

VANCOUVER, BC / ACCESSWIRE / September 16, 2015 / [EastCoal Inc.](#) (NEX: ECX.H) ("EastCoal" or the "Company") announces that it intends to complete a non-brokered private placement financing for aggregate gross proceeds of up to \$3.38 million (the "Offering") and complete a change of business from resource issuer to investment issuer (the "COB"), subject to regulatory and Exchange approval.

The Offering will consist of the sale of up to 20,000,000 Subscription Receipts at \$0.169 per Subscription Receipt. Pursuant to the Subscription Receipt Agreement, the gross proceeds from the Offering will be held in escrow pending completion of: (i) a consolidation of the issued and outstanding shares of the Company on a 10:1 basis; and (ii) regulatory and Exchange approval for the COB. Each Subscription Receipt will entitle the holder thereof to receive one post-consolidation Common Share of the Company.

EastCoal has entered into a non-binding memorandum of understanding dated August 24, 2015 (the "MOU") with Maritime Iron Inc. ("Maritime Iron"). Maritime Iron is an arm's length development stage company building a facility in New Brunswick to upgrade iron ore stock shipped by boat to "merchant pig iron". Pig iron is used as feed for steel making in electric arc furnaces. Maritime Iron is in the process of completing a feasibility level study and related processes prior to commencing the building of the relevant facilities. Maritime Iron is incorporated in Ontario with offices at 60 Marycroft Avenue, Suite 1, Vaughn, Ontario, L4L 5Y5.

The proceeds of the Offering will be applied to a portfolio investment in Maritime Iron Inc. ("Maritime Iron") and working capital, whereby EastCoal would complete a change of business from resource issuers and continue as an investment issuer. Pursuant to the MOU, the Company will acquire an aggregate ownership of 26% of the issued and outstanding common shares of Maritime Iron for \$4,000,000 of which up to \$3,000,000 will be a subscription for shares of Maritime Iron (the "Cash Investment") and a further \$1,000,000 will be a share acquisition from existing Maritime Iron shareholders (the "Share Acquisition"). The Cash Investment will be funded from the Offering and the Share Acquisition will be completed by issuing 5,917,160 EastCoal shares at a deemed value of CAD\$0.169 per share for a total value of \$1.0 million to existing Maritime Iron shareholders who agree to exchange Maritime Iron shares for shares of EastCoal. EastCoal intends to retain Salman Partners Inc. as the sponsor.

The MOU provides that EastCoal has a period of exclusivity to complete due diligence and definitive documentation expiring on December 22, 2015. In addition, EastCoal has the right to complete a further investment in Maritime Iron and complete a merger with Maritime Iron pending negotiation of terms, additional definitive documentation and satisfactory progress on the development of the business of Maritime Iron.

Pursuant to the COB, EastCoal will become an investment issuer focused on growth-oriented investments in the resource processing and resource processing technology sector. The Corporation proposes to make active investments in three to four companies, assets or projects held in private or junior public companies, subject to funding. The investment objective of the Corporation will be to provide long-term capital growth and to offer investors exposure to a "private equity" style of investing in the resource processing and resource processing technology sector.

The private placement, COB and share consolidation are subject to regulatory and Exchange approval and all necessary shareholder approvals. As a result, the Company has requested that the trading of its stock be halted until such approvals have been obtained and all necessary Exchange and regulatory steps have been taken.

Completion of the transaction is subject to a number of conditions, including Exchange acceptance and Shareholder approval. The transaction cannot close until the required Shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Management Information Circular and/or Filing Statement to be prepared in connection with the transaction, any information released or received with respect to the COB may not be accurate or complete and should not be relied upon. Trading in the securities of EastCoal should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Further announcements will be made on the status of these transactions.

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CAUTIONARY STATEMENT: Neither the TSX-V nor its Regulation Services Provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or

other regulatory authority has approved or disapproved the information contained herein. This News Release includes certain "forward-looking statements". All statements other than statements of historical fact, included in this release, including, without limitation, future plans and objectives of the Company, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are the risks detailed herein and from time to time in the filings made by the Company with securities regulators including the following: (i) EastCoal has stopped commercial operations and has no history of profit; (ii) investment in the common shares of EastCoal is highly speculative given the unknown nature of EastCoal's business and its present stage of development; (iii) there is no assurance that EastCoal will find a profitable undertaking or that it can successfully conclude a purchase of such an undertaking at all or on terms which are commercially acceptable; (iv) the directors and officers of EastCoal will only devote a portion of their time to the business and affairs of EastCoal and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time; and (v) there can be no assurance that an active and liquid market for EastCoal's common shares will develop and an investor may find it difficult to resell its common shares. This list is not exhaustive of the factors that may affect any of EastCoal's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on EastCoal's forward-looking statements. Although EastCoal believes that the assumptions and factors used in preparing the forward looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. EastCoal disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

SOURCE: [EastCoal Inc.](#)