Corsa Coal Corp
The Coal Institute Summer Trade Seminar,
Myrtle Beach, SC
July 2018

Acosta Deep Mine – Day of Grand Opening
Somerset County, Pennsylvania
Certain statements and information set forth in this presentation constitute "forward-looking statements" and "forward-looking information" under applicable securities laws (collectively, "forward-looking statements"). Except for statements of historical fact, certain information contained herein constitutes forward-looking statements which include management's assessment of future plans and operations and are based on current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Some of the forward-looking statements include, but is not limited to, statements regarding the pro forma projections and information for Corsa and future oriented financial information. When used in this presentation, forward-looking statements may be identified by words such as "estimates", "expects" "anticipates", "believes", "projects", "plans", "pro forma" and similar expressions. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, many of which are beyond Corsa's control and may cause Corsa's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: liabilities inherent in coal mine development and production; geological, mining and processing technical problems; inability to obtain required mine licenses, mine permits and regulatory approvals or renewals required in connection with the mining and processing of coal; unexpected changes in coal quality and specification; risks that the coal preparation plants will not operate at production capacity during the relevant period; variations in the coal preparation plants' recovery rates; dependence on third party coal transportation systems; competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions; changes in commodity prices and exchange rates; changes in the regulations in respect to the use, mining and processing of coal; changes in regulations on refuse disposal; the effects of competition and pricing pressures in the coal market; the oversupply of, or lack of demand for, coal; currency and interest rate fluctuations; various events which could disrupt operations and/or the transportation of coal products, including labor stoppages and severe weather conditions; the demand for and availability of rail, port and other transportation services; and management's ability to anticipate and manage the foregoing factors and risks. The forward-looking statements and information contained in this presentation are based on certain assumptions regarding, among other things, coal sales being consistent with expectations; future prices for coal; future currency and exchange rates; Corsa's ability to generate sufficient cash flow from operations and access capital markets to meet its future obligations; the regulatory framework representing royalties, taxes and environmental matters in the countries in which Corsa conducts business; coal production levels; and Corsa's ability to retain qualified staff and equipment in a cost-efficient manner to meet its demand. While these assumptions, risks and uncertainties do not represent a complete list of factors which may cause events to be materially different than those expressed or implied by forward-looking statements in this presentation, they should be considered carefully. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The forward looking statements will not be updated unless required by law. The reader is cautioned not to place undue reliance on forward-looking statements. Unless otherwise specifically indicated, all references in this presentation to dollars or to "$" or "$USD" are to the currency of the United States, and all references to "$CAD" are to the currency of Canada.
Corsa Coal Corporation: Overview

- Growth-oriented premium quality metallurgical coal producer
- Operations in Pennsylvania and Maryland (4 deep mines, 2 surface mines, 3 preparation plants)
- 2018 Metallurgical Coal Sales Estimate: 2.1 – 2.5 million tons
  - Roughly 50% produced, 50% purchased from third parties
- Metallurgical Coal Customer Base: Steel and coke producers in the United States, Asia, South America, and Europe
  - 2018E Sales Mix: 80% export; 20% domestic
- Publicly traded on the Toronto Venture Exchange; Majority controlled by 3 private equity investors

Producer / Trader Business Model

1. Company Produced Tons

   Selling coal that Corsa produces from its active mine sites in Pennsylvania and Maryland. Largest margin contributor.

2. Value Added Services

   Selling coal that Corsa purchased and providing value added services such as storing, blending, washing, and loading

3. Sales & Trading Volumes

   Selling coal that Corsa purchases on a clean basis from suppliers outside the NAPP region and blending at the port
Corsa Sales & Trading combines existing Corsa low and high vol met coal production with purchased coals to market a greater variety of products and access more customers.

Sales & Trading Platform Highlights

◆ 2018 Metallurgical Sales Guidance:
  ◆ 2.45 million tons of metallurgical sales company-wide (midpoint of guidance)
    ◆ 1.7 million tons of low vol metallurgical coal; Balance is high vol and mid vol

◆ Customers served: USA, Asia, Europe, South America

◆ Capability to sell full vessels of low volatile metallurgical coal as well as high volatile and mid volatile blends.

◆ Can load at all US East Coast ports and can purchase coal from both CSX and Norfolk Southern-served rail loadouts

◆ Rapid Growth: 121% sales volume growth in 2017; Further growth in 2018
Four-Part Growth Strategy

**Goal:** 4 million tons per year of met coal sales by 2020

**Development of Permitted Projects**
- “Ready to go” portfolio with quick time to market
- Existing infrastructure enables low capital intensity
- Ability to Double LV Production

**Exploration and Permitting Program**
- Organic growth in Pennsylvania and Maryland
- Reserve replacement strategy – similar to oil & gas producer

**Export Sales & Trading Platform**
- Organic growth
- Low vol foundation with dual rail access
- Blending opportunities

**Acquisitions, Business Development**
- Management and Board have M&A backgrounds
- Track record of integration and extracting synergies
Metallurgical Coal Price History


Prices expressed on a $/metric ton, FOB Port basis
Marginal Cost Curve: **Historical** Price Floor

**Marginal Supply Cost Curve Analysis (2000 – 2016)**

- **Marginal Supply Cost Curve**
- **Benchmark Met Coal Price**

### 2009 Met Coal Benchmark:
- **$129 / Metric Ton**

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**TSX-V: CSO**
Marginal Cost Curve: Recent Price Floor

Cost Inflation is having a major impact on margins for met producers. The cost curve is dynamic and many costs are variable as the market changes.

<table>
<thead>
<tr>
<th>Mining Cost Categories</th>
<th>Increase vs 2016 Levels</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages &amp; Fringes</td>
<td>➕ 26%</td>
</tr>
<tr>
<td>Royalties</td>
<td>➕ 40%</td>
</tr>
<tr>
<td>Trucking</td>
<td>➕ 40%</td>
</tr>
<tr>
<td>Services / Consumables</td>
<td>➕ 13%</td>
</tr>
<tr>
<td>Rail</td>
<td>➕ 83%</td>
</tr>
<tr>
<td><strong>Overall: Delivered to Port</strong></td>
<td>➕ 40%</td>
</tr>
</tbody>
</table>

Source: Company estimates of room and pillar underground mining operations in CAPP/NAPP
Forward Pricing: Is the Equity Market missing something?

Data Points on 2019-2020 Pricing

3% - 4% cost inflation represents $4 - $6 per ton of average annual increase at today’s marginal cost.

Futures data from 7/12/18
Metallurgical Price History: Inflation Rates

Today's Spot price represents falls within range of 3% to 4% cost inflation since 2006

Is there more of a pattern in met pricing than we think?
Metallurgical Coal Supply Curve

Metallurgical Coal Cost Curve (Oct 2017)

Exhibit 22: Estimated 2017E All-In Cash Cost Curve, Adjusted For Quality (i.e. Breakeven Analysis)

Oct 2017 90% percentile: $140+

Source: Clarsons Platou Securities Inc. Estimates, Company Documents
China’s Impact on the Seaborne Coking Coal Price

China produces approximately 50% of the world’s coking coal and steel. Their policies set the price of met coal.

China Cost Profile: High

- Restructuring in China has looked very different than what occurred in the United States. Coal producers still highly levered.
- Mining costs and logistics costs are high
- Discipline and supply reform achieved through workday restrictions, industry consolidation, and environmental controls
- Key Takeaway: Coal and steel industries are key drivers of China’s economic growth and profitable prices are needed to accomplish policy objectives

Source: Platts, Macquarie Strategy, April 2018
China’s Impact on the Seaborne Coking Coal Price

China produces approximately 50% of the world’s coking coal and steel. Their policies set the price of met coal.

Chinese Met Coal Producers Limit Supply

- June 26, 2017: Four of China’s largest met coal producers announced plans to cut an initial 13-14 million tons of production.
- The move came when premium low vol coking coal prices dipped below $140/mt FOBT

Shanxi Coking Coal Stated Cost Structure (1)

<table>
<thead>
<tr>
<th></th>
<th>Plant</th>
<th>Rail</th>
<th>CFR China</th>
<th>FOB Aus</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,300 RMB</td>
<td>300 RMB</td>
<td>$182</td>
<td>$175</td>
</tr>
<tr>
<td>Implied Breakeven Pricing (2)</td>
<td>1,040 RMB</td>
<td>300 RMB</td>
<td>$153</td>
<td>$146</td>
</tr>
</tbody>
</table>

May – August 2017 Price Movements

- May – August 2017:
  - Thermal Coal Price Target:
    - 500 to 575 RMB per ton
    - USD $72.50 to $83.50 per ton
  - Implied Metallurgical Coal Price
    - $138 to $158 per ton

The above data points are from October 2016

(1) Assumes 6.88 RMB to USD conversion rate and 1.28 DDP Tangshang to CFR China (Qingdao) ratio
(2) Assumes 35% preparation plant yield
Australian exchange rate weakness further enhancing profitability of Australian producers.

US Economy
- Robust GDP Growth
- Record low unemployment
- Interest rates rising to unwind a decade worth of loose monetary policy
Premium Low Vol Pricing by Currency

- USD per Met Ton
- AUD per Met Ton
- CAD per Met Ton

Exchange Rates Benefitting Australia and Canada Tons

$60/ton delta
Steel Price History

Historical Steel Pricing (2001 – 2018)

July 9, 2018

Western Europe ex-works

USA FOB mill

World Export FOB port of export

China ex-works

June 30, 2018
Steel Demand, Output, and Margins remain robust globally.

Source: Macquarie Research
Pig Iron production mix will shift over the next 10 years in a manner that benefits seaborne traded coal.

<table>
<thead>
<tr>
<th>Pig iron production by region (000s metric tonnes)</th>
<th>2016</th>
<th>2017 estimate</th>
<th>2018 forecast</th>
<th>2020 forecast</th>
<th>2022 forecast</th>
<th>2025 forecast</th>
<th>2028 forecast</th>
<th>+/- 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU</td>
<td>75,808</td>
<td>77,742</td>
<td>79,070</td>
<td>79,450</td>
<td>79,602</td>
<td>79,846</td>
<td>80,111</td>
<td>1,041</td>
</tr>
<tr>
<td>Other Europe</td>
<td>27,875</td>
<td>28,555</td>
<td>29,263</td>
<td>30,424</td>
<td>31,537</td>
<td>33,300</td>
<td>35,183</td>
<td>5,920</td>
</tr>
<tr>
<td>C.I.S.</td>
<td>79,103</td>
<td>75,977</td>
<td>75,862</td>
<td>76,849</td>
<td>78,337</td>
<td>80,674</td>
<td>83,146</td>
<td>7,285</td>
</tr>
<tr>
<td>North America</td>
<td>33,008</td>
<td>32,946</td>
<td>31,602</td>
<td>31,499</td>
<td>29,003</td>
<td>28,141</td>
<td>27,793</td>
<td>-3,809</td>
</tr>
<tr>
<td>South America</td>
<td>32,730</td>
<td>35,109</td>
<td>35,412</td>
<td>35,964</td>
<td>36,745</td>
<td>37,954</td>
<td>42,005</td>
<td>6,593</td>
</tr>
<tr>
<td>Africa</td>
<td>3,609</td>
<td>3,427</td>
<td>3,528</td>
<td>3,788</td>
<td>4,322</td>
<td>4,898</td>
<td>5,554</td>
<td>2,026</td>
</tr>
<tr>
<td>Middle East</td>
<td>2,251</td>
<td>2,293</td>
<td>2,278</td>
<td>2,356</td>
<td>2,449</td>
<td>2,595</td>
<td>2,749</td>
<td>471</td>
</tr>
<tr>
<td>Asia* of which</td>
<td>899,438</td>
<td>920,198</td>
<td>914,828</td>
<td>904,733</td>
<td>897,898</td>
<td>889,295</td>
<td>882,833</td>
<td>-31,995</td>
</tr>
<tr>
<td>China</td>
<td>695,175</td>
<td>715,431</td>
<td>707,060</td>
<td>690,080</td>
<td>677,876</td>
<td>659,972</td>
<td>642,542</td>
<td>-64,518</td>
</tr>
<tr>
<td>India</td>
<td>62,907</td>
<td>64,777</td>
<td>67,702</td>
<td>73,741</td>
<td>80,481</td>
<td>91,763</td>
<td>104,627</td>
<td>36,925</td>
</tr>
<tr>
<td>Japan</td>
<td>80,186</td>
<td>78,330</td>
<td>78,932</td>
<td>79,492</td>
<td>77,786</td>
<td>75,295</td>
<td>72,884</td>
<td>-6,048</td>
</tr>
<tr>
<td>S. Korea</td>
<td>46,336</td>
<td>46,744</td>
<td>46,168</td>
<td>46,331</td>
<td>46,498</td>
<td>46,749</td>
<td>47,002</td>
<td>815</td>
</tr>
<tr>
<td>Taiwan</td>
<td>14,833</td>
<td>14,916</td>
<td>14,946</td>
<td>15,089</td>
<td>15,258</td>
<td>15,516</td>
<td>15,778</td>
<td>832</td>
</tr>
<tr>
<td>Oceania</td>
<td>4,313</td>
<td>4,441</td>
<td>4,438</td>
<td>4,331</td>
<td>4,356</td>
<td>4,394</td>
<td>4,433</td>
<td>-5</td>
</tr>
<tr>
<td>Grand total</td>
<td>1,158,135</td>
<td>1,180,688</td>
<td>1,175,281</td>
<td>1,169,394</td>
<td>1,164,249</td>
<td>1,161,099</td>
<td>1,163,807</td>
<td>-12,475</td>
</tr>
</tbody>
</table>

* India and Brazil adjusted

The 41 countries represented account for about 90% of world blast furnace pig iron production in 2018.

Source: WSA, IHS Markit  © 2018 IHS Markit
IHS forecasts a supply deficit on the seaborne market for hard coking coal.

### Seaborne Coal Supply / Demand

#### Supply-demand balance – Hard coking coal (000t)

<table>
<thead>
<tr>
<th>Import demand</th>
<th>2016</th>
<th>2017</th>
<th>2018 estimate</th>
<th>2020 forecast</th>
<th>2025 forecast</th>
<th>2028 forecast</th>
<th>Diff 2018 +/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Coking Coal</td>
<td>272,449</td>
<td>285,394</td>
<td>286,596</td>
<td>299,099</td>
<td>326,748</td>
<td>342,720</td>
<td>56,125</td>
</tr>
<tr>
<td>Seabn Coking</td>
<td>235,057</td>
<td>245,227</td>
<td>247,296</td>
<td>259,655</td>
<td>284,424</td>
<td>298,403</td>
<td>51,106</td>
</tr>
<tr>
<td>Non Seaborne</td>
<td>37,993</td>
<td>40,168</td>
<td>39,299</td>
<td>39,444</td>
<td>42,324</td>
<td>44,317</td>
<td>5,018</td>
</tr>
<tr>
<td>Less Weak/SS/</td>
<td>46,837</td>
<td>47,202</td>
<td>47,222</td>
<td>48,758</td>
<td>49,437</td>
<td>50,605</td>
<td>3,382</td>
</tr>
</tbody>
</table>

#### Supply

<table>
<thead>
<tr>
<th>Country</th>
<th>2016</th>
<th>2017</th>
<th>2018 estimate</th>
<th>2020 forecast</th>
<th>2025 forecast</th>
<th>2028 forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>120,950</td>
<td>111,000</td>
<td>118,000</td>
<td>126,000</td>
<td>139,374</td>
<td>141,571</td>
</tr>
<tr>
<td>Cap Utilisation</td>
<td>86.8%</td>
<td>76.4%</td>
<td>80.3%</td>
<td>87.5%</td>
<td>96.0%</td>
<td>96.5%</td>
</tr>
<tr>
<td>Canada (exc USA)</td>
<td>25,163</td>
<td>24,179</td>
<td>23,869</td>
<td>24,638</td>
<td>36,990</td>
<td>35,910</td>
</tr>
<tr>
<td>Cap Utilisation</td>
<td>101.9%</td>
<td>95.4%</td>
<td>85.2%</td>
<td>75.0%</td>
<td>90.0%</td>
<td>90.0%</td>
</tr>
<tr>
<td>USA (excl Canada)</td>
<td>30,782</td>
<td>43,313</td>
<td>41,367</td>
<td>38,571</td>
<td>30,965</td>
<td>35,731</td>
</tr>
<tr>
<td>Cap Utilisation</td>
<td>73.9%</td>
<td>92.9%</td>
<td>87.8%</td>
<td>81.0%</td>
<td>65.0%</td>
<td>75.0%</td>
</tr>
<tr>
<td>Poland</td>
<td>350</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>200</td>
<td>203</td>
</tr>
<tr>
<td>China</td>
<td>408</td>
<td>816</td>
<td>709</td>
<td>709</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Russia</td>
<td>6,367</td>
<td>7,986</td>
<td>7,500</td>
<td>8,000</td>
<td>8,800</td>
<td>8,800</td>
</tr>
<tr>
<td>New Zealand</td>
<td>313</td>
<td>313</td>
<td>313</td>
<td>313</td>
<td>313</td>
<td>313</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1,200</td>
<td>1,200</td>
<td>1,200</td>
<td>1,500</td>
<td>4,500</td>
<td>5,400</td>
</tr>
<tr>
<td>Mozambique</td>
<td>3,380</td>
<td>4,727</td>
<td>4,780</td>
<td>9,440</td>
<td>10,980</td>
<td>10,980</td>
</tr>
</tbody>
</table>

#### Tot Seabane Supply

<table>
<thead>
<tr>
<th></th>
<th>188,912</th>
<th>193,734</th>
<th>197,938</th>
<th>209,370</th>
<th>232,621</th>
<th>239,408</th>
<th>41,470</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global CU (US @ max mt)</td>
<td>70.2%</td>
<td>71.7%</td>
<td>75.8%</td>
<td>84.3%</td>
<td>86.7%</td>
<td>00.0%</td>
<td></td>
</tr>
<tr>
<td>Unmet demand</td>
<td>-693</td>
<td>4,292</td>
<td>2,136</td>
<td>1,527</td>
<td>2,366</td>
<td>8,391</td>
<td></td>
</tr>
</tbody>
</table>

*Adjusted for demand from Egypt, Pakistan, Algeria, Indonesia, Philippines, Vietnam, Thailand and Malaysia.

Source: IHS Markit

© 2018 IHS Markit
High Steel and Coke Prices + Supply Chain Difficulty will lead to continued high prices

- It’s all about China (for now)
- Port congestion = Global problem
- Everyone is making money
- Australian majors no longer pursuing a market share strategy
- India’s growth and China’s forecasted reduction will increase demand for seaborne traded HCC

Exhibit 6: If we adjust Chinese domestic met coal output by a small amount, the impact on the seaborne market is large

Source: SXcoal, BMO Capital Markets
Domestic Market Thoughts: Historical Pricing

- Domestic market has less volatility than the export market
- Function of negotiation leverage (in a strong market) and cost prohibitive nature of met coal imports (in a weak market)
Significant growth in US Met Exports. Significant tons pulled out of domestic market.

<table>
<thead>
<tr>
<th>Port</th>
<th>YTD May 2018 Exports</th>
<th>Increase vs YTD 2017 Levels</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baltimore</td>
<td>4,506</td>
<td>669</td>
<td>17.5%</td>
</tr>
<tr>
<td>Hampton Roads</td>
<td>13,312</td>
<td>1,886</td>
<td>16.5%</td>
</tr>
<tr>
<td>Mobile</td>
<td>4,702</td>
<td>550</td>
<td>13.2%</td>
</tr>
<tr>
<td><strong>Total from Above</strong></td>
<td><strong>22,502</strong></td>
<td><strong>3,105</strong></td>
<td><strong>13.8%</strong></td>
</tr>
<tr>
<td><strong>Annualized 2018</strong></td>
<td><strong>75,263</strong></td>
<td><strong>6,132</strong></td>
<td><strong>16.7%</strong></td>
</tr>
</tbody>
</table>

Source: Energy Ventures Analysis
Domestic Market Thoughts

- Bidding season started very early
- Extreme Coal Inventory Tightness – Recent emergencies
- Steel prices at 10-year highs; High margins for Steel companies. Cost of disruption = very high
- Rail logistics a great supply chain concern
- Price – Service - Availability
- 2019 Domestic coal pricing likely to be stronger than 2018 levels
Where are Metallurgical Coal Prices Headed?

**BOLD PREDICTIONS**

- CY 2019 Australian low vol prices to average >$170/mt FOB vessel
- Cost inflation + Logistics create disappointment vs expectations
- Continued supply rationalization in China
- More mergers & acquisitions in the sector

**Leading Indicators**

- Debottlenecking US / AUS logistics
- Chinese domestic pricing
- Currency: RMB, AUD, USD
- Chinese policy decisions
- Steel and coke prices
QUESTIONS?