



Corsa Coal Corp. Investor Presentation May 2020



Forward Looking Information and Statements



TSX-V: CSO | OTCQX: CRSXF

Certain information set forth in this Presentation contains “forward-looking statements” and “forward-looking information” (collectively, “forward-looking statements”) under applicable securities laws. Except for statements of historical fact, certain information contained herein relating to price volatility of the metallurgical coal market, the future demand for metallurgical coal and the availability of its supply constitutes forward-looking statements which include management’s assessment of future plans and operations and are based on current internal expectations, assumptions and beliefs, which may prove to be incorrect. Some of the forward-looking statements may be identified by words such as “will”, “estimates”, “expects”, “anticipates”, “believes”, “projects”, “plans”, “capacity”, “hope”, “forecast”, “anticipate”, “could” and similar expressions. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties. These risks and uncertainties include, but are not limited to: changes in market conditions, governmental or regulatory developments as a result of the COVID-19 pandemic or otherwise, the operating status and capabilities of our customers and competitors; various events which could disrupt operations and/or the transportation of coal products, including labor stoppages, the outbreak of disease and severe weather conditions; and management’s ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The reader is cautioned not to place undue reliance on forward-looking statements. Corsa does not undertake to update any of the forward-looking statements contained in this Presentation unless required by law. The statements as to Corsa’s capacity to produce coal are no assurance that it will achieve these levels of production or that it will be able to achieve these sales levels.

Additional Information



TSX-V: CSO | OTCQX: CRSXF

Non-GAAP Measures

Management uses realized price per ton sold, cash production cost per ton sold, cash cost per ton sold, cash margin per ton sold, EBITDA and adjusted EBITDA as internal measurements of financial performance for Corsa's mining and processing operations. These measures are not recognized under International Financial Reporting Standards ("GAAP"). Corsa believes that, in addition to the conventional measures prepared in accordance with GAAP, certain investors and other stakeholders also use these non-GAAP financial measures to evaluate Corsa's operating and financial performance; however, these non-GAAP financial measures do not have any standardized meaning and therefore may not be comparable to similar measures presented by other issuers. Accordingly, these non-GAAP financial measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. Reference is made to the management's discussion and analysis for the three months ended March 31, 2020 for a reconciliation and definitions of non-GAAP financial measures to GAAP measures.

Corsa defines adjusted EBITDA as EBITDA (earnings before deductions for interest, taxes, depreciation and amortization) adjusted for change in estimate of reclamation provision for non-operating properties, impairment and write-off of mineral properties and advance royalties, gain (loss) on sale of assets and other costs, stock-based compensation, non-cash finance expenses and other non-cash adjustments. Adjusted EBITDA is used as a supplemental financial measure by management and by external users of our financial statements to assess our performance as compared to the performance of other companies in the coal industry, without regard to financing methods, historical cost basis or capital structure; the ability of our assets to generate sufficient cash flow; and our ability to incur and service debt and fund capital expenditures.

Other Matters

Unless otherwise noted, all dollar amounts in this presentation are expressed in United States dollars and all ton amounts are short tons (2,000 pounds per ton). Pricing and cost per ton information is expressed on a free-on-board, or FOB, mine site basis, unless otherwise noted.

On January 30, 2020, the World Health Organization declared the COVID-19 outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared COVID-19 a pandemic. The current COVID-19 pandemic is significantly impacting the global economy and commodity and financial markets. The full extent and impact of the COVID-19 pandemic is unknown, and rapidly evolving. Given the extreme volatility in financial markets and commodity prices, along with uncertainty regarding the impact thereof on the performance of the Company, the Company does not believe it is appropriate to issue full year guidance for at this time for fiscal 2020 or to provide additional forward-looking information. The Company will continue to evaluate events and circumstances and will provide guidance and other forward-looking information when appropriate and as information is available.

Other than as otherwise described on slide 15, all scientific and technical information contained in this news release has been reviewed and approved by Peter V. Merritts, Professional Engineer and the Company's CEO, who is a qualified person within the meaning of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

Corsa Coal Overview



TSX-V: CSO | OTCQX: CRSXF

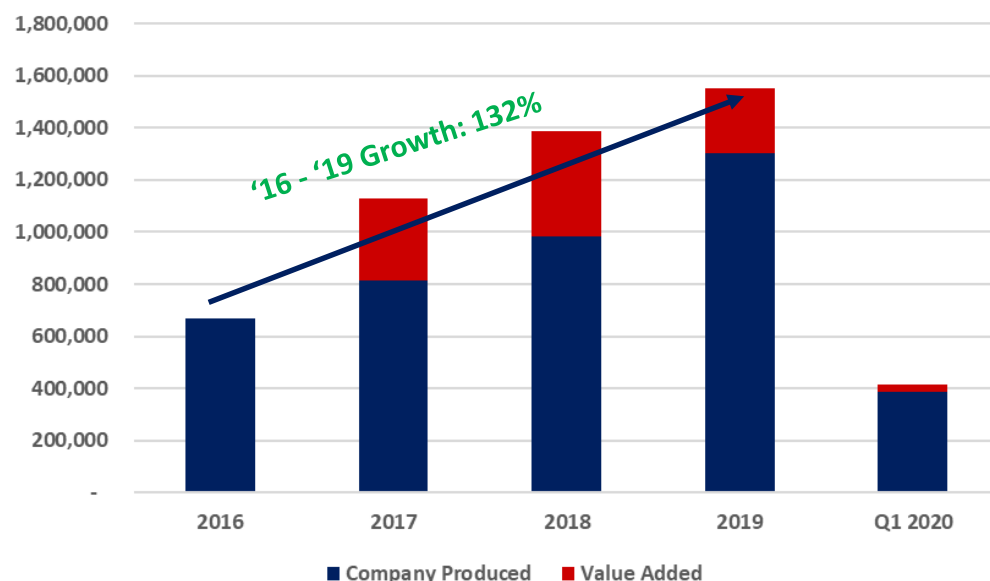
- **Pure play** metallurgical coal producer (no thermal coal) with significant leverage to metallurgical coal prices
 - 2016-2019: 132% growth in metallurgical coal sales
- **Active Operations:** 3 deep mines, 2 surface mines, located in PA and MD
- **Customers:** Integrated steel and coke producers



| <u>Metallurgical Coal Sales</u> | <u>Q1 2020</u> | <u>2019</u> |
|--|----------------------|----------------------|
| Low Vol Sales Tons (margin generating) | 0.414 million | 1.552 million |
| Sales & Trading Tons (pass-through) | 0.035 million | 0.281 million |
| Total Metallurgical Sales Tons | 0.449 million | 1.833 million |
| Low Vol Sales Tons Mix: % Domestic | 34% | 37% |
| Low Vol Sales Tons Mix: % Export | 66% | 63% |

Currently trading at a 1.2x multiple of trailing twelve months Adjusted EBITDA⁽¹⁾

Strong Record of Growth, Shifting to Harvest Phase



High Quality Ownership

- Quintana Capital Group (45% fully diluted ownership)
 - Quintana affiliates are the largest owners of coal reserves in the United States
- Sprott Resource Coal Holdings (16%)
- Family of Lukas Lundin (15%)
 - Highly successful mining and oil & gas investor

Market Cap: \$13 million⁽¹⁾
Enterprise Value: \$31 million⁽¹⁾

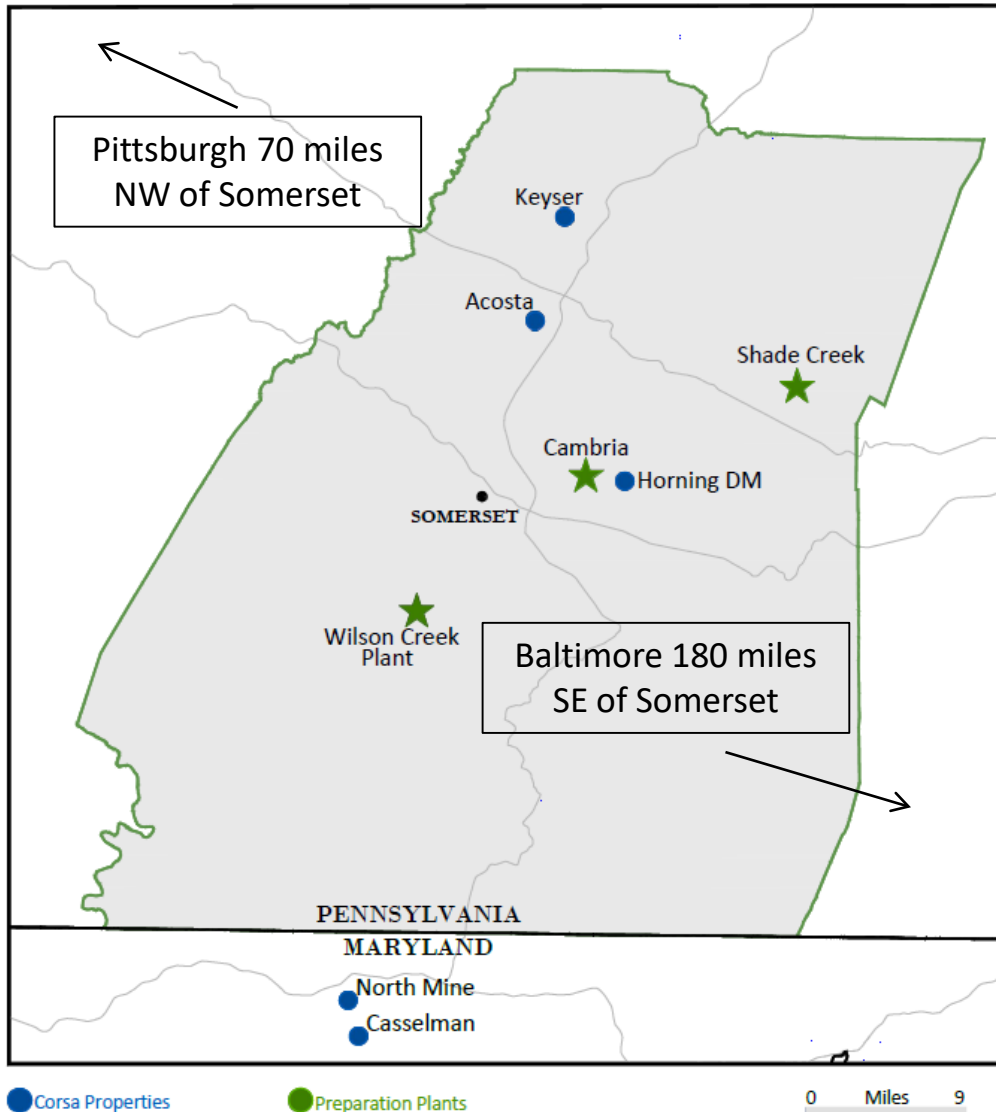
(1) As of April 30, 2020

NAPP Division Overview



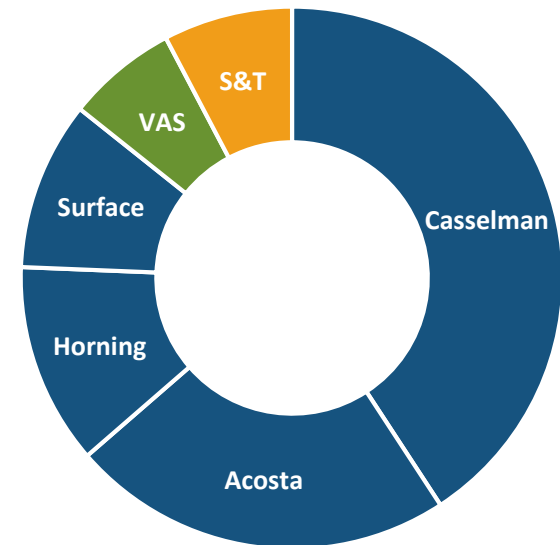
TSX-V: CSO | OTCQX: CRSXF

NAPP Division Operating Locations



Producer-Trader Model

- Corsa reported 2020 Q1 sales of 0.449 million tons



Company Mine
(Produced)

Value Added Services
(Purchased)

Sales & Trading
(Purchased)

Infrastructure

- Up to 4 million clean tons per year of processing plant capability
- Three preparation plants with refuse disposal sites and rail loadouts
 - Cambria Preparation Plant (CSX)
 - Shade Creek Preparation Plant (NS)
 - Rockwood Preparation Plant (CSX) (Plant currently idle)

Corsa Coal Revenue Streams



TSX-V: CSO | OTCQX: CRSXF

| | Low Vol Met Coal | Margin Generating | Passes through Prep Plants |
|-----------|--|--|----------------------------|
| 1. | Company Produced Tons Definition: Coal that we mine from our operational sites and sell to customers. | % of Q1 2020 Tons Sold: 86% % of Q1 2020 Gross Margin: 93% % of 2019 Tons Sold: 71% % of 2019 Gross Margin: 87% | |
| 2. | Value Added Services Tons Definition: Coal that we purchase locally on a raw basis and wash, store, blend and load. Placed on existing Corsa sales orders. | % of Q1 2020 Tons Sold: 7% % of Q1 2020 Gross Margin: 7% % of 2019 Tons Sold: 14% % of 2019 Gross Margin: 13% | |

| | High Vol Met Coal | Pass-through Profitability | Purchased from 3 rd Parties |
|-----------|---|---|--|
| 3. | Sales & Trading Tons Definition: Coal purchased typically from the Central Appalachia region on a finished basis and blended at the port for export customers. Coal blends create customized products to meet customer needs. | % of Q1 2020 Tons Sold: 7% % of Q1 2020 Gross Margin: 0% % of 2019 Tons Sold: 15% % of 2019 Gross Margin: 0% | |

Source: Company filings

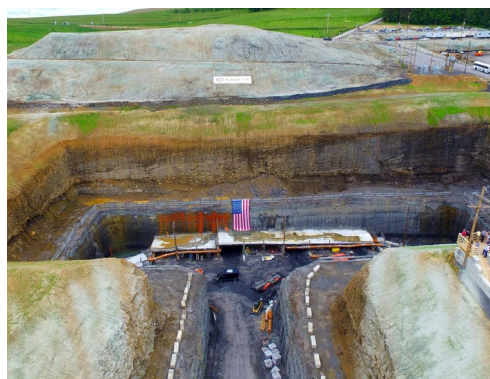
Revenue Stream 1: Company Produced Tons

Corsa's mines produced 1.355 million tons in 2019 and 0.422 million tons in Q1 2020



Casselman

Q1 2020: 201,000 tons
2019: 635,000 tons
Reserves: 3.0 million tons⁽¹⁾



Acosta

Q1 2020: 112,000 tons
2019: 401,000 tons
Reserves: 15.0 million tons⁽¹⁾



Horning

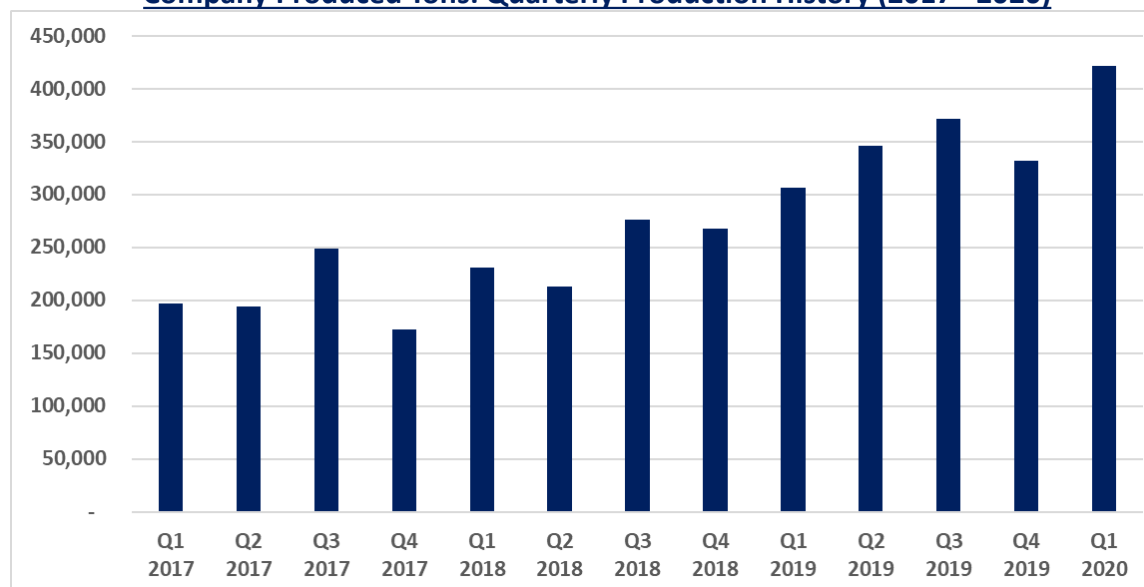
Q1 2020: 59,000 tons
2019: 181,000 tons
Reserves: 2.0 million tons⁽¹⁾



Surface Mines

Q1 2020: 50,000 tons
2019: 138,000 tons
Reserves: 1.1 million tons⁽¹⁾

Company Produced Tons: Quarterly Production History (2017 –2020)



Source: Company filings

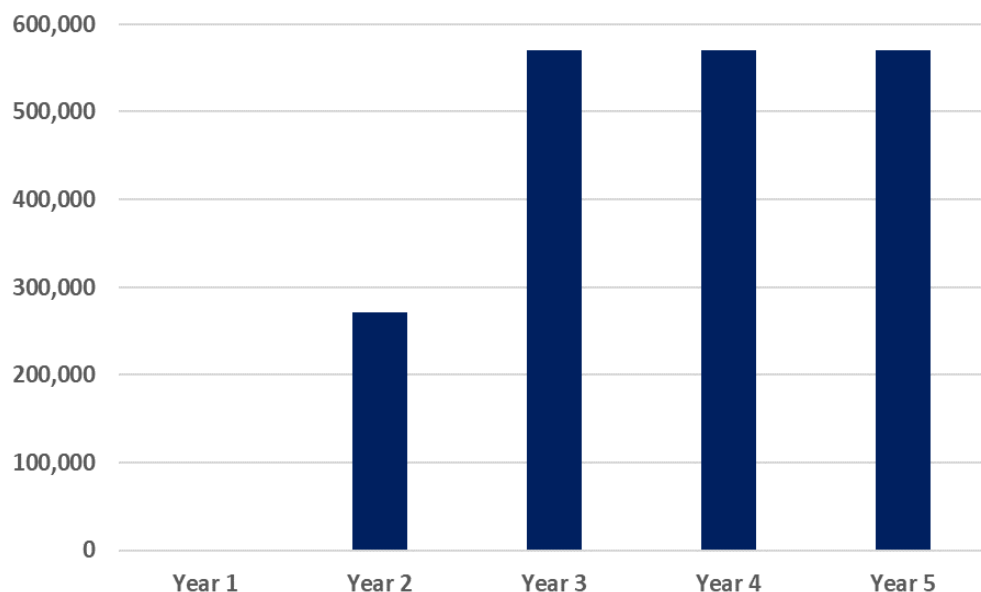
(1) Reserves are based on the Technical Report dated December 31, 2019. See slide 16.

Growth Project: Keyser Deep Mine Profile

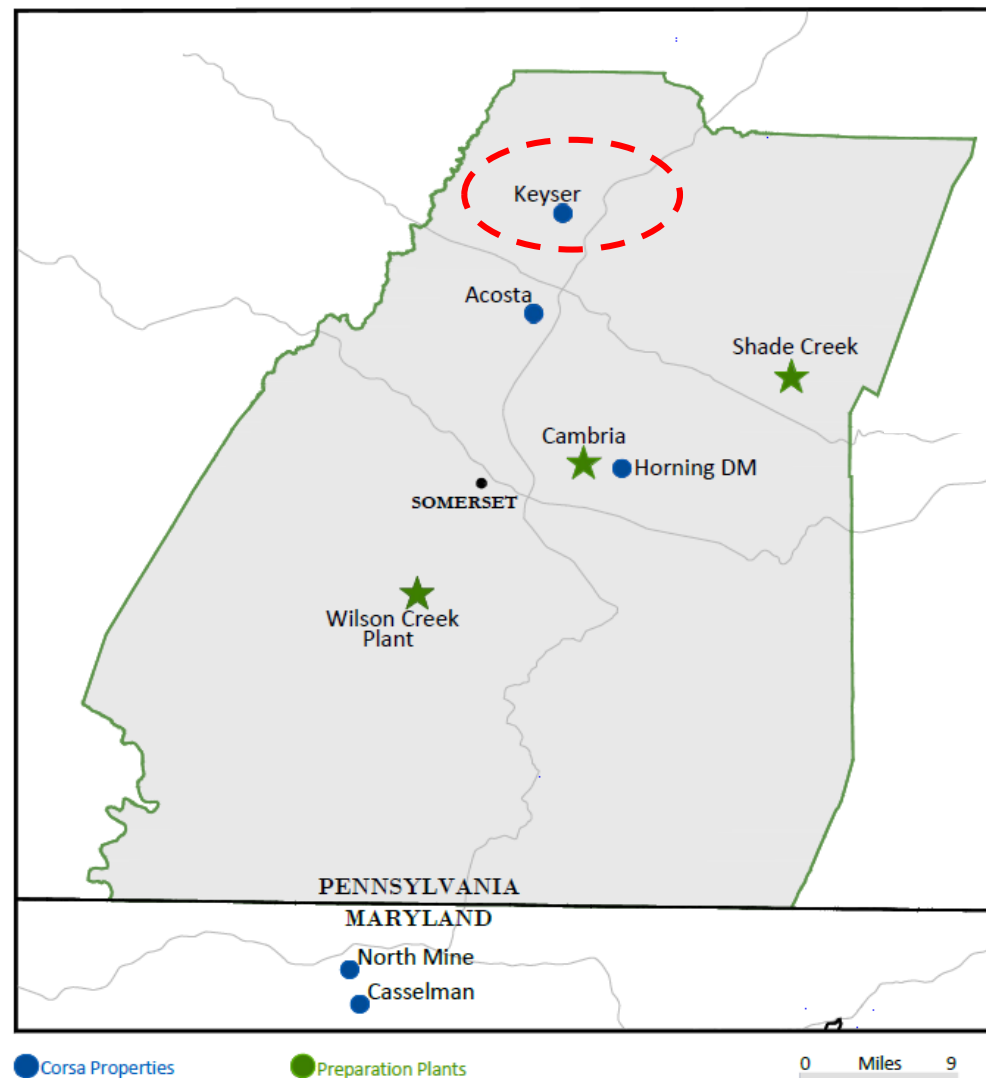
Mine Summary Information

- **Location:** Close proximity to Corsa's PA operations
- **Project development timeline:**
 - 14 months to first coal once project begins
 - Mining permit expected in the coming months
- **Permitted Mine Life:** Approximately 15 years
- **Annual Run-Rate Production:** ~570,000 tons
 - Expected to be Corsa's largest and lowest cost mine
- **Capital Expenditures:** \$20 - \$24 million
- **Coal Quality:** Low volatile metallurgical coal

Expected Production Tonnage Profile: First Five Years

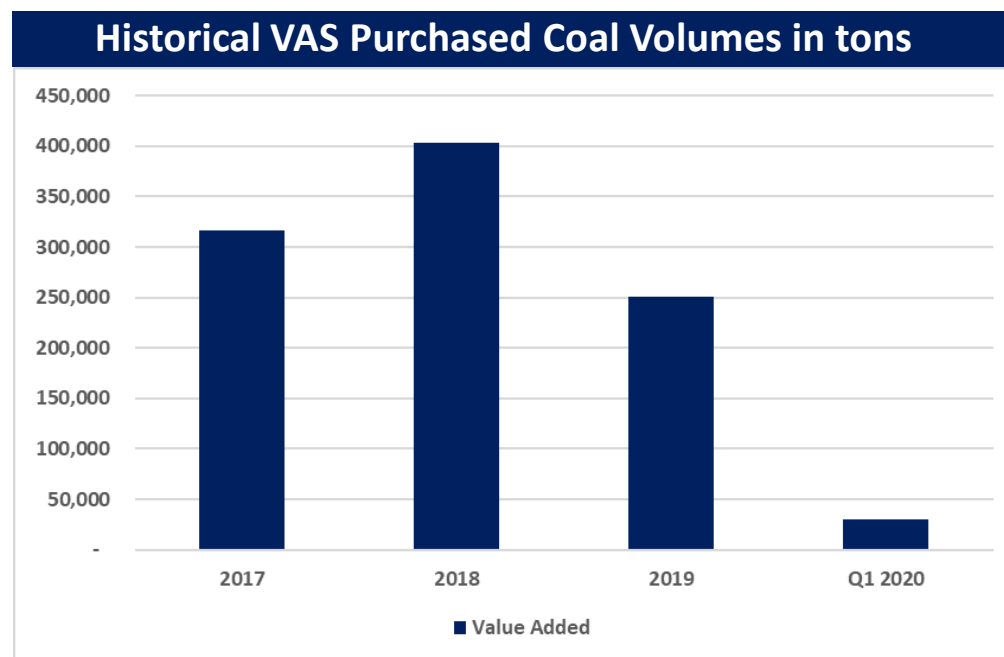


Keyser Location



Revenue Stream 2: Value Added Services Tons

- Value Added Services (VAS) initiative was launched in October 2016.
- VAS tons are comprised of local, third-party tons purchased on a raw basis and trucked to Corsa's preparation plants.
- Corsa takes title to the coal and ships the coal on Corsa sales orders.
- VAS tons can be purchased for both financial and quality reasons. Provides exposure to the export market for Corsa's suppliers.
- Increased volume through the preparation plants absorbs fixed costs and lowers per unit costs.



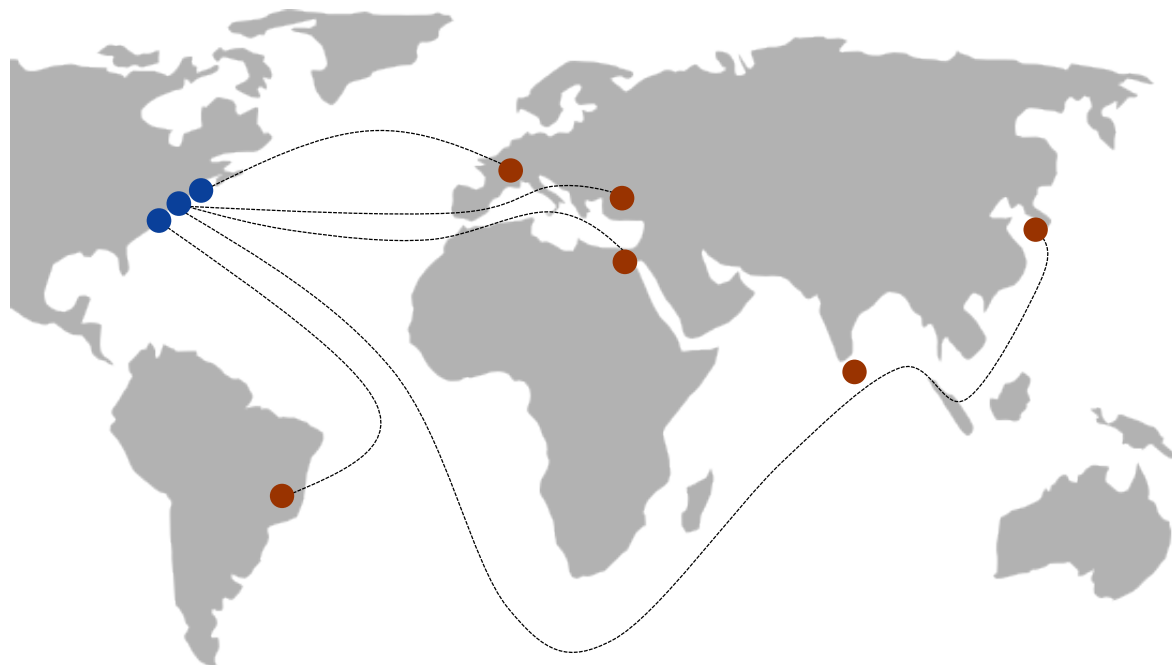
Source: Company filings.

Corsa's Value Added Services for Local Purchased Coal



Revenue Stream 3: Sales & Trading Tons

- Expanding customers in more countries
- Mix of spot pricing and index pricing
- Gaining access to additional purchased coal suppliers
- Delivering more customized products adjusted to customer needs
- Ability to sell on a delivered basis or FOB US East Coast



Q1 2020 Share Total Metallurgical Coal Sales Tons

| | |
|--|-----|
| % Domestic of 0.449 million total tons | 34% |
| % Export of 0.449 million total tons | 66% |

2019 Share Total Metallurgical Coal Sales Tons

| | |
|--|-----|
| % Domestic of 1.833 million total tons | 30% |
| % Export of 1.833 million total tons | 70% |

Source: Company filings.

Organic Growth Plan and Historical Margin Profile



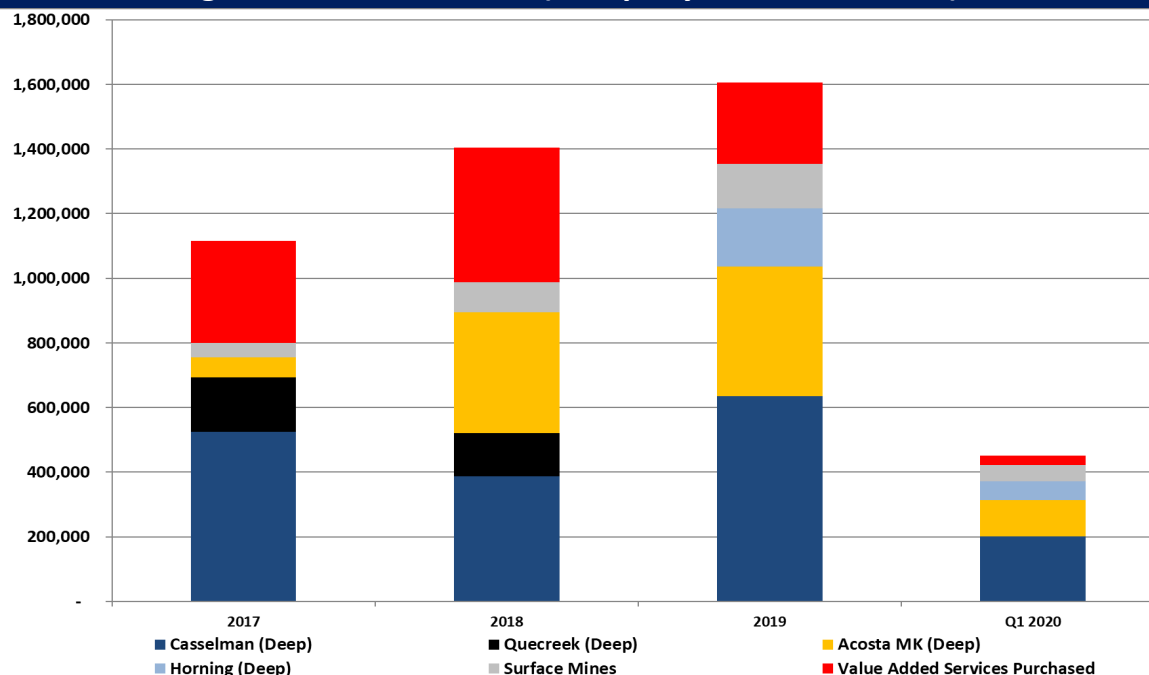
TSX-V: CSO | OTCQX: CRSXF

Corsa's Organic Growth

- Casselman and Acosta achieved their full run-rate production levels in 2019
- Horning and Schrock Run Surface Mines first full year of run-rate production is 2020
- Free cash flow (FCF)⁽¹⁾ yield increases with scale and reduction in capital expenditures
- Keyser and North mines present next organic growth opportunities
- Additional projects are being explored and considered for further growth

(1) This is a non-GAAP measure. See slide 2.

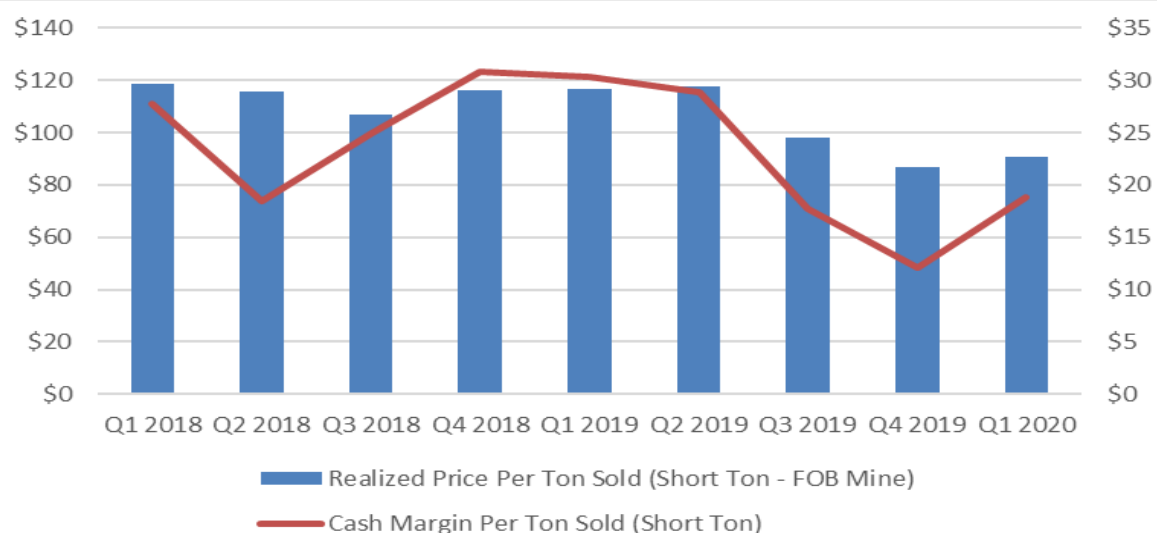
Organic Growth Success (Company Produced + VAS)



Catalysts for Future Margin Expansion

- Mix: Growth in Company Produced tons as active mines are fully ramped up
- Cash Mining Cost⁽¹⁾ reductions as Horning and Schrock Run move past the development into full run-rate production
- Potential for higher coal washing recoveries from addition of high quality tons from Horning and Schrock Run
- Reduced demurrage expenses as the US east coast ports are less congested

Price and Margins per Ton



Balance Sheet Summary

Balance Sheet Key Points

| \$mm As of: | <u>12/31/2019</u> | <u>3/31/2020</u> | <u>Change</u> |
|--------------------------|-------------------|------------------|-----------------|
| Cash | \$4.3 | \$4.1 | (\$0.2) |
| Revolver Availability | \$6.7 | \$9.3 | \$2.6 |
| Net Working Capital | \$16.3 | \$13.0 | (\$3.3) |
| | | | |
| Revolver | \$14.5 | \$8.4 | (\$6.1) |
| Loan Payable | \$10.9 | \$10.2 | (\$0.7) |
| Lease Liabilities | \$3.5 | \$3.3 | (\$0.2) |
| Total Debt | \$28.9 | \$21.9 | (\$7.0) |
| | | | |
| Total Assets | \$269.3 | \$253.4 | (\$15.9) |
| Total Liabilities | \$118.2 | \$108.0 | (\$10.2) |
| Total Equity | \$151.1 | \$145.4 | (\$5.7) |

Capital Expenditures

- Started three new mines since 2017
- Refreshed mining equipment fleet

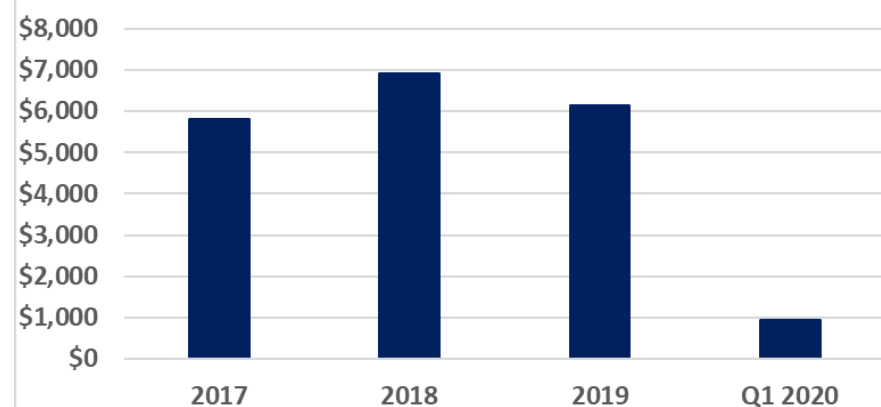
| \$mm | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>Q1 2020</u> |
|--------------------|---------------|---------------|--------------|----------------|
| Growth | \$18.8 | \$11.8 | (\$0.2) | \$0.0 |
| Maintenance | \$6.4 | \$9.5 | \$7.6 | \$0.5 |
| Total CapEx | \$25.2 | \$21.3 | \$7.4 | \$0.5 |

Source: Company filings.

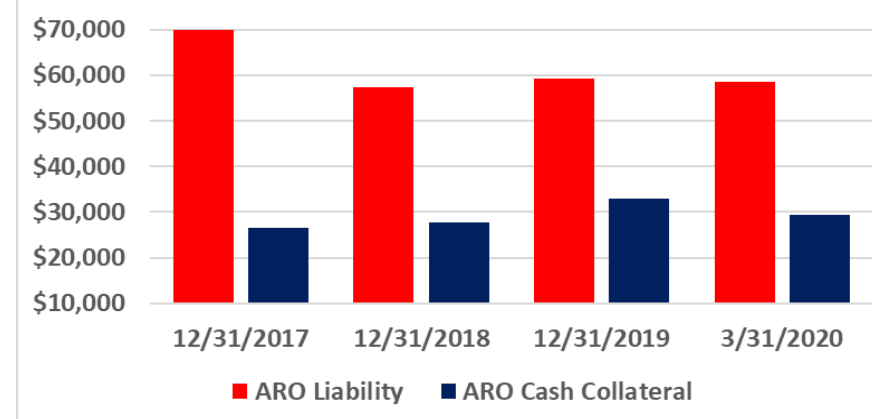
Asset Retirement Obligations (ARO)

- Environmental liabilities being reduced

ARO Cash Expenditures



Net ARO Liabilities



Note: Assumes discount rates of 1.59%-2.25%

Leverage to metallurgical coal prices and growth potential

Track record of growth, FCF positive producer trading at 1.2x trailing twelve months Adjusted EBITDA



CORSA
Acosta Mine Grand Opening
June 8th, 2017

Appendix

Financial Highlights



TSX-V: CSO | OTCQX: CRSXF

| | Total Year 2017 | Total Year 2018 | Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 | Total Year 2019 | Q1 2020 |
|--|--------------------|--------------------|------------|------------|------------|------------|--------------------|------------|
| Revenues (\$ million) | \$217.4 | \$265.8 | \$57.3 | \$63.0 | \$58.1 | \$52.5 | \$230.9 | \$46.7 |
| Adjusted EBITDA ⁽¹⁾ (\$ million) | \$47.8 | \$35.0 | \$9.2 | \$10.1 | \$6.1 | \$3.5 | \$28.9 | \$6.4 |
| Capital Expenditures - Maintenance (\$ million) | \$6.4 | \$9.6 | \$1.8 | \$2.0 | \$2.4 | \$1.4 | \$7.6 | \$0.5 |
| Capital Expenditures - Growth (\$ million) | \$18.8 | \$11.9 | -\$0.8 | \$0.4 | \$0.2 | \$0.0 | -\$0.2 | \$0.0 |
| Metallurgical Coal Sales | | | | | | | | |
| Average Realized Price / Metallurgical Ton Sold ⁽¹⁾ | \$125.56 | \$114.50 | \$116.47 | \$117.48 | \$97.98 | \$86.70 | \$103.76 | \$90.49 |
| Sales Volumes (short tons) | | | | | | | | |
| Company Produced Tons | 811,905 | 981,669 | 280,657 | 319,202 | 282,591 | 418,794 | 1,301,244 | 384,750 |
| Corsa Value Added Services Tons | 316,835 | 403,560 | 78,197 | 94,903 | 56,246 | 21,292 | 250,638 | 29,576 |
| Sales & Trading Tons | 346,158 | 486,876 | 49,982 | 36,306 | 126,304 | 68,879 | 281,471 | 34,587 |
| Total Metallurgical Coal Tons Sold | 1,474,898 | 1,872,105 | 408,836 | 450,411 | 465,141 | 508,965 | 1,833,353 | 448,913 |
| Cash Cost / Metallurgical Ton Sold ⁽¹⁾ | | | | | | | | |
| Cash Production Cost Per Ton Sold ⁽²⁾ | \$74.18 | \$83.61 | \$83.21 | \$84.55 | \$77.91 | \$73.87 | \$79.38 | \$71.12 |
| Cash Costs per Tons Sold | \$84.45 | \$88.59 | \$86.18 | \$88.66 | \$80.28 | \$74.59 | \$82.07 | \$71.61 |
| Cash Margin per Metallurgical Ton Sold ⁽¹⁾ | \$41.11 | \$25.91 | \$30.29 | \$28.82 | \$17.70 | \$12.11 | \$21.69 | \$18.88 |

⁽¹⁾ This is a non-GAAP measure. See slide 2.

⁽²⁾ Excludes Purchased Coal

Source: Company filing.

Technical Report



TSX-V: CSO | OTCQX: CRSXF

The mineral reserve and resource estimates relating to Corsia's properties, which are effective as of December 31, 2019, have been prepared by Marshall Miller & Associates, Inc. ("MM&A") under the supervision of Justin S. Douthat, P.E., M.B.A. and John W. Eckman, C.P.G., each a qualified person, as such term is defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). MM&A is independent of Corsia and its subsidiaries. For a complete description of the mines and projects relating to the NAPP Division Properties, see the report prepared pursuant to NI 43-101 by MM&A under Corsia's profile at www.sedar.com entitled "Technical Report on the Coal Resource and Coal Reserve Controlled by Corsia Coal Corp., Pennsylvania and Maryland, USA - Prepared in Accordance with National Instrument 43-101 Standards for Disclosure for Mineral Projects Effective December 31, 2019" (the "NAPP Technical Report").

Reserves are clean recoverable tons.

Cautionary Statement Regarding Estimates of Mineral Reserves

This document sets forth certain estimates of "reserves" and "resources". While Corsia believes that the estimates were based on methodologies acceptable in Canada pursuant to NI 43-101, such estimates are not synonymous with the United States Securities and Exchange Commission ("SEC") Industry Guide 7 as discussed below. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes in Canada of scientific and technical information concerning mineral projects. Of note to U.S. investors, these standards differ significantly from the requirements of the SEC (including under its Industry Guide 7).

Under U.S. standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. U.S. investors are cautioned not to assume that all or any part of historical estimates of "resources" in this AIF will ever be converted into reserves, or if converted, what actual tonnage and grade they may have. Accordingly, information concerning descriptions or mineralization, "resources" and "reserves" contained in this AIF are not comparable to information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC.

Coal Reserves



TSX-V: CSO | OTCQX: CRSXF

43-101 Properties as of 12/31/2019

| <u>mnt</u> | <u>Proven</u> | <u>Probable</u> | <u>Total</u> | <u>Permitted</u> | <u>Not Permitted</u> |
|-----------------------------|---------------|-----------------|---------------|------------------|----------------------|
| Surface-mineable | 932 | - | 932 | 932 | - |
| Highwall-mineable | - | - | - | - | - |
| Auger-mineable | 145 | - | 145 | 145 | - |
| <u>Underground-mineable</u> | <u>29,814</u> | <u>9,409</u> | <u>39,223</u> | <u>17,856</u> | <u>21,367</u> |
| Total | 30,890 | 9,409 | 40,299 | 18,933 | 21,367 |
| | | | | | |
| Casselman (UG) | 2,249 | 789 | 3,038 | 3,038 | - |
| North (UG) | 3,296 | 1,207 | 4,503 | 954 | 3,549 |
| Acosta (UG) | | | - | | - |
| Upper Kittanning | 7,884 | 1,575 | 9,459 | - | 9,459 |
| Middle Kittanning | 4,020 | 1,517 | 5,537 | 5,537 | - |
| Total Acosta (UG) | 11,904 | 3,092 | 14,995 | 5,537 | 9,459 |
| Keyser (UG) | 4,825 | 3,496 | 8,321 | - | 8,321 |
| Horning (UG) | 1,950 | 16 | 1,966 | 1,966 | - |
| A-Seam (UG) | 5,590 | 810 | 6,400 | 6,362 | 38 |
| <u>All Other</u> | <u>1,077</u> | <u>0</u> | <u>1,077</u> | <u>1,077</u> | <u>0</u> |
| Total | 30,890 | 9,409 | 40,299 | 18,933 | 21,367 |

Coal Qualities



TSX-V: CSO | OTCQX: CRSXF

43-101 Properties as of 12/31/2019

| | | Weighted Composite (Moist Basis) | | | | |
|-----------------------------|-------------------|----------------------------------|---------------|--------------|---------------|---------------------|
| Reserve Area | Seam | Wash Recovery (%) | Ash (%) | Sulfur (%) | Btu/lb. | Volatile Matter (%) |
| Surface-Mineable | | | | | | |
| Rhoades | Upper Kittanning | 96.66% | 9.85% | 0.57% | 13,109 | - |
| Rhoades | Middle Kittanning | 91.66% | 20.74% | 2.45% | 12,110 | - |
| Rhoades | Lower Kittanning | 91.45% | 16.76% | 3.11% | 12,870 | - |
| Schrock Run | Lower Freeport | 95.00% | 7.83% | 0.73% | 14,196 | - |
| Schrock Run | Upper Kittanning | 92.34% | 11.98% | 1.94% | 13,617 | - |
| Hamer-Byers | Upper Kittanning | 89.57% | 13.71% | 2.19% | 13,234 | - |
| Hamer-Byers | Middle Kittanning | 84.63% | 16.49% | 2.64% | 5,425 | - |
| Total | | 92.98% | 12.30% | 1.77% | 13,337 | - |
| Auger-Mineable | | | | | | |
| Gaz | Upper Kittanning | 87.00% | 18.53% | 2.35% | 12,289 | - |
| Rhoades | Upper Kittanning | 96.66% | 9.85% | 0.57% | 13,109 | - |
| Rhoades | Middle Kittanning | 91.66% | 20.74% | 2.45% | 12,110 | - |
| Rhoades | Lower Kittanning | 93.10% | 16.78% | 3.11% | 12,882 | - |
| Schrock Run | Lower Freeport | 95.00% | 1.83% | 0.73% | 14,196 | - |
| Schrock Run | Upper Kittanning | 92.34% | 11.98% | 1.94% | 13,617 | - |
| Hamer-Byers | Upper Freeport | 88.01% | 17.67% | 1.36% | - | - |
| Hamer-Byers | Middle Kittanning | 84.63% | 16.49% | 2.64% | 5,425 | - |
| Total | | 91.94% | 13.59% | 1.98% | 13,039 | - |
| Underground-Mineable | | | | | | |
| North | Upper Freeport | 81.17% | 6.98% | 1.01% | 13,450 | 16.20% |
| Casselman | Upper Freeport | 81.17% | 6.98% | 1.01% | 13,450 | 16.20% |
| Acosta | Upper Kittanning | 78.63% | 9.03% | 1.61% | 13,002 | 19.70% |
| Acosta | Middle Kittanning | 63.20% | 11.28% | 1.17% | 12,601 | 15.40% |
| Acosta | Lower Kittanning | 65.67% | 10.18% | 1.79% | 12,812 | 17.40% |
| Horning | Lower Freeport | 90.49% | 5.99% | 1.01% | 14,710 | 17.60% |
| Keyser | Lower Kittanning | 74.06% | 6.68% | 1.37% | 13,402 | 18.90% |
| A Seam | Brookville | 56.03% | 10.07% | 0.79% | 12,698 | 17.90% |
| Total | | 72.88% | 8.47% | 1.22% | 13,153 | 17.85% |
| Total | | 73.40% | 8.58% | 1.23% | 13,156 | 17.85% |