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Colonial Coal own significant deposits of coking coal in the Peace River area of British Columbia, surrounded by major players, and are a strong candidate for some corporate activity as Indian and Chinese steel companies, amongst others, seek to ensure future supply by purchasing assets in the ground.

Unlike thermal coal, used for power generation, metallurgical (coking) coal has no substitute in the manufacture of steel. For this reason the major steel producers are looking to lock in supply.

Colonial Coal CEO David Austin has successfully concluded two deals in the past, selling Western Canadian Coal to Walter Energy for US$3.2 billion, and then founding and selling NEMI, and is now looking to conclude his hat trick with Colonial Coal.

With a strong board of directors, all experienced specifically in coal, David has built an experienced team that are well capable of delivering shareholder value.

Colonial Coal are well worth putting on one’s watchlist and following closely in 2020, in my opinion.