

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Corsa Coal Corp. (“Corsa” or the “Company”)
125 Technology Drive
Suite 100
Canonsburg, PA 15317

Item 2 Date of Material Change

October 20, 2015.

Item 3 News Release

The press releases attached hereto as Schedule “A” were disseminated through CNW Group Ltd. on October 21, 2015 with respect to the material change and subsequently filed on the System of Electronic Document Analysis and Retrieval (SEDAR).

Item 4 Summary of Material Change

The Company announced that it has entered into subscription agreements with affiliates of Quintana Energy Partners II, L.P. (“**Quintana**”), Sprott Resource Partnership (“**Sprott Resources**”), and Lorito Holdings S.à.r.l. (“**Lorito**”) and Zebra Holdings and Investments S.à.r.l (“**Zebra**”), two companies controlled by a trust settled by the late Adolf H. Lundin, to complete a non-brokered private placement (the “**Private Placement**”) for an aggregate of 188,471,000 common shares of the Company (the “**Common Shares**”), to be issued at C\$0.05 per Common Share for gross proceeds of US\$7.25 million (C\$9.42 million, based on the exchange rate of US\$1.00:C\$1.2998, being the Bank of Canada’s noon rate on October 19, 2015).

The proceeds of the Private Placement will be used to fund working capital and for general corporate purposes.

In connection with the Private Placement, Corsa’s wholly-owned subsidiary Wilson Creek Holdings, Inc. (“**Wilson Creek**”) has entered into a first amending agreement (the “**Amending Agreement**”) to amend and waive certain terms of the credit agreement (the “**Credit Agreement**”) dated August 19, 2014 among the Corporation, as borrower, Sprott Resource Lending Corp. (“**SRLC**”), as administrative agent, and the lenders named therein as lenders (the “**Lenders**”). The effectiveness of amendments and waivers in the Amending Agreement is conditional upon the completion of an issuance of equity securities of Corsa in the aggregate amount of not less than US\$7.0 million and certain other customary conditions.

Item 5 Full Description of Material Change

The Company has announced that it has entered into subscription agreements with each of Quintana, Sprott Resources, Lorito and Zebra to complete the Private Placement for an aggregate of 188,471,000 Common Shares, to be issued at C\$0.05 per Common Share for gross

proceeds of US\$7.25 million (C\$9.42 million, based on the exchange rate of US\$1.00:C\$1.2998, being the Bank of Canada's noon rate on October 19, 2015).

The proceeds of the Private Placement will be used to fund working capital and for general corporate purposes.

As part of the Private Placement, Quintana will subscribe for 136,479,000 Common Shares for an aggregate price of US\$5.25 million, Sprott Resources will subscribe for 25,996,000 Common Shares for an aggregate price of US\$1.0 million and Lorito and Zebra will subscribe for an aggregate of 25,996,000 Common Shares for a total of US\$1.0 million.

The Private Placement is expected to close on or around October 23, 2015. Completion of the Private Placement is subject to customary conditions, including receipt of the approval of the TSX Venture Exchange and all other necessary regulatory approvals.

In connection with the Private Placement, Corsa's wholly-owned subsidiary Wilson Creek has entered into the Amending Agreement to waive and amend certain terms of its US\$25 million credit facility (the "**Facility**") made available by lenders, including SRLC, to Wilson Creek. The Amending Agreement, among other things, provides for: (i) the waiver of the requirement under the Credit Agreement that the proceeds (A) of any equity financings by Corsa prior to January 1, 2017, including the Private Placement, and (B) from the disposal of certain assets of the Company, be used to repay a portion of the Facility; and (ii) the payment of an additional three percent fee for any prepayment that is required in connection with a disposal of assets, change of control or refinancing event where, prior to such disposal, change of control or refinancing event, certain assets have been disposed of by Corsa for an amount in excess of US\$10 million in the aggregate. The effectiveness of the amendments and waivers in the Amending Agreement is conditional upon the completion of an issuance of equity securities of Corsa in the aggregate amount of not less than US\$7.0 million and certain other customary conditions. It is anticipated that the Private Placement will satisfy this condition. The Amending Agreement will be filed under Corsa's profile on www.sedar.com.

Additional Disclosure regarding the Private Placement

Quintana and its affiliates currently own an aggregate of 578,819,438 Common Shares, or approximately 48.6% of the Common Shares outstanding as of October 19, 2015 and, accordingly, Quintana is a "Control Person" as defined in the TSXV Corporate Finance Manual.

Sprott Resources and its affiliates (collectively, "**Sprott**") currently own an aggregate of 236,963,302 Common Shares, or approximately 19.9% of the Common Shares outstanding as of October 19, 2015 and, accordingly, Sprott is an "Insider" as defined in the TSXV Corporate Finance Manual.

Lorito and Zebra currently own an aggregate of 170,779,333 Common Shares, or approximately 14.3% of the Common Shares outstanding as of October 19, 2015 and, accordingly, they are collectively an "Insider" as defined in the TSXV Corporate Finance Manual.

Accordingly, each of the subscriptions under the Private Placement with respect to Quintana, Sprott Resources, Lorito and Zebra (the “**Related Party Subscribers**”) is a “related party transaction” as defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). However, the Private Placement is exempt from the minority shareholder approval requirements of MI 61-101, as neither the fair market value of any securities issued to nor the consideration paid by any of the Related Party Subscribers will exceed 25% of the Company’s market capitalization calculated in accordance with MI 61-101.

Assuming the completion of the Private Placement:

- (i) Quintana and its affiliates will exercise control or direction over 715,298,438 Common Shares, representing 51.86% of the then outstanding Common Shares, as well as 170,316,639 common membership units (“**Redeemable Units**”) of the Company’s subsidiary, Wilson Creek Energy, LLC. Assuming the tender for redemption of all Redeemable Units and exchange for Common Shares, Quintana would exercise control and direction over an aggregate of 885,615,077 Common Shares, representing approximately 57.15% of the outstanding Common Shares upon completion of the Private Placement.
- (ii) Sprott will exercise control or direction over 262,959,302 Common Shares, representing 19.07% of the then outstanding Common Shares; and
- (iii) Lorito and Zebra, collectively, will exercise control or direction over 196,775,333 Common Shares, representing 14.27% of the then outstanding Common Shares.

Review and Approval Process by the Board

The Private Placement, the Amending Agreement and matters related thereto were reviewed and approved by the Board by unanimous resolution. Certain directors of the corporation have a material interest in: (i) certain parties subscribing for Common Shares under the Private Placement; and (ii) entering into the Amending Agreement. Corbin J. Robertson III has a material interest in Quintana and, as such, has abstained from approving the Private Placement and matters related thereto. Arthur Einav is an officer of an affiliate of Sprott Resources and SRLC and, as such, has abstained from approving the Private Placement and the Amending Agreement and matters related thereto. John H. Craig has a material relationship with Lorito and Zebra and, as such, has abstained from approving the Private Placement and matters related thereto. Other than the abstentions from voting of Corbin J. Robertson III, John H. Craig and Arthur Einav as set out above, the members of the Board unanimously approved the Private Placement, the Amending Agreement and matters related thereto.

Item 6 Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

The following executive officer is knowledgeable about the material change and may be contacted about this report.

Kevin Harrigan
Chief Financial Officer and Corporate Secretary
Corsa Coal Corp.
1-724-754-0028

Item 9 Date of Report

October 21, 2015.

Schedule "A"

(See attached.)



Corsa Announces Private Placement of Common Shares for US\$7.25 Million and Amendments to Credit Agreement

October 21, 2015 - Canonsburg, Pennsylvania - Corsa Coal Corp. (TSXV: CSO) (“Corsa” or the “Company”) is pleased to announce that it has entered into subscription agreements with affiliates of Quintana Energy Partners II, L.P. (“Quintana”); Sprott Resource Partnership (“Sprott Resources”); and Lorito Holdings S.à r.l. (“Lorito”) and Zebra Holdings and Investments S.à r.l. (“Zebra”), two companies controlled by a trust settled by the late Adolf H. Lundin, to complete a non-brokered private placement (the “Private Placement”) for an aggregate of 188,471,000 common shares of the Company (“Common Shares”), to be issued at C\$0.05 per Common Share for gross proceeds of US\$7.25 million (C\$9.42 million based on an exchange rate of US\$1.00:C\$1.2998, being the Bank of Canada’s noon rate on October 19, 2015). In connection with the Private Placement, Corsa’s wholly-owned subsidiary Wilson Creek Holdings, Inc. has entered into a first amending agreement (the “Amending Agreement”) to waive and amend certain terms of the credit agreement (the “Credit Agreement”) governing the US\$25 million credit facility (the “Facility”) made available by lenders, including Sprott Resource Lending Corp., to Wilson Creek Holdings, Inc.

George Dethlefsen, Chief Executive Officer of Corsa, commented, “We are pleased to have the continued support and participation of our largest three investors in this financing round. This financing round and the favorable adjustments to the credit agreement with Sprott Resource Lending Corp. will strengthen Corsa’s balance sheet as we navigate through a highly challenging operating environment for coal producers.”

As part of the Private Placement, Quintana has agreed to acquire 136,479,000 Common Shares for a total of US\$5.25 million, Sprott Resources has agreed to acquire 25,996,000 Common Shares for a total of US\$1.0 million and Zebra and Lorito have agreed to acquire an aggregate of 25,996,000 Common Shares for a total of US\$1.0 million.

Assuming completion of the Private Placement, Quintana (including its affiliates) will hold approximately 51.86% of the outstanding Common Shares; Sprott Resources will hold approximately 19.07% of the outstanding Common Shares; and Zebra and Lundin will collectively hold approximately 14.27% of the outstanding Common Shares.

The Private Placement is expected to close on or about October 23, 2015. Completion of the Private Placement is subject to customary conditions, including receipt of the approval of the TSX Venture Exchange (“TSXV”) and all other necessary regulatory approvals.

Waiver and Amendment to the Credit Agreement

The Amending Agreement, among other things, provides for: (i) the waiver of the requirement under the Credit Agreement that the proceeds (A) of any equity financings by Corsa prior to January 1, 2017, including the Private Placement, and (B) from the disposal of certain assets of the Company, be used to repay a portion of the Facility; and (ii) the payment of an additional three percent fee for any prepayment

that is required in connection with a disposal of assets, change of control or refinancing event where, prior to such disposal, change of control or refinancing event, certain assets have been disposed of by Corsa for in excess of US\$10 million in the aggregate. The effectiveness of the amendments and waivers in the Amending Agreement is conditional upon the completion of an issuance of equity securities of Corsa in the aggregate amount of not less than US\$7.0 million and certain other customary conditions. It is anticipated that the Private Placement will satisfy this condition. The Amending Agreement will be filed under Corsa's profile on www.sedar.com.

Information about Corsa

Corsa is one of the leading suppliers of premium quality metallurgical coal, an essential ingredient in the production of steel, which is necessary for the secular trends in global urbanization. Our core business is supplying metallurgical coal with the highest safety, yield, and strength characteristics to domestic steel producers while being a strategic source of supply in the Atlantic and Pacific basin markets. Corsa also offers high heat content, low delivered cost coal to major utilities and industrial users in the Southeast region of the U.S.

Additional Disclosure regarding the Private Placement

The subscriptions under the Private Placement of Quintana, Sprott Resources and Lorito and Zebra are each a "related party transaction" as defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). However, the Private Placement is exempt from the minority shareholder approval requirements of MI 61-101, as neither the fair market value of the securities issued to nor the consideration paid by Quintana, Sprott Resources and Lorito and Zebra will, in the aggregate, exceed 25% of the Company's market capitalization calculated in accordance with MI 61-101. The proceeds of the private placement will be used to fund working capital and general corporate purposes.

Caution

Completion of the Private Placement is subject to a number of conditions, including TSXV approval. Trading in the securities of Corsa should be considered highly speculative

For further information please contact:

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Forward-Looking Statements

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws (collectively, forward looking statements) and which are based on the expectations, estimates and projections of management of Corsa as of the date of this press release unless otherwise stated. Forward-looking statements are statements and information regarding possible events, conditions or results of operations that are based upon assumptions about future economic conditions and courses of action. Some of the forward-looking statements may be identified by words such as "expects", "anticipates", "believes, plans, projections, outlook, intends, may, could, would, might,

will” and similar expressions. More particular and without limitation, this press release contains forward-looking statements and information concerning the expected closing date of the Private Placement, the use of proceeds from the Private Placement and the effectiveness of the Amending Agreement.

By their very nature, forward looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions and other forward looking statements will not prove to be accurate. Do not unduly rely on forward looking statements, as a number of important factors, many of which are beyond Corsa's control, could cause actual results to differ materially from the estimates and intentions expressed in such forward looking statements.

Forward looking statements speak only as of the date those statements are made. Except as required by applicable law, Corsa does not assume any obligation to update, or to publicly announce the results of any change to, any forward looking statement contained herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward looking statements.

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 policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.