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[Atlantic Coal PLC](#)  
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Option to Acquire Anthracite Property  
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**Atlantic Coal plc ("Atlantic" or the "Company")  
Option to Acquire Anthracite Property in Pennsylvania**

Atlantic Coal plc, the AIM listed open cast coal production and processing company with activities in Pennsylvania, USA, is pleased to announce that it has secured an option to buy a 158 acre anthracite mining property located in the Boroughs of Duryea and Hughestown in Luzerne County, Pennsylvania (the "Asset").

Based on information provided to the Company, the Directors believe that the Asset could consist of up to 12,000,000 tons of colliery spoil, estimated to contain 10-15% of recoverable sized coal and in excess of 1,000,000 tons of coal silt on surface, as well as approximately 2,500,000 tons of subsurface coal reserves recoverable by opencast mining. These resource details have not yet been reviewed by a qualified person (within the meaning of the AIM Rules for Companies) and this review will form part of Atlantic's due diligence on the Asset. There can be no guarantee that the qualified person's report will confirm these numbers and further announcements will be made in this regard at the appropriate time, within the next three months.

The Asset is part of the Bankruptcy Estate of Kenneth J. Nowakowski which is pending before the US Bankruptcy

Court for the Middle District of Pennsylvania. The Board believes that by utilising its knowledge of anthracite mining and processing, and applying adequate unleveraged investment, the Asset has the potential to complement its existing operations at the Company's Stockton Mine and add value to the Company going forward.

Under the terms of the order granted on 8 March 2011 by the Pennsylvania Bankruptcy Court, Atlantic has committed US\$700,000 to be held in escrow for a 90 day period, during which the Company will complete its due diligence investigation. At the conclusion of the 90 days, Atlantic has the option to purchase the Asset by releasing the escrow funds to the Court and funding additional acquisition costs (to be determined following the results of Atlantic's due diligence process but which will not to exceed US\$1,200,000) or having the escrow funds returned. Atlantic's decision on whether to exercise the option is subject to the results of its due diligence into the Asset and, as such, there can be no guarantee that it will do so.

Atlantic Managing Director Steve Best said, "We have been actively looking to expand our portfolio in the Pennsylvanian Anthracite Field, where our Stockton mine is located, and we believe this asset, with the right investment, has the potential to add value going forward as it could significantly increase our coal resources. We recently completed a pivotal fund raising of £12.0 million which has provided us with the finance required to execute our growth strategy through acting as a regional consolidator to extend our resource base and increasing production at Stockton. In line with this strategy, we continue to evaluate further acquisition targets and look forward to updating shareholders in due course."

**\*\*ENDS\*\***

For further information on the Company, visit:  
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## Notes

Atlantic Coal Plc is an AIM listed coal production and processing company focussed predominantly on open cast mining and the processing of anthracite coal in Pennsylvania, USA. The Company's primary asset is the Stockton Colliery, a producing surface coal mine and adjacent anthracite preparation plant encompassing an area of approximately 900 hectares located in Hazel Creek in North-East Pennsylvania, which has current Proven Reserves of 4.2 million tons run-of-mine coal.

Atlantic Coal's strategy is to create a significant mid-tier coal company; both through the expansion of activities at the Stockton anthracite mine and identifying additional sites in Pennsylvania to build its production and resource profile, primarily by acquiring defined assets in stable, recognised, high quality coal regions. The Board has identified opportunities to expand within the region and is involved in ongoing negotiations regarding adjacent sites, with the intention of acting as a regional consolidator in the Pennsylvanian Coal Field. Expansion within the local area has the potential to minimise upfront deal costs as a result of existing and proven infrastructure, equipment, facilities and market demand.

This information is provided by RNS  
The company news service from the London Stock Exchange

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