

# Colonial Coal surges 40% on the back of the rising coking coal price

**Colonial Coal {TSX.V: CAD}** rose strongly today on the back of a rapidly rising coking coal price.

Volume was much heavier than usual, as investors saw the undervaluation given the lower Canadian \$ value versus the US dollar, making Canadian sourced coal cheaper and more attractive.

Colonial, has a resource of 400 million tons in Huegenot B.C., and also their highly prospective Flatbed property, waiting to be drilled.

**Colonial Coal surges 40% in a single day as coking coal price reaches new recent highs.**

**Colonial Coal {TSX.V: CAD}** has suffered harshly during the downturn in the Coking coal sector, where the price slid for an unprecedented 10 consecutive quarters, driving down the share prices of coal exploration and development companies such as Colonial Coal.

Recently the price of coking coal has risen strongly, partly due to supply being constrained as uneconomic mines were mothballed, and partly because of rising Chinese demand coupled with some of their own mines coming offline due to

infrastructure and weather problems.

Given the exchange rate of US\$1 v CAD \$1.33, Canadian coking coal is now around the \$1.80 level, which is certainly economic, and then some.

Should the coal price remain where it is or move even higher, companies like **Colonial Coal** may well turn out to be the new darlings of the market, maybe even replacing in popularity the lithium companies that were all the rage six months ago?

Who would have thought it?