



The Bridge

Special Situations Report

October 17, 2021



Colonial Coal International Corporation | CAD:TSX.v - The explosive nature of coking coal brings me to do a special write up on Colonial Coal. Over the past 7 weeks, Met Coal FOB Vancouver went from \$178 m/t USD 4 weeks ago to well over \$600 m/t USD! If that has not caught your attention then CAD.v has moved from .70-.75 CDN to a 15 year high of \$2.14, and Friday's close \$2.06!

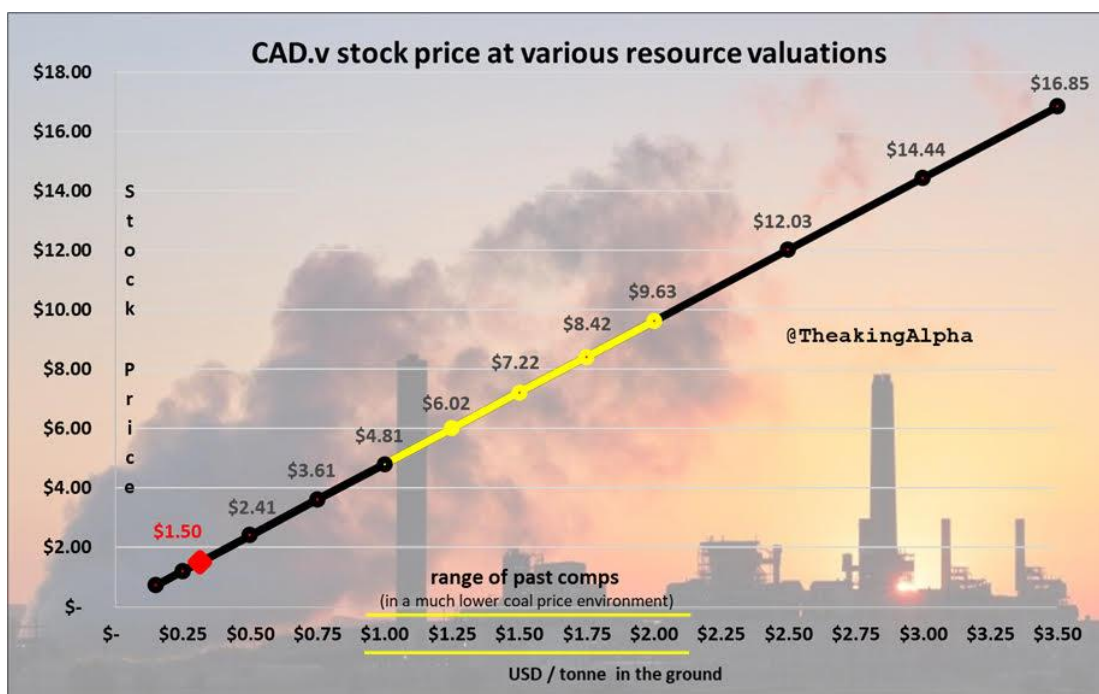
We are now in "to the moon" territory. Somehow, I don't give it the same umph as Ralph Crampton. Over the past few weeks, I've been privileged to introduce many large institutional fund managers to the Colonial story as well as the executive management team.





Understanding the math on this now is critical and why we're about to see unprecedented moves in the stock, so here is a short list of what most people asked me on Fridays close, up .46 for the day (in no particular order).

1) Unprecedented move in Coke Coal, not over yet do we see \$800 USD m/t? 2) A global shortage due to mine closures, Covid and supply disruption both the chain and the dispute from Australia & China. 3) Global infrastructure expenditures about to take place and massive shortage, and not just for China. 4) Most people don't realize that the largest elevator companies and the largest car manufactures in the world make their own steel! So suffice to say, DEMAND is huge... now, just as David Letterman did his top ten, here is our #10. Colonial Coal has 184M shares outstanding and within that book there are around 170M in tight control. I've been privileged to talk to 5 of them. In doing my math with the +/- factor 2% the float could be as low as 7 M shares or as high as 12M shares. 11) If Institutional Banks start writing up research on Colonial Coal, then the big guns come to the table.



If in the next few weeks, the stock continues the large gap movements then we all have our answer to the question of the day, "What's going on?" Is it buy at any price? Is the door about to be closed because an offer is looming? Are people realizing how large demand is?

No one should make money on speculation (well :-) but facts, you have to turn over coal to get to them, which means dirt under the finger nails (geology 101, coal is dirty unless it's green).

On Bloomberg NYC the head of commodity trading from B of A was interviewed, I'm using his quote here, "the world is only coming to the realization... this is NOT a light switch"! The nay sayers, the green machine and the tree huggers are all now being made aware for the foreseeable future that to bake a cake, you need flour and sugar, to make steel, you need Iron Ore and Coking Coal, everything else, is a flop. Now do your own DD.

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