

Company Atlantic Coal PLC
TIDM ATC
Headline Update re. Anthracite Property in Pennsylvania
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**Atlantic Coal plc ("Atlantic" or the "Company")
Update re. Anthracite Property in Pennsylvania**

Atlantic Coal plc, the AIM listed open cast coal production and processing company with activities in Pennsylvania, USA, announces that following completion of a comprehensive due diligence programme, the Board has decided not to pursue its option to buy a 158 acre anthracite mining property located in the Boroughs of Duryea and Hughestown in Luzerne County, Pennsylvania (the "Asset"). Further details of the Asset are contained in the announcement made by the Company on 14 March 2011. Accordingly, the US\$700,000, which has been held in escrow by the Pennsylvania Bankruptcy Court since the option was secured, has been returned to the Company in line with the terms of the order.

Atlantic remains committed to its growth strategy of acting as a regional consolidator to extend its resource base in Pennsylvania where the Company has increased production capacity at its primary asset, the Stockton Colliery ("Stockton").

Atlantic Managing Director Steve Best said, "We have a stringent evaluation procedure in place to ensure that we find the right projects to fit our investment criteria. Initially the Asset looked promising but following due diligence, a number of issues arose, which led to our decision not to proceed any further with the Asset and to take refund of our US\$700,000 deposit.

"We raised £12.0 million on the back of our aggressive strategy to act as a

regional consolidator in the Pennsylvanian Coal Fields, and this transaction is one of many that we have been evaluating. Going forward, we are confident that we have the right team and a healthy balance sheet in place to build a significant multi-project operation and look forward to announcing further developments at the appropriate time."

****ENDS****

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

Steve Best	Atlantic Coal plc	Tel: 020 3328 5670
Nick Naylor	Allenby Capital Limited	Tel: 020 3328 5656
Alex Price	Allenby Capital Limited	Tel: 020 3328 5656
Peter Rose	FoxDavies	Tel: 020 3463 5030
Simon Leathers	FoxDavies	Tel: 020 3463 5010
Hugo de Salis	St Brides Media & Finance Ltd	Tel: 020 7236 1177
Elisabeth Cowell	St Brides Media & Finance Ltd	Tel: 020 7236 1177

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.

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