



**November 20, 2014**

## **Altitude Resources Inc. and Elan Coal Ltd. Complete Formal Joint Venture Arrangement with Kuro Coal Limited to Develop Elan Coking Coal Project**

### **Highlights:**

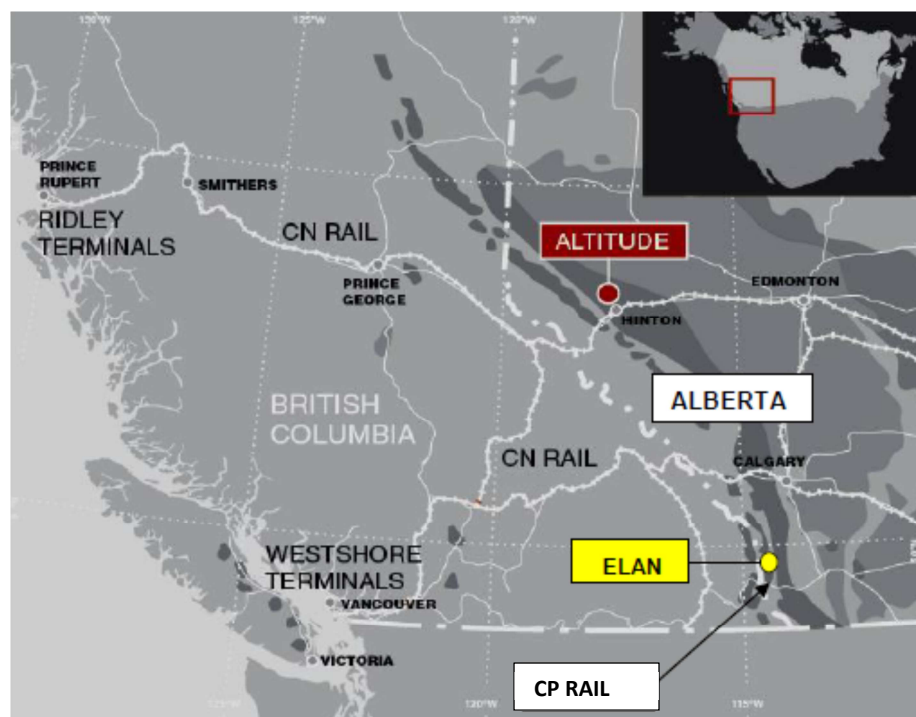
- Altitude Resources Inc. (“ALI” or “Altitude”), Elan Coal Ltd. (“Elan”) and Kuro Coal Limited (“Kuro”) have executed a Limited Partnership Agreement to jointly develop the Elan Coal Project (“the Elan Project”) located in southwestern Alberta, Canada.
- Kuro can earn up to a 70% interest in the Elan Coal Project based on achieving various milestones which include drilling, completion of a scoping study, prefeasibility study and a feasibility study.
- Altitude and Elan shall have a free carried proportionate interest until the completion of the feasibility study, at which time each party will be required to fund its pro-rata share of expenditures.

**CALGARY, ALBERTA** - Altitude Resources Inc. (**TSX-V:ALI**), on behalf of Elan is pleased to announce that it has completed the signing of a Limited Partnership Agreement (“the Agreement”) with Kuro as previously announced on September 5, 2014. Kuro has the opportunity to acquire up to a 70% interest in the Elan Project upon successful completion of, amongst other exploration requirements, a feasibility study. Assuming Kuro fulfills all requirements to earn its 70% interest under the Agreement, Altitude and Elan will retain an ownership equal to 12.5% and 17.5%, respectively.

The Elan Project is located in the foothills and front ranges of the Rocky Mountains of Alberta, beginning approximately 15 kilometres north of the Municipality of Crowsnest Pass and extending in a northward trend for approximately 55 kilometres. The Elan Project comprises 27 Alberta Crown coal applications covering an area of approximately 23,000 hectares.

Commenting on the Joint Venture with Kuro, Altitude President and CEO Gene Wusaty stated: “We are very pleased to have formalized our relationship with Kuro on the development of the Elan coking coal project. This will now allow Altitude to focus its exploration efforts on its 100% owned Palisades and related projects in west central Alberta.”

**Figure 1: Location of Elan project**



### **Acquisition Terms Summary**

- 1) Kuro paid Elan \$25,000 upon the execution of a binding Letter of Intent;
- 2) To earn an initial 20% interest in Elan, Kuro will:
  - a. upon the registration of the Limited Partnership between Kuro, Elan and Altitude, pay Altitude \$150,000. This payment is expected to be received by Altitude prior to November 21, 2014;
  - b. upon listing of Kuro on the Australian Securities Exchange (which is expected to occur on or by mid-March, 2015), issue the vendors 1,500,000 fully paid ordinary shares (subject to 24 months voluntary escrow) at a deemed issue price of \$0.20 per share. In accordance with the provisions of the Agreement, Altitude will be allocated 12.5% of this share issuance; and
  - c. Kuro will allocate an initial \$500,000 towards a 2014 exploration program focused on assessing the coal quality of the Elan project deposit;
- 3) Kuro will have the option to further increase its interest in the Elan Project as follows:
  - a. it can increase its ownership to 45% by:
    - i. spending at least \$2.5 million in exploration on the Elan Project; and
    - ii. completing a Scoping Study;

- b. it can increase its ownership to 60% by:
    - i. spending a further CAD\$4.0 million in exploration on the Elan Project; and
    - ii. completing a Preliminary Feasibility Study;
  - c. it can increase to its ownership to 70% by:
    - i. completing a formal Feasibility Study.
- 4) Kuro will issue up to 2,800,000 fully paid ordinary shares to Altitude and Elan (subject to 6 months voluntary escrow from the date of issue) upon the achievement of various resource milestones. In accordance with the provisions of the Agreement, Altitude will be allocated 12.5% of this share issuance;
- 5) Subject to completing a formal Feasibility Study, Kuro will retain a right of last refusal to acquire the remaining 30% interest in the Elan project on commercially acceptable terms;
- 6) Kuro is the Operator to the Elan Project.

### **Elan Project Information**

The southern part of the Elan Project is highway accessible by driving approximately 15 km north from the Municipality of Crowsnest Pass via the Kananaskis Highway. The Canadian Pacific rail line runs through Crowsnest Pass and connects with western Canadian ports in Vancouver or as far east as the Great Lakes.

Elan lies within the Front Ranges of the Canadian Rocky Mountains in the Crowsnest Pass area and spans the north-trending, west-dipping, Coleman, McConnell and Isolation thrust sheets. The Crowsnest Pass area is characterized by Jurassic to Lower Cretaceous rocks of the Fernie, Blairmore and Kootenay Groups, and the Crowsnest Formation.

Historical drilling on and near Elan suggests there are 10 to 16 coal seams that range from 3 to 10 m in thickness, many with economic potential. Coal rank is low- to medium-volatile bituminous with variable but generally moderate ash content, good washability, and good coking properties. Altitude previously announced an initial NI 43 – 101 Coal Resource estimate comprising of 62 million tonnes (“Mt”) in the Measured and Indicated Mineral Resource categories and 85Mt in the Inferred Mineral Resource category. Altitude’s consultants, Dahrouge Geological Consulting Ltd., have identified a 726 Mt exploration target for the Elan property. See Altitude’s SEDAR profile for additional information.

Gene Wusaty, President and CEO of Altitude, a qualified person as defined by National Instrument 43-101, supervised the preparation of the technical information in this release.

## **About Altitude Resources**

Altitude Resources is a Canadian coking coal company focused on developing its Palisades Coal Project located northwest of Hinton, Alberta, Canada and the recently optioned Elan project. The Palisades Coal Project is located approximately 12 km from CN rail which has capacity to provide transport of coal to deep-water ports on the west coast of Canada to service the growing demand from world markets.

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### **Cautionary Statement Regarding Forward-Looking Information**

This news release contains "forward looking information" within the meaning of applicable Canadian securities legislation. Forward looking information includes without limitation, statements regarding the size and quality of the Company's mineral resources, progress in the development of mineral properties, future capital and operating expenses, the future financial or operating performance of the Company, the prospective mineralization of the properties, planned exploration programs and the anticipated production schedule. Generally, forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is based on assumptions that have been made by the Company as at the date of such information, including those assumption described in the Company's technical report entitled "Resource Estimate of the Palisades Coal Property" dated November 28, 2011 which is available at [www.sedar.com](http://www.sedar.com). Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: the future price of coal, industry market trends and predictions, the estimation of mineral reserves and resources, operating and exploration expenditures, costs and timing of future exploration, requirements for additional capital, government regulation of mining operations including changes in government policies, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage, regulatory matters, and other risks described in the public filings of the Company. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.