current, highly effective environmental practice and process set alongside modern development and land use expectations. We can demonstrate comprehensive planning to protect the surrounding environment, generate meaningful socio-economic benefits for First Nations, local communities and Government, and deliver returns for investors. We now look forward to the opportunity to do exactly that.

“From a broader perspective, the reality is that there is currently no viable substitute for hard coking (metallurgical) coal in the production of high strength and hardness carbon steel via the blast furnace route. Steel is essential to modern life and socio-economic development. This includes the construction of many of the renewable energy technologies and infrastructure that are set to form the basis of the world’s transition towards a carbon-neutral setting. As such, high-quality, environmentally sustainable, long lived sources of future hard coking coal supply are critical in assisting to drive this transition.”

Key process details

The Government of Alberta has committed to develop a modern coal policy for the province. The outcome is targeted to “ensure coal development reflects the best interests of Albertans and continues to balance stringent environmental protections with responsible resource development.”

An independent Coal Policy Committee (**Committee**) has been established to lead a comprehensive engagement on coal development.

Operating independently, the Committee is tasked to design and undertake a process aimed at capturing the views of all Albertans. The engagement is planned to have multiple phases. The Committee will provide advice and recommendations to the Minister of Energy. The final report of the Committee is due by 15 November 2021.

To begin, Albertans have been invited to share their thoughts on the province’s approach to coal development via an online survey: https://your.alberta.ca/coal-policy-engagement/survey_tools/coal-policy-survey. The survey will be open until 19 April 2021.

Alongside the Committee-led engagement, the Minister of Energy will engage directly with Indigenous communities to ensure their perspectives on coal development are heard and considered in the development of a new coal policy. Indigenous Peoples will also be welcomed to participate in the committee-led engagement process including the initial survey.

The composition of the five-person Committee is:

Ron Wallace (Chair)

Ron Wallace is an internationally recognized expert in regulatory policies associated with environmental assessment and monitoring. He has served on numerous regulatory boards dealing with energy and environmental issues, in addition to extensive experience in the private sector. He was also a permanent member of the National Energy Board.

Fred Bradley

Fred Bradley is a former Alberta minister of the environment under Premier Peter Lougheed and served as MLA for Pincher Creek-Crowsnest. After retiring from politics, he served as the chair of the Alberta Research Council.

Natalie Charlton

Natalie Charlton is the executive director at Hinton and District Chamber of Commerce. She has served on various boards and has experience advocating for alternative energy resources.

Bill Trafford

Bill Trafford is the president of the Livingstone Landowners' Group, which represents landowners and supporters of the Livingstone-Porcupine area of Alberta. He has 35 years of experience in the IT industry and the health sector.

Eric North Peigan

Eric North Peigan is a small business owner and a member of Piikani Nation. He operates a tee pee camp that provides an immersive cultural experience for tourists.

This ASX release was authorised on behalf of the Atrum Board by:

Andrew Caruso, Managing Director and CEO

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