

Company Atlantic Coal PLC
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**Atlantic Coal plc ("Atlantic" or the "Company")
Production update**

Atlantic Coal plc, the AIM listed open cast coal production and processing company with activities in Pennsylvania, USA, is pleased to announce a production update for the three months ended 31 March 2011 from the Stockton Colliery ('Stockton'), its opencast anthracite operation in Pennsylvania.

During the quarter, Atlantic mined 120,850 tons of run-of-mine coal ('ROM') and removed 658,785 bank cubic yards (BCYs) of overburden. 62,000 tons of ROM coal was washed which produced 28,376 tons of clean coal. Sales for the quarter were 31,238 tons at an average price of US\$134.25 per ton. In excess of 90,000 tons of good quality run-of-mine coal is also held as stock. These levels are in spite of the winter weather which caused some production curtailment. The Company is increasing weekly working hours to increase production in the current quarter and remains on target to produce an estimated 450,000-500,000 tons of ROM for 2011.

Production Summary:

Run-of-mine (tons)	Overburden Removed (bcy)	Production Tonnage (tons)	Coal Sales (tons)	Average Price (US\$)	Revenue (US\$)
120.850	658.785	28.376	31.238	134.25	4.2m

The coal pricing environment remains strong and continues to benefit from the high alternative demand for coking coal. The Board believes that prices will at least equal the average price in the current quarter as a minimum dealer summer discount price will be offset by higher industrial prices.

Atlantic Managing Director Steve Best said, "This has been a positive period for the Company during which we have focussed on driving growth in the business through increasing production at Stockton and identifying consolidation opportunities in the Pennsylvanian anthracite fields. Our production profile for the last quarter was close to that of our best three months achieved in 2010, despite severe weather conditions experienced throughout the region, and I am confident that our committed investment at Stockton will continue to improve the mine economics and subsequently build shareholder value."

****ENDS****

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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's strategy is to create a significant mid-tier coal company; both through the expansion of activities at Stockton 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
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