CANADA COALING.

NIRB File No.: 13EN001

AANDC File Nos.: N2012CC0031, 5510

EC File No.: 4703 001 018

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Catherine Braun Rodriguez
Technical Advisor
Nunavut Impact Review Board
PO Box 1360,
Cambridge Bay, NU
XOB OCO



DMT Geosciences Ltd.

Suite 415, 708-11th Avenue S.W., Calgary, Alberta,

Calgary, Alberta, CANADA, T2R 0E4

Direct: +1.403.781.2157 General: +1.403.264.9496 Fax: +1.403.263.7641

Email:

Susan.ODonnell@dmtgeosciences.ca

www.dmtgeosciences.ca

Sent via email: cbraunrodriguez@nirb.ca

Re: Formal Request to Withdraw all Project Applications Relating to Canada Coal's Fosheim Peninsula Coal Exploration Project

Dear Catherine,

As of December 12th, 2013, Canada Coal Inc. (Canada Coal or the Company) will withdraw all current project applications relating to the Fosheim Peninsusla Coal Exploration Project. Canada Coal respectfully requests that the Nunavut Impact Review Board (NIRB) terminates its screening of file #13EN001.

Canada Coal intends to spend the next 12 months working towards the development of a new project proposal. The Company is in the process of initiating a working group, and will work closely with local residents of Ellesmere Island, the Qikiqtani Inuit Association (QIA), government agencies, and other interested parties to address all project-related comments and concerns prior to submitting a new application.

Canada Coal recently undertook a community consultation session with the Hamlet of Grise Fiord December 12th through 14th, 2013. The session was also attended by representatives of the QIA and the Department of Indian Affairs and Northern Development (DIAND). Based on discussions and feedback during the session, as well as on communications with various other authorizing agencies, the Company has decided to withdraw all outstanding project permits and delay all planned project activities to give the working group sufficient time to collaboratively seek project solutions and alternatives.

The Company would like to thank the NIRB and the general public for its feedback on the Fosheim Peninsula Coal Exploration Project. Canada Coal has reviewed and considered all project feedback, and is looking forward to implementing in any future project applications many of the project enhancements which were currently underway as a result of that feedback. Some of those enhancements included the establishment of management plans for water, wildlife, and heritage resources (amongst others), becoming industry leaders for ungulate management practices, establishing areas of exploration exclusion for renown heritage sites within the



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project vicinity, and establishing a close working relationship with local communities. Canada Coal looks forward to working collaboratively through its working group over the next 12 months.

We appreciate NIRB's termination of screening for file #13EN001. If you have any further questions at this time or require and additional information, please do not hesitate to contact Canada Coal at info@canadacoal.com or myself (as technical advisor to Canda Coal) at susan.odonnell@dmtgeosciences.ca.

Thank you for your assistance in this important matter.

Sincerely,

DMT Geosciences Ltd.

Susan O'Donnell

Susan O'Donnell, P. Geol. Professional Geoscientist of Nunavut Senior Geologist, DMT

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