

SUPPLEMENTARY PROSPECTUS

Atrum Coal Limited
ACN 153 876 861 (ASX: ATU)

1 Important information

This Supplementary Prospectus is dated 6 August 2021 (**Supplementary Prospectus**) and is intended to supplement and amend the information contained in the Prospectus dated 2 August 2021 (**Prospectus**) issued by Atrum Coal Limited ACN 153 876 861 (**Company or Atrum**) to conduct a fully underwritten non-renounceable accelerated entitlement offer of 2 New Shares for every 11 Shares at an Offer Price of \$0.03 per New Share to raise approximately A\$3.2 million (**Entitlement Offer**).

This Supplementary Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) and the Australian Securities Exchange (**ASX**) on 6 August 2021. Neither ASIC nor the ASX take responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus must be read together with the Prospectus. To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, this Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Supplementary Prospectus. This document is important and should be read in its entirety. Please consult your legal, financial or other professional advisers if you do not fully understand the contents.

The Company has issued both a printed and electronic version of this Supplementary Prospectus and the Prospectus. Electronic versions of both may be accessed at <https://www.atrumcoal.com/>.

2 Reasons for the Supplementary Prospectus

The Supplementary Prospectus has been prepared to provide investors with a clearer understanding on the effect on control and potential dilution impacts of the Entitlement Offer. It reflects that Warburton is not the only the general sub-underwriter.

No investor action is required.

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The information below is to supplement and amend the information presently contained in the Prospectus. Namely, the Prospectus is amended as follows:

Effect of Entitlement Offer on control of the Company

Section 4.5 of the Prospectus, relating to 'Effect on control', is replaced with the following:

4.5.1 Potential Dilution

The Company has obtained indicative commitments from the following shareholders that they will take up their entitlements under the Entitlement Offer in full:

Shareholder	Percentage holding
Warburton	19.6%

This is a supplementary prospectus intended to be read with the prospectus dated 2 August 2021, issued by Atrum Coal Limited ACN 153 876 861.

Eligible Retail Shareholders should note that if they do not participate in the Entitlement Offer, their holdings will be diluted.

The Examples of how the dilution may impact Shareholders are detailed in the tables below.

Limited participation

In the event that:

- Warburton is the only participant in the Entitlement Offer;
- all other shareholders are Eligible Retail Shareholders; and
- no other New Shares are taken up other than by general sub-underwriters including Warburton,

the shareholding in the Company of certain sub-underwriters will increase as follows:

Holder	Shares held as at 4 August 2021	Shareholding % at Record Date	Entitlements under Entitlement Offer	Entitlements taken up under Entitlement Offer	Shares acquired as sub-underwriter	Shareholding % post Entitlement Offer
Warburton	114,188,256	19.62%	20,761,501	20,761,501	45,905,166	26.3%
Other sub-underwriters	N/A	N/A	N/A	N/A	39,139,088	5.7%
All other shareholders	467,743,397	80.38%	85,044,254	-	N/A	68.0%

Participation by 25% of Eligible Retail Shareholders

In the event that:

- Warburton participates in the Entitlement Offer;
- all other shareholders are Eligible Retail Shareholders;
- 25% of the Eligible Retail Shareholders participate in the Retail Entitlement Offer, and
- no other New Shares are taken up other than by general sub-underwriters including Warburton,

the shareholding in the Company of certain sub-underwriters will increase as follows:

Holder	Shares held as at 4 August 2021	Shareholding % at Record Date	Entitlements under Entitlement Offer	Entitlements taken up under Entitlement Offer	Shares acquired as sub-underwriter	Shareholding % post Entitlement Offer
Warburton	114,188,256	19.62%	20,761,501	20,761,501	34,428,874	24.6%
Other sub-underwriters	N/A	N/A	N/A	N/A	29,354,316	4.3%
All other shareholders	467,743,397	80.38%	85,044,254	21,261,063	N/A	71.1%

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Participation by 50% of Eligible Retail Shareholders

In the event that:

- Warburton participates in the Entitlement Offer;
- all other shareholders are Eligible Retail Shareholders;
- 50% of the Eligible Retail Shareholders participate in the Retail Entitlement Offer, and
- no other New Shares are taken up other than by general sub-underwriters including Warburton,

the shareholding in the Company of certain sub-underwriters will increase as follows:

Holder	Shares held as at 4 August 2021	Shareholding % at Record Date	Entitlements under Entitlement Offer	Entitlements taken up under Entitlement Offer	Shares acquired as sub-underwriter	Shareholding % post Entitlement Offer
Warburton	114,188,256	19.62%	20,761,501	20,761,501	22,952,583	23.0%
Other sub-underwriters	N/A	N/A	N/A	N/A	19,569,544	2.8%
All other shareholders	467,743,397	80.38%	85,044,254	42,522,127	N/A	74.2%

Participation by 75% of Eligible Retail Shareholders

In the event that:

- Warburton participates in the Entitlement Offer;
- all other shareholders are Eligible Retail Shareholders;
- 75% of the Eligible Retail Shareholders participate in the Retail Entitlement Offer, and
- no other New Shares are taken up other than by general sub-underwriters including Warburton,

the shareholding in the Company of certain sub-underwriters will increase as follows:

Holder	Shares held as at 4 August 2021	Shareholding % at Record Date	Entitlements under Entitlement Offer	Entitlements taken up under Entitlement Offer	Shares acquired as sub-underwriter	Shareholding % post Entitlement Offer
Warburton	114,188,256	19.62%	20,761,501	20,761,501	11,476,291	21.3%
Other sub-underwriters	N/A	N/A	N/A	N/A	9,784,772	1.4%
All other shareholders	467,743,397	80.38%	85,044,254	63,783,191	N/A	77.3%

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Risks related to the Offer and an investment in the Shares

Section 5.3.1 of the Prospectus, relating to 'Control and liquidity', is replaced with the following:

Following the completion of the Entitlement Offer and depending on various Entitlement, Top-Up Facility and Shortfall Offer take-up, up to a maximum 26.3% of the Shares of the Company may be held by Warburton, which may also impact liquidity (see Section 4.5.1 for further information).

The absence of any sale of Shares by these Shareholders may cause, or at least contribute to, limited liquidity in the market for Shares, which could affect the prevailing market price at which Shareholders are able to trade Shares and the volumes they are able to trade. If any of these Shareholders decided to sell a significant part or all of their Shares, the increase in the liquidity in the market for Shares could have a negative effect on the prevailing market price for Shares.

Additional information

The table of continuous disclosure notices in Section 6.3 of the Prospectus, relating to 'Availability of other documents', is supplemented with the following:

Date	Announcements
4 August 2021	Atrum Completes Entitlement Offer Institutional Component
2 August 2021	Prospectus
2 August 2021	Proposed Issue of Securities - ATU

Consent

The Company confirms that as of the date of this Supplementary Prospectus, each of the parties that have been named as having consented to being named in the Prospectus have not withdrawn that consent.

Authorisation

This Supplementary Prospectus is issued by the Company. In accordance with section 720 of the *Corporations Act 2001* (Cth), each Director has consented to the lodgement of this Supplementary Prospectus with ASIC and has not withdrawn that consent prior to lodgement.



Andrew Caruso

Managing Director and CEO
Atrum Coal Limited

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