Royal Coal Announces Debt Settlement

19.05.2021 | Newsfile

Toronto, May 19, 2021 - Royal Coal Corp. (the "Company") announces that it has it has agreed to settle an aggregate of $300,000 of indebtedness owed to certain arm's length and non-arm's length creditors through the issuance of an aggregate of 59,999,998 common shares ("Common Shares") of the Company at a price of $0.005 per Common Share (the "Debt Settlement"). All Common Shares issued in connection with the Debt Settlement are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

The Debt Settlement constituted a "related party transaction" as defined in Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"), as insiders of the Company acquired 12,199,998 Common Shares. The Company is relying on exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections contained in sections 5.5(b), 5.5(g) and 5.7(1)(e) of MI 61-101, as the Company is not listed on a specified market and the Company is in financial hardship. A material change report will be filed less than 21 days before the closing date of the debt settlement. This shorter period is reasonable and necessary in the circumstances to allow the Company to improve its financial position by reducing its accrued liabilities.

For more information, please contact:
Elia Crespo
Director
Tel: (416) 867-9087 ext 2321
Email: elia@griffis.ca

This news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "would", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the information is provided, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company's Management's Discussion and Analysis. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking information.

To view the source version of this press release, please visit https://www.newsfilecorp.com/release/84551