

## Mining start-up CCL starts shipping US Black Bear high-vol coking coal

- Canada's CCL targets further US coking coal mine expansion
- Black Bear to expand output in 2022, 2023
- Black Bear rated as a low ash, low sulfur high-vol HCC

*London*—Canadian mining start-up Coking Coal Pty Ltd. this week loaded the first train of its US high-vol coking coal from Central Appalachia for export via Hampton Roads, as part of its plans to expand from new underground met coal mines while operating with an environmental, social and governance (ESG) mindset.

CCL finished loading the first train with newly washed Black Bear high-vol hard coking coal on May 11, and plans to rail its first two trains to Norfolk Southern's Lamberts Point terminal in Virginia for export customers during May.

Black Bear is expected to have typical specifications including ash at 6.5%, 0.75-0.80% sulfur, 30,000 ddpm and very low basicity, all on a dry basis.

The coal's fluidity and low sulfur may position the coal between high-vol A and current high-vol B coals, CCL's Chief Marketing Officer Ty Zehir said in an interview from Calgary.

"The company will focus the coal's sales on Europe and South America, to become a long-term export supplier, while developing opportunities to diversify sales in existing and new Asian markets," Zehir said.

CCL can offer development of specific blends for mills, which may help lower emissions.

CCL expects by the end of this year, Black Bear high-vol production may be 350,000-500,000 mt, the closely-held Calgary-based company said in an update.

CCL plans to produce 1.5 million-2 million mt in 2022 from the Pardee Complex, and reach 3.5 million mt in 2023. The former Pardee Complex was operated by Arch Resources prior idling in 2016, at a time of low market prices.

Now, with tight supply in high-vol HCC, spot prices have risen – Platts US export high-vol B assessment is up 25% since the start of 2021 to \$152/mt FOB US East Coast on May 12 – on stronger steel production in the Atlantic region and increased demand for blending with low-vol coals.

Market interest in new US coking coal supplies have picked up, as buyers look for alternatives and optionality, with greater focus on coke qualities.

CCL plans to develop new mines in the US, and offer a range of coking coal qualities, with a strategy to manage carbon emissions, and help lower Scope 3 emissions for users.