

ASX Announcement

22 June 2021

REGULATORY DECISION ON GRASSY MOUNTAIN PROJECT

KEY POINTS

- Joint Review Panel report released; concluded that development of Riversdale Resources' Grassy Mountain Project is not in the public interest.
- Decision based on a finding that the expected environmental impacts on water quality and fish in the specific catchments affected by the Grassy Mountain project were found to outweigh the projected economic benefits.
- Atrum to take the time needed to fully understand the reasons for the decision and, where warranted, incorporate any learnings applicable to Elan, into the design of the Elan Hard Coking Coal Project.
- Atrum continues to support strong environmental and regulatory oversight that meets the high standards established by the Government of Alberta and the Government of Canada.
- The decision of the Joint Review Panel and the ongoing process by the Government of Alberta to establish a new coal policy are set to provide increased clarity with respect to Elan Project planning.

Atrum Coal Limited (ASX: ATU) (**Atrum** or the **Company**) advises that the Joint Review Panel (**JRP**) report for Riversdale Resources' Grassy Mountain Project in Crowsnest Pass has been released.

The JRP, comprised of the Alberta Energy Regulator and the Canadian Environmental Assessment Agency, ruled that development of the Grassy Mountain Project is not in the public interest. It concluded that the expected adverse environmental impacts on water quality and fish from development and operation of Grassy Mountain would outweigh the projected positive economic benefits.

This conclusion was detailed within a 680-page report. Atrum plans to take the time needed to fully understand the reasons for the decision and, where warranted, incorporate any learnings applicable to Elan into the design of its Elan Hard Coking Coal Project (**Elan Project**).

Atrum notes that the conclusion reached by the JRP reflects the specific circumstances and assessed environmental impacts of the Grassy Mountain project. It does not speak to the importance of metallurgical coal for Alberta and Canada, nor to the specific merits of the Elan Project.

Atrum's stakeholder engagement program continues, including ongoing consultation with First Nation bands, and will incorporate aspects of the guidance provided by the JRP.

It is Atrum's expectation that the Elan Project will be judged on its own merits. As previously expressed, Atrum seeks to develop the world-class Elan resource in a highly responsible manner that comprehensively satisfies the robust environmental framework prevailing across the combination of Albertan provincial and Canadian federal permitting processes.

The ongoing process of the Government of Alberta to develop a modern coal policy is set to provide greater clarity and certainty on the standards and expectations that the Elan Project must be designed to meet.

Atrum welcomes further understanding of these requirements and, when requested, will continue to engage with the Alberta Government to support the creation of a policy that balances environmental protection with responsible development.

The JRP's full report can be accessed at: <https://iaac-aeic.gc.ca/050/documents/p80101/139408E.pdf>.

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

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