

# Coking coal price soars over \$300 per ton

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For Canadian coking coal companies like our own Colonial Coal, this is excellent news and the share price has responded accordingly, as the price in Canadian dollars has risen to CAD \$375 per ton, which equates to a handsome profit for those Canadian based miners already in production, where typical costs are CAD \$140 FOB.



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Late last year the coking coal price increased to \$308 per ton, as the Chinese government cut back on some mine production at a time when the demand for steel was increasing. The price ran back again after the price increase as fears emerged that the Chinese would allow some recently shut mines to resume production.

Coking coal prices have doubled in the last few weeks, since the cyclone, and now the Chinese are turning away North Korean freighters loaded with coal as part of the sanctions being applied to that country due to the nuclear testing and ballistic missile tests.

With Australia up to around a month away from resuming full production, coking coal prices are expected to remain high in the near term.

