

Colonial Coal and Tuya Energy shareholders vote in favour of the plan of arrangement

Colonial Coal International Corp. {TSX.V: CAD} and Tuya Energy Inc. shareholders have both voted in favour of the acquisition by Colonial Coal of the shares of Tuya Energy Inc.

The votes now require court approval, upon which the newly enlarged Colonial Coal will have substantial assets and a good treasury with which to move towards becoming a medium size coal miner.

Comment

This hurdle has given the green light to Colonial becoming a company of some substance, with resources in both metallurgical and thermal coal, all in a safe mining jurisdiction.

The combined treasury will allow Colonial to drill Flatbed and increase shareholder value if they are successful on that property, and makes Colonial a much larger player in the B.C. coal mining scene.

David Austin is noted as a dealmaker, and, with this transaction out of the way, he will have some ammunition to use if some stranded assets become available in a fire sale.

This deal will be the envy of those companies that cannot conclude such a deal, as the healthy treasury offers an opportunity that those without a treasury can only dream about in this terrible market where fundraisings are so difficult to achieve, and at the cost of huge dilution.

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Mr. David Austin reports

Colonial Coal and Tuya Energy shareholders approve acquisition of Tuya by Colonial

Colonial Coal International Corp. {TSX.V: CAD} and **Tuya Energy Inc.'s** plan of arrangement, pursuant to which Colonial will acquire all of the issued and outstanding common shares of Tuya was approved by shareholders of Colonial and Tuya at their respective shareholder meetings held on March 19, 2015. Of the votes cast at the Colonial shareholder meeting, 99.7 per cent of Colonial shareholders voted in favour of the special resolution approving the arrangement (99.5 per cent after excluding the votes cast by directors and officers of Colonial and Tuya). Of the votes cast at the Tuya shareholder meeting, 100 per cent of Tuya shareholders voted in favour of the special resolution approving the arrangement.

Under the arrangement, each Tuya shareholder will be entitled to receive 0.5 of a common share of Colonial for each Tuya share held. Tuya is seeking a final order of the Supreme Court of British Columbia to approve the arrangement at a hearing expected to be held on March 26, 2015. In addition to the approval of the court, the arrangement is subject to the satisfaction of other closing conditions customary in a transaction of this nature. It is currently expected that, **subject to receipt of all approvals, the transaction will close on or about March 31, 2015.**

Full details of the arrangement and certain other matters are set out in the joint management information circular of Colonial and Tuya dated Feb. 17, 2015. A copy of the information circular and other Colonial meeting materials can be found under Colonial's profile on SEDAR.

