

Company Atlantic Coal PLC
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Headline Placing of £12.0m, Issue of Equity and GM Notice
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**Atlantic Coal plc ("Atlantic" or the "Company")
Placing of £12.0m, Issue of Equity and Notice of General Meeting**

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 completed a conditional placing of 1,600,000,000 new ordinary shares of 0.07 pence each in the Company (the "Placing Shares") at a price of 0.75 pence per Placing Share (the "Placing Price"), raising £12.0 million (before fees and expenses) (the "Placing"). Allenby Capital acted as lead broker to the Company with Cornhill Capital and FoxDavies acting as co-brokers.

Background to the Placing and use of proceeds

The Directors believe that there is an opportunity to raise funds from a small number of institutional and other investors at the present time, including the Company's principal investor, the Blackrock Smaller Companies Fund. The Directors have therefore decided to effect the fundraising by way of the Placing following a limited and targeted marketing exercise, rather than by offering all shareholders the opportunity to acquire further shares. The Directors believe that the additional cost and delay incurred in connection with any such offer would not have been in the best interests of the Company.

The net proceeds of the Placing are estimated at £11.4 million and, in addition to funding the general working capital requirements of the Company, this money will be used to assist the Directors in evaluating and, if thought appropriate by the Directors, proceeding with potential acquisitions. In this regard, the Directors are currently in the process of evaluating a number of potential acquisitions with the intention to extend Atlantic's resource base.

Current trading and prospects

The Company's trading for the year ending 31 December 2010 was broadly in line with the Directors expectations and, having increased production at the Company's primary asset, the Stockton Colliery in recent months, the Directors remain confident about the prospects of the Company.

Directors' participation

As part of the Placing, the Directors and their related parties (within the meaning of the AIM Rules for Companies) are subscribing for the following Placing Shares at the Placing Price:

Director	Number of Placing Shares	Total number of ordinary shares held following Admission	Percentage of Enlarged Share Capital
Dr Peter Chinneck	32,000,000	213,000,000	5.51
Adam Wilson	8,000,000	126,307,070	3.26
Mary Catherine Best*	6,666,666	201,495,299	5.21

* Stephen Best, who is the Managing Director of the Company, is the spouse of Mary Catherine Best, and a director of American Investments Limited. American Investments Limited holds 73,960,418 ordinary shares of 0.07 pence in the Company representing 1.91 per cent. of the Enlarged Share Capital.

Atlantic Chairman, Adam Wilson, said: "We are extremely pleased with the support we have received from new and existing shareholders, including the Company's principal investor, the Blackrock Smaller Companies Fund. The additional funds raised will enable us to continue to pursue a defined expansion strategy to build on Atlantic's current position through the acquisition of complementary assets particularly in the Pennsylvania anthracitic belt. To this end we are continuing to evaluate a number of opportunities."

Atlantic Managing Director, Steve Best, said: "We anticipate that the additional funds raised will enable us to progress quickly towards our target of increasing production and raising operating margins at our primary current producing asset, the Stockton Colliery in Pennsylvania. The Stockton Colliery is located in a key anthracite region with strong local

demand for our product range. With an increased cash position, we believe that we will be ideally placed to capitalise further upon our operational strengths, raise production and take advantage of the current global coal market. Accordingly, we look forward to updating shareholders with developments."

Conditions to the Placing

The Placing is conditional upon, inter alia, the passing of resolutions to give the Directors the authority to issue the Placing Shares free of any rights of pre-emption at a General Meeting of the Company, to be held at 10:00am on 3 March at 1 Berkeley Street, London W1J 8DJ (the "GM").

Subject to the approval of shareholders at the GM, it is expected that the Placing Shares will be admitted to trading on AIM on or around 4 March 2011. The Placing Shares will represent 41.36 per cent. of the enlarged share capital of Atlantic. The total enlarged issued share capital of Atlantic following Admission will be 3,868,772,016 ordinary shares of 0.07 pence each in the capital of the Company. The above figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Disclosure and Transparency Rules.

A circular will be posted to shareholders on or around 14 February 2011 and will be available at that time on the Company's website, www.atlanticcoal.com, in accordance with AIM Rule 26.

****ENDS****

For further information on the Company, visit: www.atlanticcoal.com or contact:

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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 ("ROM") 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.

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