

Corsa Coal Files for Bankruptcy Protection Under Chapter 11

January 6, 2025 – Friedens, Pennsylvania - Corsa Coal Corp. (TSXV: CSO; OTCQX: CRSXF) (“Corsa” or the “Company”), a premium quality metallurgical coal producer, today announced that it and each of its subsidiaries (collectively, the “Corsa Group”), have filed for voluntary chapter 11 relief in the U.S. Bankruptcy Court for the Western District of Pennsylvania and intend to conduct a sale of assets pursuant to Section 363 of the U.S. Bankruptcy Code. The Corsa Group entered Chapter 11 with a commitment for US\$15 million in debtor-in-possession financing, provided by KIA II, LLC, to support operations during the bankruptcy and sale process. Following court approval, this new financing, combined with cash generated from the Corsa Group’s ongoing operations, is expected to support the business during the court-supervised Chapter 11 process. The Corsa Group has also filed various “first day” motions with the U.S. Bankruptcy Court, seeking customary relief that will enable them to continue operating without meaningfully disrupting their normal course of operations, and expect to file with the Ontario Superior Court (Commercial List) under the *Companies’ Creditors Arrangement Act* (Canada) for recognition of the Chapter 11 proceedings.

Due to, among other things, the Corsa Group’s performance, cash position, forecasted revenue and expenses, as well as the resulting liquidity issues resulting from obligations owing to creditors, and after careful consideration of all available alternatives to seeking creditor protection, including extensive refinancing and sale efforts that commenced in the first quarter of 2024, Corsa’s Board of Directors determined, after consultation with external financial and legal advisors, that it is in the best interests of Corsa for the Corsa Group to pursue Chapter 11 proceedings at this time. As previously disclosed, Wilson Creek Holdings, Inc., Corsa’s primary U.S. subsidiary, had made an application to the United States Department of Agriculture (“USDA”) Rural Development Business and Industry loan guarantee program, which, if approved, would have resulted in a US\$25.0 million term loan subject to an 80% USDA guarantee. The proceeds of the new term loan would have been used to refinance the Company’s existing term loan under its Main Street Facility, which had an outstanding principal balance at December 31, 2024 of US\$16.3 million, however such application was not approved on a timely basis.

Kevin M. Harrigan, President and Chief Executive Officer of the Company commented, “This difficult decision to seek bankruptcy protection is one that has weighed heavy on Corsa’s Board of Directors and its management, but we believe it is the best course of action to preserve and maximize value for stakeholders and to preserve the jobs of Corsa Group employees. Customary motions have been filed with the U.S. Bankruptcy Court to support the continuation of our daily operations for customers, employees and vendors and we expect to continue to deliver the metallurgical coal that our customers depend on”.

The Corsa Group is being advised in this matter by Raines Feldman Littrell LLP and Stikeman Elliott LLP as legal counsel and BDO USA as financial advisor.

Additional information regarding the Corsa Group’s Chapter 11 process is available at <https://omniagentsolutions.com/WilsonCreek>. Stakeholders with questions may call the Corsa Group’s claims and noticing agent, Omni Agent Solutions at 888-482-0174 (US and Canada toll free) or 747-293-0085 (International), or email WilsonCreekInquiries@omniagnt.com.

The Company expects its common shares to be transferred to the NEX Board of TSX Venture Exchange where trading will be suspended. The Company also expects to seek approval in the Chapter 11 proceedings to establish certain restrictions and procedures for trading, including in the U.S. on the OTCQX Best Markets platform, with a view to preserving certain net operating loss carryforwards for United States federal income tax purposes. The Company cautions that trading in the Company’s common shares during the pendency of the Chapter 11 process is highly speculative and poses substantial risks. Trading prices for the Company’s common shares may bear little or no relationship to the actual value realized, if any, by holders of the Company’s common shares. Accordingly, the Company urges extreme caution with respect to existing and future investments in its common shares. In connection with the recognition of the Chapter 11 proceedings under the *Companies’ Creditors Arrangement Act* (Canada), the Company is considering whether to apply to the court to incur no further expenses in relation to filing of continuous disclosure documents under applicable Canadian securities laws.

Information about Corsal

Corsal is a coal mining company focused on the production and sales of metallurgical coal, an essential ingredient in the production of steel. Our core business is producing and selling metallurgical coal to domestic and international steel and coke producers in the Atlantic and Pacific basin markets.

For further information please contact:

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Forward-Looking Statements

Certain information set forth in this press release 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 including, but not limited to, statements relating to: obtaining court approval in connection with the Chapter 11 and *Companies’ Creditors Arrangement Act* (Canada) proceedings; the outcome of the Chapter 11 and *Companies’ Creditors Arrangement Act* (Canada) proceedings and/or any related restructuring or sales proceedings; the ability of the Corsal Group to secure the debtor-in-possession loan and any additional financings as part of the Chapter 11 process or otherwise; the transfer and suspension of trading of the Company’s common shares; the preservation of net operating loss carryforwards for United States federal income tax purposes; the possibility of no longer filing continuous disclosure documents under applicable Canadian securities laws; and the continuation of daily operations, including the delivery of metallurgical coal, constitute 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 risks related to the Chapter 11 and *Companies’ Creditors Arrangement Act* (Canada) proceedings and the impact of such proceedings on the Corsal Group’s business and operations, the likelihood of a successful sales process and the risk factors discussed in the sections titled “Risk Factors” in Company’s latest annual and interim management’s discussion and analysis and annual information form, in each case which are available under the Company’s profile on SEDAR+ at www.sedarplus.com. 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. Corsal does not undertake to update any of the forward-looking statements contained in this press release unless required by law.

The TSX Venture Exchange has in no way passed on the merits of this news release. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release