



PRESS RELEASE

globalCOAL to launch online trading of physical met coal on 13 October

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On 13 October 2015, globalCOAL will launch an online platform for the physical procurement and trade of high quality hard coking coal delivered FOB Australia.

The recent trend towards spot pricing in the global metallurgical coal market has led to a pressing need for transparent price discovery. Following extensive market consultation, globalCOAL has developed a robust physical met coal contract which will soon be available to trade on the globalCOAL platform.

The premium mid volatile spec is defined with clear quality specifications and strict rejection parameters which give buyers comfort that only high quality coal or specific coal Brands can be delivered. A new predictive CSR formula has also been devised to provide the basis for fair price adjustments. This formula was developed in conjunction with ALS Coal by applying regression analysis to their extensive database of results from standardised coal preparation, coke making and testing – and further refined with the help of coal and statistics specialists from the University of Newcastle (Australia). Along with the CSR calculation, Ash, Volatile Matter, Sulphur and Moisture will be used to adjust the final price.

Eoghan Cunningham, CEO of globalCOAL, said: "With this initiative, we are replicating a tried-and-tested model which has successfully increased price transparency in the seaborne thermal coal market. We hope to see it bring as much benefit to the met coal world."

Philip Shawcross, Head of Met Coal at globalCOAL, added: "We've had an enthusiastic response from met coal market participants worldwide – from steel mills to met coal producers and traders. Out of our current 171 Market Members, globalCOAL's trading community now includes 53 companies with an interest in the met coal market. The contract, the trading infrastructure and the participants are all in place for our October launch."

For more information, please visit: <https://www.globalcoal.com/Brochureware/tradingBrokerage/tradingMetCoal/>

About globalCOAL®

globalCOAL was founded by leading members of the world coal industry to promote screen trading of standardised coal products. The company has developed the world's leading electronic marketplace for thermal coal, as well as a range of standardised coal quality specifications, a Standard Coal Trading Agreement (SCoTA®), and robust methodology for coal price index calculation. globalCOAL is also cooperating with leading energy exchange ICE Futures Europe to develop the coal Futures market. For more information, please visit www.globalcoal.com

Global Commodities Holdings Limited 30 Coleman Street
London EC2R 5AL
United Kingdom T: +44 (0)20 7776 5904
F: +44 (0)20 7776 5902
Company Number 04007764