Appendix 5

Public Consultation
COALSPUR MINES LTD.
VISTA COAL PROJECT

PUBLIC ENGAGEMENT REPORT

APPENDICES

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February 2012
COALSPUR MINES LTD.
VISTA COAL PROJECT

PUBLIC ENGAGEMENT REPORT
APPENDIX 1

PUBLIC ENGAGEMENT PROPOSAL FOR A STRATEGY, PLAN AND PROGRAM

February 2012
Coalspur Mines Limited
Vista Coal Project

Public Engagement Proposal
For A Strategy, Plan and Program

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Vista Coal Project: Project Description

The project proposed by Coalspur Mines Limited (Coalspur Mines), Vista Coal Project, was applied for in 1982 by Manalta Coal, and was approved in 1983. The project was never constructed but the Mine Permit, approved by the Energy Resources Conservation Board (ERCB) remains in place and is valid. The company has approached regulatory officials with Alberta Environment, Sustainable Resource Development, Energy and the ERCB about moving forward with this project by applying for a Mine Licence, Environmental Protection and Enhancement Act (EPEA) application and Water Act approval for the project.

The proposed infrastructure will include a coal wash plant (including a dryer), crusher, conveyor and access road to rail north of Highway 16, and pit and dump development areas. The development to be applied will include the coal plant (and associated activity), corridor and initial mine development.

The 1983 ERCB Decision Report, the interests, needs and the issues that existed at that time will inform the updated application and the collection of current environmental data, the design of the public engagement and Aboriginal Consultation programs. When the Environmental Impact Assessment was completed in 1982, all environmental disciplines were covered with the rigour that was required at the time. Data collection and updates will be made to the environmental information to bring it to today’s standards. The updated environmental information will be used to prepare a Mine Licence and EPEA application.

The proposed project location and approved 1983 Mine Permit boundary is generally located southeast of the town of Hinton. The map that follows shows the location of the Vista Coal Project and proximity to Hinton.
Important Strategic Considerations for Public Engagement

Public engagement and participation as part of the application for Vista Coal Project will be sought from provincial and local governments, area residents, the public, other industry operators, and potentially affected Aboriginal communities. Regulatory approvals will occur in stages since mining will be advanced at different times, depending on the utilization of existing coal reserves.

While the proposed approval for both Vista Coal Project area and the subsequent mining within lease areas held by the company will be dealt with in separate applications, the public Engagement process for each will be similar. However, the intensity and requirements for each may be different. Coalspur Mines must ensure that:

- at any given time, participants are clear about the relationship between Vista Coal Project and future, potential mining activities;
- every effort will be made to engage participants meaningfully in a convenient and timely manner (i.e. both the time and availability of participants is valued, as well as the need for the company to meet application, development and operating schedules); and
- company representatives can speak meaningfully, make commitments and demonstrably keep promises on project that are made to the community or to individual stakeholder interests.

Community relations, including demands from Aboriginal communities and requests for community investment from some public participants, are likely during the public engagement program and something that the company must be prepared for.

Consideration should also be given to development and delivery of a media relations strategy (not included as part of this proposal). The Vista Coal Project and future applications have the potential to be controversial should some of the environmental issues be seen to be critical to the perception of what the local community defines as their “quality of life” or if the consequences of mine and facilities development are seen to be provincial in scope.

Vista Coal Project Public Engagement Process: The public engagement process for the Vista Coal Project application is proposed to include four phases. While the description for each phase is discrete, some activities within separate phases may happen simultaneously of necessity and continue throughout the application process and following regulatory approval if the mine application is successful.

While there will be opportunities for creative redundancy in Vista Coal Project and subsequent project applications, it is critical to ensure this and future application processes are seen by stakeholders and interested public as separate. Assistance should be provided as required to participants during the mine application process to help them feel confident and competent about their participation in the public engagement component.

Public Engagement – Strategic and Program Planning Considerations

Prepare a Public Engagement Program Guide

A Public Engagement Program Guide (PI Program Guide - this document will act as a “Terms of Reference” for public engagement) that will serve as the directional document for the public Engagement program will be established. The purpose is to have a statement that is brief, describing the context, objectives and results to be achieved. The PI Program Guide will be drafted for review, amendment and agreement of the Coalspur Mines project leaders and their project managers and will include:
• the current situation and requirement for public engagement,
• a decision statement framed as a broad statement of intent for the project,
• the need and value of public Engagement,
• public engagement principles,
• public engagement objectives,
• the scope of engagement broadly describing the range of communities of interest that will be encouraged to participate,
• how the information collected during the public engagement program will be used for decision making, and
• identification of which Environmental Assessment (EA) components will likely be informed through the public Engagement program, including cooperative efforts among consultants that may be helpful in data collection.

Community Relations - Building Trust

The company is new to the area and must engage local and regional stakeholders in public engagement programs as a requirement of the regulatory review and approval process. The company will have the opportunity to learn about and build relationships with the local and regional stakeholders who will likely be interested in their operations. To date, company representatives have been sincere in identifying community and stakeholder issues and needs as part of the regulatory approval process.

Establish a Stakeholder Contact List

A detailed list of contacts will be developed and reviewed with Vista Coal Project Managers. This contact list will be used as the basis for verification update and addition for use in communicating with and involving a range of stakeholder interests as part of the public engagement program. Consistent with past efforts in developing and keeping the stakeholder contact list current, it will include:

• Town of Hinton residential property owners who believe they may be affected by the Vista Coal Project,
• representatives of governments (federal, provincial, municipal),
• First Nations and other Aboriginal community representatives known to have a traditional use interest in the area (Note: There will be a separate Aboriginal Consultation program planned and delivered to address the unique requirements of Aboriginal communities and people),
• regional health representatives,
• non-government organizations,
• other industry operators in the region who may have an interest, and
• outdoor recreational interests.

Company employees should also be using the same communication tools used with stakeholders and the public. The contact list will be dynamic; people who learn about the project as it progresses and wish to be informed as it evolves will be added to the contact list as they make their interest known. All of the information collected for people on the contact list will be for the sole use of Coalpur Mines as part of the Vista Coal Project consistent with freedom of information and protection of privacy legislation.

Bi-Monthly Reporting of Contacts, Commitments and Follow-up

Bimonthly reporting of public and stakeholder contacts, commitments and follow-up requirements or actions will be provided to Vista Coal Project managers for their review and action. This reporting will also form part of the
Public Engagement reporting component of project applications during the various phases of the Vista Coal Project. “Rolling reports” will include all public contacts made, engagement and consultation activities completed and responded to. This will continue for subsequent public engagement activities components of the environmental assessment and Vista Coal Project applications. There will be an on-line format for recording contacts and follow-up (see the sample included in Appendix 1) that will allow contacts to be easily recorded and described.

There will be a separate contact record kept during and Aboriginal consultation component for the project. Alberta Environment requires that the contacts, commitments and follow-up made with Aboriginal governments and communities be reported to them bi-monthly. This record keeping and reporting will be coordinated by Lifeways of Canada as the project lead for Aboriginal Consultation.

**Orientation and Initial Contact with Key Stakeholders**

Some stakeholders’ engagement will be helpful to the success of the public engagement program, the regulatory review process, subsequent documentation and reporting, either through their knowledge and endorsement of the approach or through the need to support the engagement program through their participation. These people should be informed early, prior to any widely distributed public announcement. These key stakeholder interests are proposed to include:

**Member of the Legislative Assembly (MLA):** The MLA will likely be approached by constituents with their concerns about the mine expansion. The MLA has been briefed about the proposed Vista Coal Project and has been provided with Coalspur Mines project leaders’ contact information.

**Yellowhead County Council and Administrators:** The same rationale as that for briefing the MLA applies here, particularly for the Councillor representing the Hinton area. The Chief Administrative Officer and the municipal planning manager will also be included. Yellowhead County has regulatory responsibility as the reviewer and approver of municipal land use zoning and related project development permits for construction.

**Hinton Town Council and Administrators:** As with the Yellowhead County Council and Administrators, Hinton Town Council and senior administrators will be an important stakeholders in the process.

**Nearby Hinton Residents/Landowners:** Ensuring residential and property owner contacts are up to date is becoming increasingly difficult because of legislation governing freedom of information and protection of privacy. This can be mitigated through the cooperation of the municipal authority in providing their assistance in mailing important project information to residents and property owners using tax roll information. This requires relationship building and trust (and may incur some costs). Once initial contact with residents/landowners has been made with the assistance of the municipal authority, people can be requested to voluntarily provide their contact information for ongoing communication regarding the project.

Coalspur Mines has established a project office in Hinton with company representatives available to respond to those who “walk in” with questions or comments related to the company’s activities.

**Potentially Affected Aboriginal Communities and Groups:** Following contact with AENV regional representatives responsible for First Nation consultation for confirmation of the list of potentially affected Aboriginal Communities (i.e. those First Nations within whose traditional areas the proposed mine extension falls) notification and project information will be provided. Through other coal mining projects in the region, members of the consulting team assigned to assist with Aboriginal consultation have developed extensive ongoing relationships with eight First Nations. It is assumed that all of these First Nation interests will be
engaged using a process that is consistent with Government of Alberta’s First Nation Consultation Policy and Framework.

While the Government of Alberta does not have a policy for consultation with Métis communities, the representatives responsible for First Nation consultation expect proponents to also consult with the Métis Nation of Alberta and by extension, Métis Nation of Alberta, Region IV and the Hinton and Edson area Métis Locals. The Federal Government, should they become involved in the regulatory approval process, requires that Métis people be involved as part of an overall Aboriginal Consultation process.

**Additional Interested Contacts:** Contact lists developed for the public engagement and Aboriginal consultation processes will be reviewed and updated to ensure that all potential interests are included with their most recent co-ordinates.

### Initiation and Ongoing Engagement – Proposed Methods

The following methods to initiate and continue public engagement during the preparation of the Vista Coal Project mine development application and environmental assessment update for the former McLeod River North Project. They are provided for discussion and to assist in anticipating planning, design and reporting requirements for them to successfully complete the requirements for the project public engagement program.

**Produce and Distribute a Newsletter:** An initial newsletter will provide a description of the mine development proposals. It will be important to distinguish between the Vista Coal Project and any future mining proposals that Coalspur Mines Ltd. may initiate in their leases following the Vista Coal Project application. The newsletter should include (but not limited to):

- a summary of the current status of Vista Coal Project and regulatory application,
- the rationale for, location of and application requirements for the mine proposal related to the previously approved mine permit,
- a description of the Environmental Assessment (EA) preparation and application process,
- opportunities for engagement in project review and comment,
- the issues and needs identified at an open houses in Hinton,
- where to submit requests for additions or changes to the stakeholder contact list (for ongoing contact), and
- who and how to contact Coalspur Mines representatives for additional information.

Regular newsletter updates are recommended throughout the project application process—at least three more times for a total of four (approximately every four to six months until the estimated date of approval).

**Public Open Houses:** Open houses providing project information (based on the Public Disclosure Document, the EA terms of reference and initial resource baseline assessments that have been and updates that will be conducted) should be held in or close to the affected residential communities (i.e. Hinton and the rural residential subdivisions within Yellowhead County). The open houses will provide an opportunity to inform people and gather their advice on what they believe must be addressed as part of the Vista Coal Project environmental assessment, application and subsequent mine development. Open house events would be supported through:

- attendance of project managers and company leaders to help provide context and explain the project,
- poster boards providing project information to assist people in learning through words, pictures and graphics,
- methods to actively and obviously collect comments from participants,
- a method to collect and follow-up with specific interests, needs or concerns that may emerge, and
• an exit survey of participants to evaluate the event in terms of applicability of information, participation of project managers and leaders, and, generally, the success in achieving open house objectives.

Each open house will be designed to take place in the late afternoon and early evening. Three open houses are recommended during the public engagement process, targeted primarily to residents in the Town of Hinton and rural residential communities that may be proximate to the proposed Vista Coal Project location. Accordingly, it is recommended that they be held in Hinton, Alberta.

Planning for open houses will be supported by an open house plan that guides the open house process, identifies orientation materials, presentation information (poster boards and graphics) as well as staff resourcing requirements.

Products from each Open House will include:
• A summary report of open house events.
• Preparation of any correspondence regarding public engagement updates as required by regulatory agencies (e.g. Alberta Environment).
• Drafting, project leader approval and production of a Newsletter / report to participants.
• Development of a list of issues and needs and how Coalspur Mines representatives anticipate addressing them in the mine application and during mine development; this information will also be used to inform and direct the project consulting team in their data collection and the development of any required mitigation recommendations.

**Hold Meetings with Interested People or Groups:** There may be groups (e.g. First Nations / Aboriginal Communities, recreational groups, ATV users, area residents) who wish to learn more about the proposed project and how it may affect them. The company may wish to meet with these groups to learn more about their interests and ensure they are accounted for as part of the application (e.g. recreational users’ or regional watershed organization engagement in providing advice for mine planning) and addressed prior to the submission of the project application for formal regulatory review.

It may be helpful to some consulting team members’ data collection (e.g. historical resources, socio-economic and human health assessments) to participate in some of these group meetings. These opportunities should be discussed further with the Vista Coal Project leader and the consulting team project manager who may find value from this engagement method.

There may be specific concerns raised by one or two people who have an economic interest in the area (e.g. holders of subsurface mineral rights, trappers, guides and outfitters, residential home or property owners). As noted previously, these interests or needs can be addressed directly by Coalspur Mines corporate representatives directly with a record kept of the public request and the follow-up provided by those representatives.

**Managing and Responding to Correspondence:** There will likely be written communications (by traditional mail or electronic mail) that identify issues and needs or request more information on the project proposal. Any formal response will be provided by the Vista Coal Project, Coalspur Mines project managers, using the most up to date information available. Any correspondence received and disseminated will be recorded and reported as part of the bimonthly update to Coalspur Mines representatives.

**Record Public Contacts made by Vista Coal Project Leaders and Members of the Consulting Team:** In the course of collecting data for the EA component of the application, consulting team members often encounter and engage members of the public. The opportunity to share information about the project becomes a likely and positive outcome of any encounter. To ensure these interactions with users are not
“lost,” a contact record (form) was developed for the Vista Coal Project application will be used so the discussion content can be captured and reported to Coalspur Mines representatives every two months for their information, review and follow-up, as may be required.

**Address Follow-up Requirements:** As a result of the information provided during the application preparation process, there will likely be specific follow-up required to ensure both participants and the company are able to demonstrate a sincere effort to exchange information and ideas as part of the project EA and application process.

**Existence of Project Office in Hinton:** The purpose of the office has been to allow Coalspur Mines staff to work on planning the project and to encourage people who are interested to learn more about the project. The Project Office is an important asset in support of the public engagement program for the Vista Coal Project. The project office has been able to:

- Show that the company wishes to ensure that there is a long term, responsive and positive relationship established with community and area residents and land users through access to timely information and responses to their interests, needs or concerns related to proposed Vista Coal Project.
- Demonstrate Coalspur Mines Ltd. interest in ensuring that the company is supporting active engagement of residents at the community level.
- Have a community location where residents of Hinton and surrounding area can conveniently go to obtain or provide up to date information on the mine application and EA information.
- Provide opportunities for residents to provide their ongoing comments related to interests, concerns and potential needs related to the project and in particular active mining.
- Allow Coalspur Mines corporate representatives to quickly and efficiently respond to any urgent or immediate issues or needs that may be identified.

The role of the project office staff will be discussed with the Coalspur Mines Vista Coal Project team to determine what might be the best “fit” for participation and formal data collection as part of the public engagement program.
Proposed Public Engagement Activities and Estimated Schedule – A Four Phased Approach

Both the proposed schedule and cost estimate can be changed if project requirements are modified based on discussion and direction from Coalspur Mines Ltd. Vista Coal Project Leaders and the Consulting Team Project Manager.

**Phase One: Planning, Design and Program Development**

This phase will establish the “game plan” for public Engagement throughout the Vista Coal Project application process.

**Objectives**
- Establish an acceptable, corporately-endorsed approach to public Engagement.
- Develop and implement an approach to notify key stakeholders of the proposed expansion application.

<table>
<thead>
<tr>
<th>Coalspur Mines – Vista Coal Project Phase 1</th>
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</thead>
<tbody>
<tr>
<td><strong>Estimated schedule:</strong></td>
</tr>
<tr>
<td>Start in 4th quarter 2010</td>
</tr>
<tr>
<td><strong>Activities and Products:</strong></td>
</tr>
<tr>
<td>Confirm and discuss approach with Coalspur Mines Vista Coal Project Leader and Consulting Team Project Manager</td>
</tr>
<tr>
<td>Public Engagement terms of reference</td>
</tr>
<tr>
<td>Confirmation of company commitments</td>
</tr>
<tr>
<td>Develop/confirm a project stakeholder contact list (ongoing)</td>
</tr>
<tr>
<td>Initial contact with key stakeholders</td>
</tr>
</tbody>
</table>

**Phase Two: Notification, Awareness, and Identification and Confirmation of Issues**

**Objectives**
- Identify key community and public interest groups and individuals.
- Encourage participation of community and public groups and individuals who may have an interest in the project.
- Provide adequate information to people for stakeholders to learn about the project and weigh the advantages and disadvantages.
- Identify and understand the mine development concerns and issues of various stakeholders/communities of interest.
- Obtain information from the public and stakeholders that will assist in project decision making.

<table>
<thead>
<tr>
<th>Coalspur Mines – Vista Coal Project Phase 2</th>
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</thead>
<tbody>
<tr>
<td><strong>Estimated schedule:</strong></td>
</tr>
<tr>
<td>Completed 4 to 6 weeks following end of phase one</td>
</tr>
<tr>
<td>Newsletter</td>
</tr>
<tr>
<td>2 Open houses</td>
</tr>
<tr>
<td>Support (materials / coordination / advice) for Hinton office</td>
</tr>
</tbody>
</table>
Phase Three: Ongoing Public Engagement and Issue Resolution

Objectives

• Ensure public interests, needs and concerns are addressed.
• Ensure public engagement needs identified in the EIA Terms of Reference are addressed throughout the EA data collection and reporting process including bimonthly reporting for the Vista Coal Project.
• Enhance public understanding of the proposed mine expansion, foster support as a result of a credible and consistent public engagement process (including making and keeping commitments).
• Obtain information from the public that will assist in project decision-making.

Coalspur Mines – Vista Coal Project Phase 3

Estimated schedule:
Approximately 3 to 5 months following end of phase two
bimonthly reporting will be ongoing following phase one

Two Open houses
Coordination for follow-up, meetings, record keeping, compiling/reporting results
Support (materials / coordination / advice) for Hinton liaison office
Newsletter

Phase Four: Application Preparation and Submission

Objectives

• Ensure public needs and issues identified are responded to by Coalspur Mines, Vista Coal Project representatives.
• Ensure the public engagement needs identified in the EA Terms of Reference are addressed throughout the EA data collection and reporting process including bimonthly reporting to Vista Coal Project representatives and the consulting team leader.
• Enhance public understanding of the proposed mine extension, foster support as a result of a credible and consistent public engagement process, including a record of making and keeping project related commitments.
• Obtain information from the public that will assist in project decision-making.

Coalspur Mines – Vista Coal Project Phase 4

Estimated schedule:
During 3 months (and possibly ongoing until application / EA regulatory decision)
following end of phase three

Newsletter
One Open house
Prepare PE Component of EA
Appendix 1: Contact Record Data Collection – On-line Form

Coal Valley Mine - Proposed Mine Extension
CONTACT RECORD

CONTACT INFO

Date of Contact (MM-DD-Y): [ ]

Person or Group Contacted: [ ]

Please provide any available contact information:

Phone: [ ]

Email: [ ]

Address: [ ]

Town/Prov/Postal Code: [ ]

METHOD OF CONTACT

Contact occurred by: [ ] Face-to-Face Meeting

[ ] Phone Call

[ ] Email

[ ] Surface mail

[ ] Other
If a meeting took place, please indicate the location (or describe "Other"):

NATURE OF CONTACT

Check all topics that apply:

- Safety
- Environment
- Sponsorship
- General Community
- Land Management
- Employment
- Wildlife
- Traditional Land Use
- Historical Resources
- Cemetery at Mercoal
- Other

Describe Other:

Summary of issues discussed:

Is follow up required?
YES

NO

Recommended actions/coordination required:

Required by (MM-DD-YY):

CONTACT RECORD COMPLETED BY:

Name:

Date submitted (MM-DD-YY):

When ready to submit the completed contact record, click on OK.
COALSPUR MINES LTD.
VISTA COAL PROJECT

PUBLIC ENGAGEMENT REPORT
APPENDIX 2
PROJECT NEWSLETTERS
MAY 2011 AND NOVEMBER 2011

February 2012
About Coalspur

We are a coal exploration and development company with offices in Australia and in Calgary and Hinton, Alberta. We are currently working to develop a coal mine near Hinton called the Vista Coal Project. This is the first edition of our newsletter and contains information about the Vista Coal Project. We will continue to provide information updates as the project develops.

Vista Coal Project

We recently purchased coal lease areas located to the south and east of Hinton, originally owned by Manalta Coal. In 1983, Manalta received approval to develop a surface mine in the area, known as the McLeod River Coal Project (Mine Permit # 82-60) but this mine was never constructed. We have combined this property with our own to form the Vista Coal Project and are proposing to develop a new mine using the previously approved Mine Permit. This proposed mine will extend from a point 15 kms east of Hinton in a southeasterly direction and terminate on the northwest side of the McLeod River (see map).

Also in this newsletter

- Nov 30/Dec 1 Open Houses: Community comments and company responses
- Public involvement and Aboriginal consultation program
- Current project activities
- Personnel update
- Job opportunities
- Ongoing information and communication

Visit our web site at www.coalspur.com

In late 2010, Coalspur applied to the Energy Resources Conservation Board (ERCB) for a transfer of the Mine Permit for the Vista Coal Project. The transfer request is still within government approval processes. We also asked Alberta Environment to provide us with the specific approval process we will need to complete in order to begin development of the Vista Coal Project. Once this process is finalized, we will complete all the regulatory applications and meet all Alberta Government requirements in order to begin construction of the project.
Nov 30/Dec 1 Open Houses: Community comments and company responses

A total of 224 community members attended open houses held on November 30 and December 1, 2010. Open house participants included: area residents/property and rights owners, business owners or operators, recreational users, provincial government administrators, forest industry, oil and gas industry, trappers and outfitters, both non-government and government organizations, and First Nations.

At each open house, our staff and consultants encouraged participants to view detailed project information and to identify and discuss any interests, needs or issues they might have. During our one-on-one conversations with participants, we asked for and recorded their comments and have organized them into themes. The main themes, with sample comments for each and our responses, are presented below. More information will be provided at future public open houses.

Support for the Vista Coal Project

“Come faster, great for our town.” “Good for community.”

Our response: We also believe it’s a good project. The economic benefits are expected to be significant and will support the continued contribution of coal mining to the region’s economy.

Potential air quality and nuisance effects of future developments

“As the operations move closer to town and further west, concerned about dust and noise.”

Our response: The project’s active mining area will be approximately 15 kms from Hinton. We expect air quality or nuisance impacts will be minimal for residents due to distance and because of our planned emission monitoring and control programs to prevent the potential for environmental, human health or aesthetic problems. Any future mining activities beyond this project would require new applications, environmental assessments and public engagement that would include addressing the proximity of active mining to the community.

Mine planning and facilities location

“Bypass on Highway 16 – will your transportation and load-out facilities have an impact?”

Our response: Community impacts and input will be considered as we develop options for the coal plant location and rail load-out facilities.

Recreation access and use

“Is it close to Bighorn hiking trails? Don’t like the idea of mining nearby.” “Impact to adjacent campgrounds, new/old roads, dust, noise, McLeod River Provincial Park and Recreation Area.”

Our response: We are assessing and will report on the potential effect on recreation in the region and will ask the community for input as we complete our assessments and develop our project plans. We are already talking with recreation user groups in the area and hope to expand our contacts and talk with more as we proceed.

Water quality and quantity

“Concerned about the watershed – Cold, Hardisty, Cache Percotte, and Happy Creek all flow through Hinton.”

Our response: We are assessing and will report on the potential effect on ground and surface water quality and how it will be managed during mining operations to ensure human and environmental health.

Economic and social impacts on Hinton

“Economic impact on town. Local supply/service industry impact.” “Be sure you have a community investment/sponsorship program.”

Our response: We are assessing and will report on potential economic and social benefits and impacts, as well as the potential need for increased public health or social services.
Reclamation and end use plans

“Reclamation difficult – will require multiple generations to see results; what is Coalspur’s vision – will they do the bare minimum or be leading edge”

Our response: Our approach to land conservation and reclamation will be included in the project’s mine application. Any features or characteristics requiring conservation or reclamation measures will be described, along with proposed conservation and reclamation measures for them.

Public involvement approach

“Trust – Vista Coal Project is a start. Once you get it approved, will you continue to engage and take community comments seriously for the next phases of coal mine development (e.g. Vista South)?”

Our response: No decisions will be made regarding Vista South until a regulatory decision has been made about the Vista Coal Project. Any comments we receive about Vista South will be kept for use should we proceed in the future. Future mining activities beyond the Vista Coal Project will require new applications and environmental assessments that will include addressing the proximity of active mining to the community. We are committed to fully engage the public and other stakeholders as we develop our properties.

Trapping, hunting and fishing

“Respect for hunters, anglers, trappers, etc. and their use of the land today.”

Our response: We are assessing and will report on the project’s potential effects on regional activities such as trapping, hunting and fishing. We have identified the trappers with fur resource licences in the area and have added them to our contact list so they will receive ongoing project updates.

Wildlife and fisheries

“Wildlife corridors: strip mines are disruptive to wildlife wanderings. Have corridors been considered?” “Concerned about water quality and fish habitat.”

Our response: Our project’s potential effects on wildlife and fish habitat will also be assessed. Plans to maintain wildlife and fisheries in the area will be developed, as required.

Aboriginal consultation

“Land claims and Aboriginal issues: extent of impact and process for dealing with it.”

Our response: An Aboriginal consultation plan and program is being prepared for review by regulatory agencies. We have already completed initial meetings with most of the First Nation and Aboriginal communities regarding traditional land use interests in the region. Issues related to First Nation land claims are the responsibility of the Federal and Provincial governments.

Historical resources conservation

“Consider historic values and resources.”

Our response: We will complete a thorough review and assessment of historical, paleontological and archaeological resources at the site. Results will be reported to Alberta Culture and Community Spirit, the regulatory agency concerned.

Public involvement and Aboriginal consultation program

We are committed to involving the public during development of the Vista Coal Project. Our public involvement process includes: community newsletters; public open houses; and meetings with interested people or groups (e.g., First Nations and Aboriginal communities, recreational groups, ATV users, and area residents).
Current project activities

**Feasibility study.** We have begun a broad range of technical studies and evaluations for the Vista Coal Project and this work is expected to be completed by the end of 2011. The studies will be used to develop a detailed plan and cost estimate for construction and operation of the project and will be used by our Board of Directors in their decision on whether or not to proceed with project construction.

**Mine Permit transfer.** We have not yet received a formal decision from the Alberta Government on the transfer of the Mine Permit. Discussions are ongoing with Alberta Environment.

**Rail load-out and product storage.** We have been evaluating options for a rail load-out and product storage location east of Hinton. The conveyor and road access to the mine's plant site is also being reviewed.

**Exploration.** We will continue exploration activities as soon as weather conditions allow. This summer, we plan to explore both the Vista Coal Project and Vista South areas.

Personnel update

**Allan McGowan** has joined Coalspur as Manager, Vista Project Development, in its Hinton office, now located at 114 Jasper Street in Hinton. Allan is no stranger to Hinton having worked at both the Obed Mine and Cardinal River Mine in the past.

**Denis Lehoux,** VP, Operations, has retired from Coalspur effective this past March. We would like to thank Denis for his contributions to our company and wish him well in his future endeavours.

Job opportunities

We are currently recruiting for the following positions:

- Senior Mine Engineer
- Mine Engineer
- Accountant
- Plant Engineer
- Exploration Geologist
- HR Coordinator
- Manager, Environment and Regulatory
- Community Relations Advisor

Please send your resume to:

Mona Rockwell, Coalspur Mines
114 Jasper Street, Hinton, AB T7V 1X5
or email to mrockwell@coalspur.com

Ongoing information and communication

**MORE PUBLIC INFORMATION SESSIONS**

We are hosting public open houses in June to discuss the results of our application for the transfer of the mine permit, and to provide updates and information about mine planning. Watch for radio and newspaper announcements about the dates and locations.

Hope to see you there!

**WHO TO CONTACT**

You are welcome to contact the following representatives at any time:

<table>
<thead>
<tr>
<th></th>
<th>Allan McGowan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mine plan, current activities or to be added to our project contact list</strong></td>
<td>Email: <a href="mailto:amcgowan@coalspur.com">amcgowan@coalspur.com</a> Phone (Hinton) 780.865.7955</td>
</tr>
<tr>
<td><strong>Mine development and planning</strong></td>
<td>Dermot Lane Email: <a href="mailto:dlane@coalspur.com">dlane@coalspur.com</a> Phone (Calgary) 403.767.6370</td>
</tr>
<tr>
<td><strong>Public involvement</strong></td>
<td>Jim Gendron Email: <a href="mailto:jim_ltg@shaw.ca">jim_ltg@shaw.ca</a> Phone (Edmonton) 780.757.0276</td>
</tr>
</tbody>
</table>
About Coalspur Mines Ltd.

Coalspur Mines Ltd. is a coal development company with over 33,000 hectares of coal exploration leases south and east of Hinton, Alberta. Our goal is to develop some of these leases as the Vista Coal Mine Project to meet world-wide energy demand. Coalspur Mines Ltd. has offices in Calgary and Hinton in Canada, as well as in Australia.

This is the second edition of our newsletter updating information for the Vista Coal Mine Project. We will continue to provide information as the project develops.

Also in this Newsletter

- June 2011 open house - results
- Project activities and anticipated timing
- Coalspur in the community
- Ongoing information and communication
- Job opportunities

MARK YOUR CALENDAR
NEXT OPEN HOUSE
TUESDAY, NOVEMBER 29
ROYAL CANADIAN LEGION,
HINTON
3 to 8 p.m.

Visit our web site at www.coalspur.com

Vista Coal Mine Project

Our coal lease area is located south and east of Hinton. The proposed Vista Coal Mine Project will extend from a point 10 kilometers east of Hinton’s boundary in a southeasterly direction, terminating on the northwest side of the McLeod River Valley.

Our 2010 application to the Energy Resources Conservation Board, for transfer of the 1983 Mine Permit and coal processing plant approval (on which the Vista Coal Mine Project is based) has been approved.

Alberta Environment and Water (formerly Alberta Environment) has provided the specific requirements and regulatory process that the Vista Coal Mine Project will be required to follow. This includes a proposed terms of reference for an environmental impact assessment. We are preparing the integrated regulatory application to meet all Alberta Government requirements.
June 2011 open house - results

Our second public open house events for the Vista Coal Mine Project were held in Hinton at the Legion Hall on June 14 and 15 and attended by 144 people—area residents, property and rights owners, business owners or operators, recreational users, provincial government administrators, forest and oil and gas representatives, First Nations, trappers and outfitters, and members from non-government and community organizations. Our project team was available to answer questions and also collected participants’ comments. Comments were grouped into themes and our responses are noted below.

**Support for our project (8 comments)**

*Our Response:* We also believe it’s a viable, positive project. The economic benefits are expected to be significant and will support the continued contribution of coal mining to the region’s economy.

**Local employment/contract opportunities (19)**

*Our Response:* Our first preference is to hire locally and our lead recruitment will be out of our Hinton office. Significant contractor and employee recruitment will likely begin 1 to 2 years following the Coalspur Board’s decision (expected in the first 4 months of 2012) to proceed with project development.

**Air quality, noise, and the view from Hinton (19)**

*Our Response:* Our current proposal for the Vista Coal Mine Project will have the mine and plant site located approximately 10 kilometers from Hinton’s municipal boundary at its closest point. We do not anticipate measurable environmental effects for the town for this phase of the project. We will follow and meet the required extensive regulatory standards for environmental assessment, monitoring and reporting. Development of future, potential mining closer to Hinton will require new applications and environmental assessments. This includes ongoing public engagement as we address issues and needs that are of interest to the community.

**Mine planning and facility location (30)**

*Our Response:* The loadout, conveyor, coal preparation plant and access road preferred locations have been identified. (See access corridor/loadout options for details.) These options were developed using criteria that considered technical requirements and community input. Before finalizing these sites, Coalspur will need approval from Alberta Transportation for design and location of the road access off Highway 16 and the conveyor crossing.

**Water management and effects (3)**

*Our Response:* As part of our application for the Vista Coal Mine Project, we must prepare an environmental assessment that considers and reports on any potential effects on water quality and quantity. This information will be shared with the community.

**Social and recreational effects (6)**

*Our Response:* The environmental assessment will examine the socio-economic effects of the Vista Coal Mine Project on other industries, housing, other infrastructure (e.g. health, education), recreation, hunting, fishing, trapping and gathering, and traditional land uses. We will also meet with other industry representatives to develop plans for managing any potential conflicts.

**Wildlife effects (5)**

*Our Response:* We will complete studies to examine the potential effect on wildlife movement both within and through the proposed project area. The results will be used to develop management strategies to address any issues.

**Reclamation plans (4)**

*Our Response:* We are committed to progressive and continuous land reclamation where mining has been completed. We will provide a reclamation plan as part of our application.

**Public engagement/Aboriginal consultation (6)**

*Our Response:* We have planned for early, regular and timely public engagement. Our process will include regular newsletters, open houses, face-to-face meetings, telephone/e-mail communication and consultation with community members. Community comment is considered as we develop our applications. We have initiated consultation with several Aboriginal communities in the region; traditional land use studies will be important to our plans.

At the open houses in June, 50 people completed exit surveys. Most (over 80%) indicated they received the information they needed, the event was helpful to them, the materials were easy to understand and use, and the staff did a good job of explaining the information presented and answering questions. A few people suggested that for future open houses, there should be more visual aids and detailed maps. Excellent suggestions—we plan to provide more visual aids and detailed maps at our next open house events.
Project activities and anticipated timing

Access corridor/loadout location

Four options for rail loadout were identified between the Hinton boundary and the vicinity of Pedley. Each option was reviewed considering: CN Rail’s strict guidelines and regulations, conflict with logging roads, ravine and creek crossings, and oilfield sites, room for a storage building, conveyor and road access. The preferred option best met the selection criteria. The location requires that the conveyor cross over Highway 16.

Also important was the need to ensure that no major existing vehicle crossings would be blocked and that impact on neighbours would be minimized. Discussion began with the two Pedley area residents in the spring and purchase agreements have been reached with both.

Coal plant location and design

In their 1983 approval for the location of the coal preparation plant, the Energy Resources Conservation Board required that it be located outside of the 1983 Mine Permit boundary to create a greater distance from potential surface mineable coal. Our evaluation determined the best location for the plant is north and west of the northwest corner of the existing Vista Coal Mine Permit boundary. The benefits of the new location include adequate setback from mineable coal deposits, shorter conveyor and access road. The plant will not be visible from either Highway 16 or Hinton.
Project activities and anticipated timing - continued

Exploration on Vista and Vista South

Coal exploration continues on Coalspur’s coal properties. A program was recently completed in the Vista Coal Mine Project area and the focus will now shift to the Vista South properties to the south and west. Results from the exploration programs continue to improve our understanding of the coal geology and coal quality.

Environmental and mine planning

The mine plan, coal processing and infrastructure designs for the Vista Coal Mine Project application are nearing completion. These plans, developed following discussion with regulatory representatives and in consideration of public and stakeholder comments received to date, will be presented at an upcoming public open house in Hinton. We look forward to sharing this information with the public and receiving further input as we work toward our goal of submitting the regulatory applications in the first quarter of 2012.

Status of commercial agreement

We continue to hold detailed discussions with transportation service providers to move Vista Project coal to market. We recently concluded a contractual agreement with Ridley Terminals at the Port of Prince Rupert for coal throughput of up to 8.5 million tonnes per year. Discussions are ongoing with CN Rail to jointly develop the rail logistics to transport our coal to port. We are in detailed discussions with customers regarding potential partnership in the project and the purchase of our coal products. These customers are located across the Asian marketplace. Our goal is to successfully reach agreements over the next 3 to 6 months. We will continue to provide updates of major developments as they occur. More information is available through our corporate web site at www.coalspur.com.

Projected schedule

The schedule shown here reflects the current status of mine planning, infrastructure design, and our discussions with regulatory agencies, the public, other stakeholders and Aboriginal communities. This schedule is for the Vista Coal Mine Project’s regulatory and construction process currently in progress and may change depending on the length of the review period. Plans for future additional development will require new and separate regulatory approvals and public engagement processes.

Proposed terms of reference for an environmental impact assessment

A draft proposed terms of reference for the environmental impact assessment was submitted to Alberta Environment and Water in mid-October. The environmental impact assessment will be submitted as part of an integrated application to Alberta Environment and Water and the Energy Resources Conservation Board for provincial approvals under Alberta’s Environmental Protection & Enhancement Act, Coal Conservation Act and Public Lands Act.

The proposed terms of reference for the environmental impact assessment is now available for public review and comment. Copies can be obtained by:

- Contacting us at community@coalspur.com
- Picking one up at our next open house in Hinton (see inside back cover for details)

Baseline environmental impact assessment work commenced in October 2010 and is now nearing the end of the pre-application phase. We expect additional baseline work to be conducted in the next 10 months, following further discussion with regulators and additional comments received from our Aboriginal consultation and public engagement activities.
Coalspur in the community

Meet our Hinton office staff

The following Coalspur staff are available and would be pleased to discuss any interests, needs or issues that you might have regarding Coalspur Mines or the Vista Coal Mine Project:

**Allan McGowan**, Vice President, Vista Project Development – Allan is responsible for all phases of the Vista Coal Mine Project development. He has 29 years of senior management experience in Canadian mining operations at both Obed Mountain Coal and Cardinal River mines. Allan also held executive positions at two mining equipment manufacturers.

**Mona Rockwell**, Administration Manager and Executive Secretary – Mona is responsible for daily office management, receiving visitors and supporting staff. Her experience in office management spans a variety of roles in the Hinton area over the past 20 years, including owner/operator of her own business.

**Gordon Mudryk**, Manager, Coal Processing and Logistics – Gord oversees coal quality, materials handling and coal preparation. He has exemplary skills in the design, operation and management of Western Canadian coal handling and processing plants and has over 20 years of experience in coal mining and processing, holding a variety of senior positions at the Elk Valley Coal, Luscar and Denison mines.

**Curtis Brinker**, Manager, Environmental and Regulatory Affairs - Curtis ensures requirements for environmental, regulatory and stakeholder affairs are met. Curtis is a professional forester and over the past 30 years, has worked in a range of roles in the coal mining and forest industries in west-central Alberta associated with regulatory approvals, land reclamation, reforestation and waste management programs.

**Gladys Nelson**, Senior Administrator, Human Resources and Community Relations - Gladys holds a Canadian Human Resources Professional Designation and has worked in various human resources roles, including 20 years for Luscar (Cardinal River Mine), Ainsworth and Alberta Health Services.

**Bryan Ottewell**, Mine Engineer in Training – Bryan enables project coordination including the drilling program at the Vista Project site. He has a Bachelor’s Degree in Mining Engineering from the University of Alberta and has held various positions with Sherritt Coal where he assisted the operations department in meeting production targets through design planning and delivery information.

**Ryan O’Regan**, Exploration Geologist – Ryan expedites the exploration and drilling program at the Vista Project site. He holds a Bachelor of Science (Honours) Degree in Geology from Carleton University in Ottawa, Ontario and has held various geological positions in industry.
Coalspur in the community - continued

Who we’ve been talking to...

Coalspur staff have been actively discussing our Vista Coal Mine Project with many agencies, groups and interested people during 2011. We gave presentations to a broad range of stakeholders including:
- Hinton Town Council
- Hinton Chamber of Commerce
- West Fraser Timber, and
- Yellowhead County

We’ve also had extensive discussions with other groups, including:
- Hinton Fish and Game Club
- Forest Recreation Management Association
- Forest Land Management Forum
- Hinton Community Sustainability Plan
- Tourmaline Oil
- Conoco-Philips
- Local trappers, and
- People who have contacted us

Our consultation with Aboriginal communities includes:
- Alexis Nakota Sioux Nation
- Mountain Cree Camp
- Aseniwuche Winewak Nation
- Nakcowinewak Nation of Canada
- Foothills Ojibway Society, and
- Métis Nation of Alberta Zone 4

All of our stakeholders have shown a keen interest in our Vista Coal Mine Project and have provided a broad range of constructive questions, comments and concerns.

Community investment

We continue to provide support and assistance to several local community initiatives ranging from arts and sports to community emergency services and commerce.
Ongoing information and communication

MARK YOUR CALENDAR!

November

Open house at the Legion, Hinton

We invite you to attend an open house for our Vista Coal Mine Project where we will provide information about our rail load-out, coal preparation plant locations and mine plan proposals, along with updates on other aspects of the project. Company representatives and project staff will be available for discussion and to receive your questions and comments.

Tuesday, November 29, 2011
Hinton Royal Canadian Legion
250 Pembina Avenue, Hinton, AB
Drop in anytime between 3 and 8 p.m.

December

Open house at our Hinton office

Staff at our Hinton office will be available in the afternoons of each Tuesday in December to discuss and receive your comments on the Vista Coal Mine Project:

Tuesday, December 6
Tuesday, December 13
Tuesday, December 20
Tuesday, December 27
Drop in anytime between 1 and 5 p.m.
114 Jasper Street, Hinton

Hope to see you there!

FOR MORE INFORMATION

780.865.7955

Our principal contacts for the Vista Coal Project are:

ALLAN McGOWAN
Vice President
Vista Project Development
Email: amcgowan@coalspur.com

CURTIS BRINKER
Manager
Environmental and Regulatory Affairs
Email: cbrinker@coalspur.com

They can be reached either by phone or email as noted above.

Environmental Impact Assessment
Proposed Terms of Reference

You may request a copy of the Proposed Terms of Reference for the Environmental Impact Assessment, by phoning or emailing your request to our Hinton office:

780.865.7955
community@coalspur.com
Coming soon …
Job opportunities!

We recently increased our employee base to 20 people.

Future positions will be posted on the Coalspur web page at:
www.coalspur.com
and in local newspapers.

Coalspur Mines Ltd.  November 2011
Hinton area photos on pages 1, 5 and 6
courtesy of Town of Hinton and Neil Anderson Photography
COALSPUR MINES LTD.
VISTA COAL PROJECT

PUBLIC ENGAGEMENT REPORT

APPENDIX 3

PROJECT RESPONSES TO THE INTERESTS, NEEDS AND CONCERNS IDENTIFIED AT PUBLIC ENGAGEMENT EVENTS:

NOVEMBER 30 AND DECEMBER 1, 2010
JUNE 14 AND 15, 2011
NOVEMBER 29 AND WEEKLY DURING DECEMBER 2011

February 2012
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Public Engagement Program Open House – November 30 and December 1, 2010

Support for Project: Positive Effects for Hinton (18 comments)

- Come faster – great for our town
- Generally think it’s a good idea; will be good for Hinton
- Glad the project isn’t west of town
- Good for house prices
- I am in favour of the mine. I will come by the office and chat. Thank you.
- In favour of project
- Good for community
- Positive – looking forward to development
- Positive about the project
- Positive for town and businesses
- Positive effects – bring in more people, business, short distance to work
- Project looks good
- The spin-off industry would be phenomenal and much needed at this time.
- This project is the best thing going for Hinton
- Town of Hinton representative – interested the development; looks good
- Very good for community
- Will be great for area
- Coal doesn’t smell

Coalspur Resources will be completing a social and economic effect assessment as part of our application to the Government of Alberta. This will include the potential economic and social benefits and effects as well as the potential requirements for any additional increases in public health or social services to meet the needs of mine employees and their families.

We also believe it’s a good project. The economic benefits are expected to be significant and will support the continued contribution of coal mining to the region’s economy. Coalspur Mines representatives will work closely with the Provincial, Municipal, Federal and Aboriginal Governments as well as Vista Coal Project stakeholders and the public to ensure that the full range of interests, needs and concerns are identified and addressed.

Employment and Contracting Opportunities (18 comments)

- Good for jobs
- Good for town, don’t need to rely on mill for employment
- In favour – interested in jobs in the future
- Looking forward to business opportunities
- Opportunity for post-secondary education – trades training and partnerships locally
- Produce a community amenity – would be a huge win, help attract and maintain people in area; would be a great trade-off for coal development elsewhere
- Project is good – creates jobs
- Project is good for town – supply jobs
- Should start getting word out to schools/communities – promoting trades

As the Vista Coal Project proposal progresses we will be carefully reviewing and determining the contract, supply and employment requirements and opportunities.

We will provide periodic updates on the project as it develops and will ensure job and contracting opportunities are publicized locally.

Trades people are in high demand in Alberta due to the overall economic conditions. Promotion of trades education is an important consideration for this and many other projects currently operating or being proposed in the Province.
<table>
<thead>
<tr>
<th>Comment Received</th>
<th>Coalspur Response</th>
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</thead>
</table>
| • We are equipment suppliers.  
• What are the contracting opportunities for mine construction? | We are interested in suppliers and contractors who can contribute to the success of the Vista Coal Project should it proceed. Once we have received regulatory approval from the Government of Alberta and our Board of Directors confirms that the Vista Coal Project can proceed, we will be posting contracting and supplier opportunities. Contracting will likely occur 2 to 3 years following the decision to proceed with the project. |
| • When will you be taking resumes for jobs?  
• When will you start hiring people? | We are currently receiving resumes of people interested in future employment opportunities. Hiring will likely occur 2 to 3 years following the decision to proceed with the project. |
| • Where are the 400 new employees going to come from?  
• Where are you going to get trades people? | Our first preference is to hire locally. We expect a lot of interest in working at the Vista Coal Project from people living both inside and outside of the region. |
| • Who will construct the conveyor? | Conveyor construction will be completed by a contractor. We will begin the tender preparation, expressions of interest, requests for proposals and selection process if and once the decision is made to proceed with the project. |
| • Work with Town of Hinton to determine if there are industrial land/subdivision requirements for businesses that establish to provide goods and services to the mine project | Coalspur Mines remains committed to working with the Town of Hinton with respect to these kinds of issues. We will ensure that Town representatives are engaged and involved during the social and economic assessment component as part of our application. |

**Air Quality and Nuisance Effects (77 comments)**

<table>
<thead>
<tr>
<th>Comment Received</th>
<th>Coalspur Response</th>
</tr>
</thead>
</table>
| • Air quality and dust  
• Air quality-high concern about coal dust.  
• Air quality-how will it be maintained?  
• Air quality, water quality, effects on environment generally | As part of Coalspur Mines Ltd. application for the Vista Coal Project we must prepare an environmental assessment that considers and reports on the project’s potential effect on air and water quality and how the project will be managed to protect the environment. |
| • As the operations move closer to town and further west, concerned about dust and noise.  
• Blasting and effect on community.  
• Blasting close to Town of Hinton  
• Blasting noise and dust.  
• Carldale subdivision east of Pedley: concern about loadout and dust and noise  
• Close proximity of the mine to the Town of Hinton – dust and noise  
• Close proximity to Town of Hinton (map indicates mine is way too close). | The map information provided at the open houses for the Vista Coal Project, held in Hinton, AB on November 30 and December 1, 2010 showed all of the coal lease areas that are held by Coalspur Mines.  
The Vista Coal Project will be sited on the former Manalta Coal property for which a mine permit was granted in 1983. The active mining area will begin approximately 10 kilometers from the Town of Hinton boundary and will be developed east towards the McLeod River. Proposed future mining activities to expand the Vista Coal Project |
<table>
<thead>
<tr>
<th>Comment Received</th>
<th>Coalspur Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Future mining activities beyond the Vista Coal Project will require new applications and environmental assessments that must address the proximity of active mining to the Town of Hinton as well as nearby residential subdivisions in Yellowhead County.</td>
<td></td>
</tr>
<tr>
<td>Our application for the Vista Coal Project requires that we include the specifications and an operating plan for mining operations and related facilities. This includes how we will continuously monitor all emissions, including dust, so that they don’t pose an environmental, human health or aesthetic problem. We also have to determine potential sources and levels of noise, who the noise might affect and how we proposed to reduce it if it could exceed allowable levels. Coalspur Mines Ltd. will continuously engage the public to receive and address environmental issues and needs that are of concern. In addition Coalspur will be required to follow and meet extensive regulatory requirements for environmental monitoring and reporting of results.</td>
<td></td>
</tr>
<tr>
<td>• Coal plant location-dust problems in Hinton (prevailing wind from the west)</td>
<td>The environmental assessment for the Project will include a detailed air quality evaluation that will incorporate the potential effects from both the coal preparation plant and the mine operation. This information will be used to finalize the specifications and operating plan for the coal preparation plant to ensure it meets Alberta’s stringent environmental standards.</td>
</tr>
<tr>
<td>• Concern about air quality related to the loadout</td>
<td>Our application for the Vista Coal Project requires that we include the specifications and operating plan for a loadout facility. This includes how we will continuously manage the facility to ensure it meets Alberta’s stringent environmental standards.</td>
</tr>
<tr>
<td>• Concern about air quality, water quality, noise and traffic if mining comes close to Hinton</td>
<td>The Vista Coal Project will be sited on the former Manalta Coal property for which a mine permit was granted in 1983. The active mining area will be located approximately 10 kilometers from the Town of Hinton.</td>
</tr>
<tr>
<td>• Concern about how close to Hinton with open pit mining – dust, noise, blasting</td>
<td>Concerns about dust, noise and blasting must be addressed as part of our application for the Vista Coal Project through an environmental assessment.</td>
</tr>
<tr>
<td>• Concern about proximity to my home in Seabolt Estates</td>
<td>Future mining activities beyond the Vista Coal Project will require new applications and environmental assessments that must address the proximity of active mining to the Town of Hinton as well as nearby residential subdivisions in Yellowhead County.</td>
</tr>
<tr>
<td>Comment Received</td>
<td>Coalspur Response</td>
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<td>---------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>• Concerned about loading facilities located at Pedley</td>
<td>Our application for the Vista Coal Project requires that we include the specifications and operating plan for a loadout facility. This includes how we will continuously manage the facility to ensure it meets Alberta’s stringent environmental standards.</td>
</tr>
<tr>
<td>• Concerned about noise from trains and dust from stockpiles</td>
<td>A noise assessment and, if required, a management plan for all of our operating facilities is required as part of the environmental assessment for the Vista Coal Project. The project application must also include identification of potential noise and dust sources and how we will continuously manage the facility to ensure it meets Alberta’s stringent environmental standards.</td>
</tr>
<tr>
<td>• Concerned about proximity to Hinton.</td>
<td>The Vista Coal Project will be sited on the former Manalta Coal property for which a mine permit was granted in 1983. The active mining area will begin approximately 10 kilometers from the Town of Hinton boundary and will be developed east towards the McLeod River. Proposed, future mining activities to expand the Vista Coal Project will require new applications and environmental assessments that must address the proximity of active mining to the Town of Hinton as well as nearby residential subdivisions in Yellowhead County.</td>
</tr>
<tr>
<td>• Concerned about visual pollution</td>
<td>The potential for visual impacts will be considered when siting our facilities.</td>
</tr>
<tr>
<td>• Current location of loadout is a concern for acreage owners</td>
<td>While the loadout facility location has been generally determined, the specific site will be selected once more information is collected related to rail and road access requirements. Loadout options will be publicly presented before a final selection is made.</td>
</tr>
<tr>
<td>• Dust</td>
<td>The Vista Coal Project will be sited on the former Manalta Coal property for which a mine permit was granted in 1983. The active mining area will begin approximately 10 kilometers from the Town of Hinton boundary and will be developed east towards the McLeod River. As part of Coalspur Mines Ltd. application for the Vista Coal Project we must prepare an environmental assessment that considers and reports on the project’s potential effect on air and water quality and how it will be managed to protect the environment. Our application must also consider the effects and potential management requirements, if any, for recreational activities,</td>
</tr>
<tr>
<td>• Dust – prevailing winds from the southwest 80% of the time</td>
<td></td>
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<tr>
<td>• Dust concerns</td>
<td></td>
</tr>
<tr>
<td>• Dust during Chinook winds-how will you deal with it?</td>
<td></td>
</tr>
<tr>
<td>• High winds in Hinton area. Will coal dust be a problem?</td>
<td></td>
</tr>
<tr>
<td>• Dust from mining operations</td>
<td></td>
</tr>
<tr>
<td>• Hinton’s future – effects on air, recreational opportunities especially close to town i.e. biking</td>
<td></td>
</tr>
<tr>
<td>• How close to Hinton – will there be blasting and dust?</td>
<td></td>
</tr>
<tr>
<td>• How close to my acreage?</td>
<td></td>
</tr>
<tr>
<td>• How close to Thompson Lake subdivision? Will</td>
<td></td>
</tr>
<tr>
<td>Comment Received</td>
<td>Coalspur Response</td>
</tr>
<tr>
<td>------------------</td>
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</tr>
<tr>
<td>there be noise at Cache Percotte?</td>
<td>hunting, fishing, trapping and gathering.</td>
</tr>
<tr>
<td>How close to Town – noise, dust – for both the Vista Coal Project and future planned developments</td>
<td>Proposed, future mining activities to expand the Vista Coal Project will require new applications and environmental assessments that must address the proximity of active mining to the Town of Hinton as well as nearby residential subdivisions in Yellowhead County.</td>
</tr>
<tr>
<td>How close will the mine be to my home near Cache Percotte?</td>
<td></td>
</tr>
<tr>
<td>Live west of town – concerned about activity from mining</td>
<td></td>
</tr>
<tr>
<td>Effects on adjacent community – Thompson Lake Subdivision</td>
<td></td>
</tr>
<tr>
<td>How close will the mine be to Robb?</td>
<td>It will be approximately 25 km (16 miles) from Robb.</td>
</tr>
<tr>
<td>How do you deal with dust in wintertime?</td>
<td>The company will have to demonstrate to government regulators that we will manage dust emissions from our operations throughout the year.</td>
</tr>
<tr>
<td>How will the view from Hinton be affected once mining starts?</td>
<td>Our mine plans are currently being developed. An important consideration for the design will be to minimize the potential for visual impacts on the community of Hinton.</td>
</tr>
<tr>
<td>Effect on my Hinton home-especially noise, view</td>
<td></td>
</tr>
<tr>
<td>Line of sight concern from Town and highway</td>
<td></td>
</tr>
<tr>
<td>Viewscape and visual quality analysis required</td>
<td></td>
</tr>
<tr>
<td>Viewscape from town and surrounding area</td>
<td></td>
</tr>
<tr>
<td>Viewscales – especially from the Bighorn Trail</td>
<td></td>
</tr>
<tr>
<td>Viewscales from Highways 16 and 40 and the Town of Hinton</td>
<td></td>
</tr>
<tr>
<td>What are people going to see – will they see the mine site like Obed?</td>
<td></td>
</tr>
<tr>
<td>Viewscales - leave Bighorn ridge alone, and height of land that can be seen from Hinton, Hwy 16 and Hwy 40</td>
<td></td>
</tr>
<tr>
<td>Sight lines from town and highway</td>
<td></td>
</tr>
<tr>
<td>Viewscales</td>
<td></td>
</tr>
<tr>
<td>Proximity to town</td>
<td>The Vista Coal Project will be sited on the former Manalta Coal property for which a mine permit was granted in 1983. The active mining area will begin approximately 10 kilometers from the Town of Hinton boundary and will be developed east towards the McLeod River.</td>
</tr>
<tr>
<td>Proximity to town limits – water quality, selenium, Vista South effect upstream, water quality of Maskuta Creek</td>
<td>As part of Coalspur Mines Ltd. application for the Vista Coal Project we must prepare an environmental assessment that considers and reports on the project’s potential effect on air and water quality and how it will be managed to protect the environment. Our application must also consider the effects and potential management requirements, if any, for recreational activities, hunting, fishing, trapping and gathering.</td>
</tr>
<tr>
<td>Noise, traffic patterns, aesthetics</td>
<td>Proposed, future mining activities to expand the</td>
</tr>
<tr>
<td>Proximity – 5 kilometers distant what is the effect of sound, light, dust from mining?</td>
<td></td>
</tr>
<tr>
<td>Proximity to Hinton – concerned</td>
<td></td>
</tr>
<tr>
<td>Proximity to my home in Hinton – concerned about dust, noise, light pollution and blasting</td>
<td></td>
</tr>
<tr>
<td>Seabolt Estates – concern about the loadout</td>
<td></td>
</tr>
<tr>
<td>Too close to Town</td>
<td></td>
</tr>
<tr>
<td>Visual effects, noise, dust</td>
<td></td>
</tr>
<tr>
<td>We live off Robb Road and already hear sawmill</td>
<td></td>
</tr>
<tr>
<td>Will my home be affected by noise, dust, traffic?</td>
<td></td>
</tr>
<tr>
<td>Will there be blasting? It startles pets</td>
<td></td>
</tr>
<tr>
<td>Will there be dust and noise?</td>
<td></td>
</tr>
</tbody>
</table>
- Will you be able to see the highway from the mine site?
- Yellowhead County – lease runs into Seabolt Estates and residents are concerned
- I am concerned about air pollution

Vista Coal Project will require new applications and environmental assessments that must address the proximity of active mining to the Town of Hinton as well as nearby residential subdivisions in Yellowhead County.

Our mine plans are currently being developed. An important consideration for the design of the Vista Coal Project and future mine applications will be views of the active mine area 24 hours a day, so the effect of lighting at night will also be considered.

**Mine Planning and Facilities Location (48 comments)**

- **Access road to the mine**
  - The access road location is still being evaluated for the project. Options will be publicly presented before a selection is made.

- **A lot of oil and gas dispositions to deal with.**
  - We are required to meet with discuss and resolve any potential conflicts with other industrial users as part of our regulatory application requirements. This includes forestry, oil and gas, as well as other surface disposition holders.

- **Bypass on highway 16 – will your transportation and loadout facilities have an effect?**
  - As part of the planning process for selecting the sites for the access road, loadout and conveyor facilities, Coalspur will need approval from Alberta Transportation for design and location.

- **Close is good as long as it’s within 10 kilometers it will be easy to travel to for work**
  - Final locations for access and other associated facilities have yet to be determined. We will be assessing transportation options to ensure safe and efficient access to the mine site.

- **Concerns about regulatory process for bigger project – Vista South**
  - The Vista Coal Project will be sited on the former Manalta Coal property for which a mine permit was granted in 1983. The active mining area will begin approximately 10 kilometers from the Town of Hinton boundary and will be developed east towards the McLeod River.

  As part of Coalspur Mines Ltd. application for the Vista Coal Project we must prepare an environmental assessment that considers and reports on the project’s potential effect on air and water quality and how it will be managed to protect the environment. Our application must also consider the effects and potential management requirements, if any, for recreational activities, hunting, fishing, trapping and gathering.

  Proposed, future mining activities to expand the Vista Coal Project will require new applications and environmental assessments that must address proximity mining to Hinton as well as nearby residential subdivisions in Yellowhead County.
<table>
<thead>
<tr>
<th>Comment Received</th>
<th>Coalspur Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Conveyor location – close to Town or further away?</td>
<td>As part of the planning process for selecting the location for the access road, loadout and conveyor facilities, Coalspur will need approval from Alberta Transportation for design and location.</td>
</tr>
<tr>
<td>• conveyor location – will it go over the highway?</td>
<td></td>
</tr>
<tr>
<td>• How does the project tie into the Hinton Bypass?</td>
<td></td>
</tr>
<tr>
<td>• How will it interact with Highway 16?</td>
<td></td>
</tr>
<tr>
<td>• Effect on road infrastructure</td>
<td></td>
</tr>
<tr>
<td>• Loadout location</td>
<td></td>
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<tr>
<td>• Location of loadout</td>
<td></td>
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<tr>
<td>• Where is the loadout going to be?</td>
<td></td>
</tr>
<tr>
<td>• Which road would you use for access?</td>
<td></td>
</tr>
<tr>
<td>• Establish a multi-interest planning team-balancing collective interests to achieve net cumulative effects. Include town and county, SRD, Forest Industry, Recreational users</td>
<td>Coalspur is committed to ongoing, open communication with stakeholders in the region. As plans are developed they will be made publicly available for review prior to choosing preferred options.</td>
</tr>
<tr>
<td>• Foothills model forest – Friends of Foothills Society</td>
<td>We will be maintaining and updating a project contact list with the names of organizations and people who are interested in being kept up to date and providing comments on the Vista Coal Project as part of the public engagement program.</td>
</tr>
<tr>
<td>• How big will Vista Coal Project be compared to Obed and the Coal Valley Mines?</td>
<td>The approved production rate for the Vista Project is 4.2 million tonnes per year. This is approximately the same size as the Coal Valley Mine.</td>
</tr>
<tr>
<td>• How close to town would you mine?</td>
<td></td>
</tr>
<tr>
<td>• How close will mining be to the Town of Hinton?</td>
<td>The Vista Coal Project will be sited on the former Manalta Coal property for which a mine permit was granted in 1983. The active mining area will begin approximately 10 kilometers from the Town of Hinton boundary and will be developed east towards the McLeod River. Proposed, future mining activities to expand the Vista Coal Project will require new applications and environmental assessments that must address the proximity of active mining to the Town of Hinton as well as nearby residential subdivisions in Yellowhead County.</td>
</tr>
<tr>
<td>• How close will mining come to my home?</td>
<td></td>
</tr>
<tr>
<td>• How close will the project be to Hinton?</td>
<td></td>
</tr>
<tr>
<td>• Western movement of Vista expansion towards Hinton – how close will “close enough” be and who will decide?</td>
<td></td>
</tr>
<tr>
<td>• What is the distance of mining from Hinton?</td>
<td></td>
</tr>
<tr>
<td>• How do you deal with oil and gas wells?</td>
<td>We are required to meet with discuss and resolve any potential conflicts with other industrial users as part of our regulatory application requirements. This includes forestry, oil and gas, as well as other surface disposition holders.</td>
</tr>
<tr>
<td>• How large is your land lease?</td>
<td>The coal leases comprising Vista – this includes the current Vista Coal Project application and adjacent coal leases to the west - cover approximately 8,800 hectares.</td>
</tr>
<tr>
<td>Comment Received</td>
<td>Coalspur Response</td>
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</tr>
<tr>
<td>• How deep is the coal seam – how deep will you dig?</td>
<td>The coal seams are located the Coalspur Formation which increases in depth to the north and east of the Vista Project area. The Vista property mine plan is under development so the maximum depth of mining has not been finalized.</td>
</tr>
<tr>
<td>• How many holes are blasted at once?</td>
<td>Mine plans are still under development.</td>
</tr>
<tr>
<td>• Size of the hole and the depth?</td>
<td></td>
</tr>
<tr>
<td>• What’s the depth of overburden?</td>
<td></td>
</tr>
<tr>
<td>• What’s the overburden ratio of the Vista Coal Project?</td>
<td></td>
</tr>
<tr>
<td>• How will coal be moved to the rail line?</td>
<td>We’ve proposed to move the coal from the Vista Coal Project to the rail line by covered conveyor.</td>
</tr>
<tr>
<td>• Interested in timelines and regulatory pathways</td>
<td>While it’s preliminary at this time we’ve submitted a request to Alberta Environment (AENV) asking that the baseline information completed for the previously approved Manalta Coal Project be accepted and that the EA be prepared using updated information. If that approach is acceptable, we anticipate that data collection, EA and application preparation will be submitted for a regulatory review in the summer of 2011 with a decision in the summer of 2012. Public involvement and Aboriginal Consultation will be occurring throughout preparation and following the application submission. Once the first decision on use of previous assessment data is made by AENV, we will review and update the schedule if and as required.</td>
</tr>
<tr>
<td>• Is the logging in the area being done for the Vista Coal Project development?</td>
<td>The forestry activity in the vicinity of the Vista Coal Project is not related to Coalspur’s Project.</td>
</tr>
<tr>
<td>• Is the type of coal the same as at Mercoal?</td>
<td>Yes, coal seams to be mined by the Vista Coal Project are located in the same formation as those being mined at the Coal Valley Mine.</td>
</tr>
<tr>
<td>• Nose Area-effect on surface leases and horse leases.</td>
<td>We will be contacting those who hold public land leases within our Vista Coal Project boundaries to discuss and determine the situation and if any management actions are required.</td>
</tr>
<tr>
<td>• Pedley Option for loadout – residents aware for 30 years</td>
<td>Once we have developed a more precise, conceptual proposal with options for location for our method of delivering and loading coal at the rail line we will be discussing them with potentially directly affected stakeholders.</td>
</tr>
<tr>
<td>• Pedley residents willing to sell or relocate (tentative loadout location)</td>
<td></td>
</tr>
<tr>
<td>• Thought mine was starting west closer to town – thanks for clarifying the mining project location and schedule</td>
<td>You’re welcome, if you have any additional questions or comments, please feel free to contact Coalspur Mines staff in our Hinton Office.</td>
</tr>
<tr>
<td>• Update Map - Hinton Town Boundary to Seabrook Estates</td>
<td>Coalspur will check and confirm boundaries on our map base.</td>
</tr>
<tr>
<td>• Vista Coal Project – why aren’t you doing an environmental effects assessment?</td>
<td>As part of Coalspur Mines Ltd. application for the Vista Coal Project we must prepare an environmental assessment that considers and reports on the project’s potential effects.</td>
</tr>
<tr>
<td>Comment Received</td>
<td>Coalspur Response</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>• What’s the timing for the Vista Coal Project?</td>
<td>Our current estimate, subject to revision, estimates mine construction starting in the second quarter of 2012 with coal being shipped in the first quarter of 2014.</td>
</tr>
<tr>
<td>• When will the Vista Coal Project start?</td>
<td></td>
</tr>
<tr>
<td>• When will mining start?</td>
<td></td>
</tr>
<tr>
<td>• Where will the coal plant be?</td>
<td>It will be located within the mine permit area for the Vista Coal Project.</td>
</tr>
<tr>
<td>• Where will the plant be located?</td>
<td></td>
</tr>
<tr>
<td>• Which port will you ship from to Asian Markets?</td>
<td>The ports of Prince Rupert and Vancouver, British Columbia have coal shipping facilities which could be used by Coalspur.</td>
</tr>
<tr>
<td>• Will the coal be processed on site?</td>
<td>Yes.</td>
</tr>
</tbody>
</table>

**Groundwater and Surface Water Quality and Quantity (32 comments)**

<table>
<thead>
<tr>
<th>Comment Received</th>
<th>Coalspur Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Athabasca Watershed Council would like to partner with industry to collect data in the Athabasca Watershed.</td>
<td>Coalspur Mines is prepared to investigate partnership opportunities for watershed related data collection.</td>
</tr>
<tr>
<td>• How far will you be from river, creek, stream edges?</td>
<td>Coalspur is still working on mine plans and will meet the applicable regulatory standards.</td>
</tr>
<tr>
<td>• Concern about watershed – live on Cold Creek and have a surface water system for my home rather than well water</td>
<td>As part of Coalspur Mines Ltd. application for the Vista Coal Project we must prepare an environmental assessment that considers and reports on the project’s potential effect on ground and surface water quality and how they will be managed during mining operations to protect the environment.</td>
</tr>
<tr>
<td>• Concerned about the watershed – Cold, Hardisty, Cache Percotte, Happy Creeks all flow through Hinton</td>
<td>The Vista Coal Project is located in the Macpherson Creek drainage which flows to the McLeod River. Therefore the project will not affect Cold, Hardisty, Cache Percotte, Hardisty and Happy Creeks.</td>
</tr>
<tr>
<td>• Concerned about what EIA would cover – watershed and creek disturbance, underground water contamination, aquifer locations and flows (any testing?)</td>
<td></td>
</tr>
<tr>
<td>• Environmental effect on MacPherson Creek</td>
<td></td>
</tr>
<tr>
<td>• Groundwater huge to me.</td>
<td></td>
</tr>
<tr>
<td>• Groundwater and surface water run-off control</td>
<td></td>
</tr>
<tr>
<td>• Hardisty Creek – headwaters of concern, do not effect</td>
<td></td>
</tr>
<tr>
<td>• Hardisty Creek restoration project – Bighorn Ridge headwaters – concerned about effect on upper watershed and work completed on Hardisty Creek by volunteer Area Stewards, additional projects to be completed creek crossing and sedimentation control</td>
<td></td>
</tr>
<tr>
<td>• Effect on watershed</td>
<td></td>
</tr>
<tr>
<td>• My MAIN concern is water quality/quantity on my acreage west of Hwy 40 and how that will be effected by future exploration/development.</td>
<td></td>
</tr>
<tr>
<td>• Need to ensure that MacPherson Creek is protected</td>
<td></td>
</tr>
<tr>
<td>• Need to protect MacPherson Creek – how will you do this</td>
<td></td>
</tr>
<tr>
<td>• Protect groundwater resource</td>
<td></td>
</tr>
<tr>
<td>• Protection of surface water flowing from mine</td>
<td></td>
</tr>
<tr>
<td>Comment Received</td>
<td>Coalspur Response</td>
</tr>
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<td>------------------</td>
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</tbody>
</table>
| - Site to McLeod River and protection of creeks.  
- Proximity to any water bodies and McLeod River – will there be any diversions; what are the management plans if any?  
- Well water quality and quantity.  
- Surface water quality – two creeks, Iron and Muskuta – run through my property  
- Water management – MacPherson Creek  
- Watershed  
- Water supply – will you use water from pit operations; coal seems transport groundwater in this area  
- Wells and groundwater in the area | The environmental assessment for the Vista Coal Project will address issues related to water quality, which includes Selenium.  
Additionally, the Coal Valley Mine is mining the same coal formation that’s planned to be mined for Vista and there have been no Selenium problems experienced by Coal Valley. |
| - Selenium  
- Selenium in watershed – Macpherson and McLeod Rivers  
- Selenium in watershed of McPherson Creek and McLeod River.  
- Selenium levels  
- Water pollution (selenium, others?)  
- Watershed – Athabasca Watershed Effects; selenium  
- Selenium  
- Will selenium be an issue? | The Vista South Coal project is purely an exploration project at this time and we are still defining the potential for mineable coal seams in the area. Exploration activities involve drilling with water well-sized equipment and won’t affect groundwater quality or quantity.  
As part of our Vista Coal Project mine application were are required to assess the effects on recreation in the region during construction and mine operation. We have initiated contact with some recreation user groups in the area and will continue to expand the list of recreation users and engage them during the application and EA preparation process. We must also assess the effect on local and regional infrastructure and community services, including consideration of municipal “hard services” and urban and regional recreation services. As well, effects of the Project on public access and regional recreational activities during and after development activities must be described and managed if and as required. |

Recreation Access and Use (31 comments)

| - Access for recreation; barrier to movement; loss of recreation sites  
- Access to Bighorn Trail  
- Bighorn Trail  
- Bighorn Trail concerns  
- Bighorn Trail from Town limits to Gregg River Road - potential disruption concern from an historical perspective – 150 year old trail right through lease area – important hiking, backpacking, trail riding  
- Cache Percotte Forest – effect  
- Campground on Robb Road. What effect will it have?  
- Concentration of recreation (e.g. quadders) leads to degradation  
- Concerned about the main bike trails on the north edge of the Vista lease area | - Access for recreation; barrier to movement; loss of recreation sites  
- Access to Bighorn Trail  
- Bighorn Trail  
- Bighorn Trail concerns  
- Bighorn Trail from Town limits to Gregg River Road - potential disruption concern from an historical perspective – 150 year old trail right through lease area – important hiking, backpacking, trail riding  
- Cache Percotte Forest – effect  
- Campground on Robb Road. What effect will it have?  
- Concentration of recreation (e.g. quadders) leads to degradation  
- Concerned about the main bike trails on the north edge of the Vista lease area  
- Campground on Robb Road. What effect will it have?  
- Concentration of recreation (e.g. quadders) leads to degradation  
- Concerned about the main bike trails on the north edge of the Vista lease area | As part of our Vista Coal Project mine application were are required to assess the effects on recreation in the region during construction and mine operation. We have initiated contact with some recreation user groups in the area and will continue to expand the list of recreation users and engage them during the application and EA preparation process. We must also assess the effect on local and regional infrastructure and community services, including consideration of municipal “hard services” and urban and regional recreation services. As well, effects of the Project on public access and regional recreational activities during and after development activities must be described and managed if and as required. |
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<thead>
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</tr>
</thead>
<tbody>
<tr>
<td>• Development leads to change in the value of the recreation experience</td>
<td></td>
</tr>
<tr>
<td>• Disruption of recreation access and use in the Bighorn Ridge area</td>
<td></td>
</tr>
<tr>
<td>• Don’t touch Bighorn Trail.</td>
<td></td>
</tr>
<tr>
<td>• Effect on McLeod River Campground</td>
<td></td>
</tr>
<tr>
<td>• Historic and recreational value with Bighorn Ridge</td>
<td></td>
</tr>
<tr>
<td>• Historic Bighorn Trail and area through to Gregg River</td>
<td></td>
</tr>
<tr>
<td>• Historic trail – Bighorn Trail and area – effect from mining</td>
<td></td>
</tr>
<tr>
<td>• How close will development occur to the Hinton Fish and Game Gun Range (25 year lease)?</td>
<td></td>
</tr>
<tr>
<td>• Effect of future mine plans on Bighorn Trail – Vista South</td>
<td></td>
</tr>
<tr>
<td>• Effect on Cache Percotte Forest and the Bighorn Trail</td>
<td></td>
</tr>
<tr>
<td>• Effect on the Bighorn Trail</td>
<td></td>
</tr>
<tr>
<td>• Increased pressure on land recreation base</td>
<td></td>
</tr>
<tr>
<td>• Inform and involve Hinton Tracks and Trails Society – Bighorn Trail is an historic route to Southern Alberta.</td>
<td></td>
</tr>
<tr>
<td>• Is it close to Bighorn hiking trails – don’t like the idea of mining nearby</td>
<td></td>
</tr>
<tr>
<td>• Keeping the Bighorn Ridge as is because it is visible from all directions coming into town.</td>
<td></td>
</tr>
<tr>
<td>• McLeod Campground – proximity to mining</td>
<td></td>
</tr>
<tr>
<td>• Mine proximity too close to recreation trails at Hinton and nearby Hinton.</td>
<td></td>
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<tr>
<td>• Potential effect to adjacent campgrounds, new/old roads, dust, noise, McLeod River Provincial Park and Recreation Area</td>
<td></td>
</tr>
<tr>
<td>• Recreation</td>
<td></td>
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<tr>
<td>• Recreation opportunity changes</td>
<td></td>
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<tr>
<td>• Will the recreation trails across your mine lease areas be maintained?</td>
<td></td>
</tr>
<tr>
<td>• Will there be an opportunity to protect natural/recreation area i.e. Bighorn Ridge to offset effect of Vista Coal Project?</td>
<td></td>
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</tbody>
</table>
### Economic and Social Effect (28 comments)

<table>
<thead>
<tr>
<th>Comment Received</th>
<th>Coalspur Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Be sure that you have a community investment/sponsorship program</td>
<td>Coalspur Mines is committed to be a good corporate citizen in the community of Hinton and area. We have already made community investments in worthwhile projects.</td>
</tr>
<tr>
<td>• Public education and community stewardship investment will need to be supported</td>
<td></td>
</tr>
<tr>
<td>• What is your involvement with the community (donations, sponsorship, investment)?</td>
<td></td>
</tr>
<tr>
<td>• How will Coalspur integrate with the community – good corporate citizen/give back to the community?</td>
<td></td>
</tr>
<tr>
<td>• Community identity effects. Hinton wants to change.</td>
<td>Initial economic assessments have indicated that the Vista Coal Project may be financially and economically viable. There is a strong demand for thermal coal in Asian markets.</td>
</tr>
<tr>
<td>• Concern about effect of mining activities on real estate values during phase 2 – Vista South</td>
<td>We are required to prepare and submit an Environmental Assessment (EA) Report that examines the environmental and socio-economic effects of the Vista Coal Project as part of our application for mine development. This must consider the short and long term socio-economic effects of construction and operation of the Project, including effects related to housing, recreation, hunting, fishing, trapping and gathering, and effects on First Nations and Métis (e.g., traditional land use and social and cultural implications).</td>
</tr>
<tr>
<td>• Corporate philosophy: corporate social responsibility?</td>
<td></td>
</tr>
<tr>
<td>• Economic effect of boom and bust</td>
<td></td>
</tr>
<tr>
<td>• Economic effect on town - local supply/service industry effect.</td>
<td></td>
</tr>
<tr>
<td>• Effect on real estate values-rural residential property west of Hinton.</td>
<td></td>
</tr>
<tr>
<td>• How much will oil and gas industry affect Coalspur Mines?</td>
<td></td>
</tr>
<tr>
<td>• I understand the need for ‘balance’ between environmental and economic concerns. However, we must think about the future (100, 200 years). Money should not always be in the governing factor.</td>
<td></td>
</tr>
<tr>
<td>• Effect on public/rural services i.e., health care utilization (hospital, primary health care services, emergency services, FCSS, public health, etc)</td>
<td></td>
</tr>
<tr>
<td>• Effects on forest industry</td>
<td></td>
</tr>
<tr>
<td>• Effects on oil and gas industry</td>
<td></td>
</tr>
<tr>
<td>• Is the Town of Hinton ready for expansion?</td>
<td></td>
</tr>
<tr>
<td>• Is there a high demand for coal?</td>
<td></td>
</tr>
<tr>
<td>• Recent economic boom provided positives and challenges to Hinton – how will Vista Coal Project be the same or different for property values?</td>
<td></td>
</tr>
<tr>
<td>• Schools – is there enough space?</td>
<td></td>
</tr>
<tr>
<td>• Adding people to grow Hinton will change the character of the community – like small town as is</td>
<td></td>
</tr>
<tr>
<td>• There is already a land crunch – having the mine diminishes land base for younger families – expansion of the town will have limits to the south as a result of the Vista Coal Project.</td>
<td></td>
</tr>
<tr>
<td>Comment Received</td>
<td>Coalspur Response</td>
</tr>
<tr>
<td>------------------</td>
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</tr>
<tr>
<td>• Town has identity issues – if viewscape is disrupted with the mine so close, people will think Hinton is just a resource town. Opportunities lost for development of cultural resources, tourism, outdoor activities and identity of community</td>
<td>The AltaLink transmission project is completely separate from the Vista Coal Project proposal and is being undertaken as part of a general system improvement process for electricity transmission in the Province and the region. Coalspur’s power and transmission requirements have not yet been determined. We will have to apply to the transmission authority for the connection locations and requirements.</td>
</tr>
<tr>
<td>• TriCan is coming in</td>
<td></td>
</tr>
<tr>
<td>• What happens if the price of coal goes down over the next 5 years?</td>
<td></td>
</tr>
<tr>
<td>• What’s the relationship between the Vista Coal Project and the AltaLink electrical transmission line construction?</td>
<td></td>
</tr>
<tr>
<td>• How large and where will new power lines be located?</td>
<td></td>
</tr>
<tr>
<td>• Project relative to the Altalink project proposed behind Thompson Lake in behind Hwy 16.</td>
<td></td>
</tr>
<tr>
<td>• Why are we still going down the route of developing non-renewable fossil fuels i.e. climate change?</td>
<td>There are strong international markets for thermal coal, particularly in Asia. In the Asian region coal remains a viable and affordable option to provide electricity to populations who currently don’t have access to this energy source.</td>
</tr>
<tr>
<td>• Why are your stocks listed in Australia as well as Toronto?</td>
<td>Coalspur Mines is an Australian company listed on the Australian stock exchange. The company acquired the first Hinton coal asset in 2009. Since then the company has acquired adjacent coal assets creating the Vista Coal Project. As a significant North American coal project the company decided to also list on the Toronto Stock Exchange to improve access to North American investors.</td>
</tr>
</tbody>
</table>

**Reclamation and End Land Use (12 comments)**

<table>
<thead>
<tr>
<th>Comment Received</th>
<th>Coalspur Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Continued forest harvesting/fiber flow and access to forest resources within the mine permit area?</td>
<td>Coalspur must provide a reclamation plan as part of our regulatory applications to the Energy Resources Conservation Board (ERCB) and Alberta Environment (AENV). The reclamation plan covers the mining area and all related facilities including the coal preparation plant and tailings pond.</td>
</tr>
<tr>
<td>• Do the tailings ponds need to be capped to reclaim them?</td>
<td></td>
</tr>
<tr>
<td>• Forest management – cut over areas and regeneration following mining</td>
<td></td>
</tr>
<tr>
<td>• Forest Management Agreement Area – effect on forestry and wood supply</td>
<td></td>
</tr>
<tr>
<td>• I am interested in the ongoing reclamation after mining is completed. I feel that reclamation should be progressive-as soon as possible after disturbance with direct hauled topsoil being the first consideration for replacement once sloping is completed.</td>
<td>Coalspur Mines is committed to progressive and continuous reclamation of lands where mining has been completed. We are also committed to work with other resource users in our mine permit area to coordinate and manage all activities.</td>
</tr>
<tr>
<td>• Effect on forestry and longer term sustainability</td>
<td></td>
</tr>
<tr>
<td>Comment Received</td>
<td>Coalspur Response</td>
</tr>
<tr>
<td>------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>• Issue with forest re-growth – poor reclamation at Coal Valley and Obed; no trees at Gregg River, mines are deforesting area</td>
<td></td>
</tr>
<tr>
<td>• Need timely reclamation and return of lands quickly for public use</td>
<td></td>
</tr>
<tr>
<td>• Quality of reclamation (clover or return to forest)</td>
<td></td>
</tr>
<tr>
<td>• Reclamation difficult – will require multiple generations to see results; what is Coalspur’s vision – will they do the bare minimum or be leading edge</td>
<td></td>
</tr>
<tr>
<td>• Reclamation plans and end land use</td>
<td></td>
</tr>
<tr>
<td>• Stream reclamation</td>
<td></td>
</tr>
</tbody>
</table>

**Public Involvement (7 comments)**

<table>
<thead>
<tr>
<th>Comment Received</th>
<th>Coalspur Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Make area map and infrastructure locations available to public</td>
<td>A regional map showing our lease area boundaries with an outline of the proposed Vista Coal Project has been prepared and is available on request. Once we have developed our plans more fully, the map will be updated and made available. Our applications will be publicly available and will contain detailed maps and other project related information.</td>
</tr>
<tr>
<td>• Boundary to northwest is FAR too close to town; by including it in the pre assessment it is obviously going to upset Hinton residents; probably that section won’t be mined and when you don’t mine it you’ll look good; you are toying with us – an insult to residents</td>
<td>The closest boundary of the Vista Coal Project is approximately 10 kilometers from the Hinton Town Boundary. Coalspur also holds coal leases that run from the Vista Coal Project boundary towards Hinton. These leases hold future potential mine development opportunities but will require new regulatory approvals. Coalspur has tried to be open and transparent about all of our coal properties and the potential for future development.</td>
</tr>
<tr>
<td>• Glad to see this open house – good to see you here early in the project development</td>
<td>Coalspur is committed to early and regular public engagement. The public engagement and Aboriginal Consultation program will continue throughout the Vista Coal Project application process and continue during construction and operations.</td>
</tr>
<tr>
<td>• Please give open house poster board information on website or on handouts at the event</td>
<td>The poster board information is on display at our Hinton office. We plan to make arrangements for the poster board information to be available at future open houses. We also plan to place the poster board information on our website. Our applications will include detailed maps and information and will be publicly available.</td>
</tr>
<tr>
<td><strong>Comment Received</strong></td>
<td><strong>Coalspur Response</strong></td>
</tr>
<tr>
<td>----------------------</td>
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</tr>
<tr>
<td>• Provide a clear understanding of the location</td>
<td>A regional map showing our lease area boundaries with an outline of the proposed Vista Coal Project has been prepared and is available on request. Once we have developed our plans more fully, the map will be updated and made available.</td>
</tr>
<tr>
<td>• Trust – Vista Coal Project is a start once you get it approved will you continue to engage and take community comments seriously for the next phases of coal mine development (i.e. Vista South)?</td>
<td>Coalspur is committed to early and regular public engagement. The public involvement and Aboriginal Consultation program will continue throughout the Vista Coal Project application process, construction and operations.</td>
</tr>
<tr>
<td>• The open house was very informative</td>
<td>Coalspur is committed to early and regular public engagement. The public involvement and Aboriginal Consultation program will continue throughout the Vista Coal Project application process, construction and operations.</td>
</tr>
</tbody>
</table>

**Trapping (6 comments)**

| • Future effect on Trapline 2192  
• Trapline to north of the project area  
• Have the trappers in the area been contacted? | We will be in contact with all trappers that may be affected by the proposed Vista Coal Project. |
| • Respect for hunters, anglers, trappers, etc. and their use of the land today | As part of the EA we must consider, among other things, regional recreational activities and patterns of use and the potential effect of the proposed Vista Coal Project on that use. |
| • Trapper notification – make sure that trapper information is up to date  
• Update Trappers’ information | We have researched and identified the trappers with Fur Resource licenses in the area and have added their information to our contact list for ongoing updates on the proposed Vista Coal Project. |

**Wildlife Concerns (5 comments)**

| • Animal trail/overpass for wildlife at mine site?  
• Concern with long term plans for access management – wildlife management as with Greg River and the Cheviot Mine  
• Foothills model forest – Grizzly Bears  
• Effect to wildlife  
• Wildlife corridors: strip mines are disruptive to wildlife wanderings. Have corridors been considered? | The potential effect on the movement of wildlife both within and through the proposed Project area were assessed during the 1983 Project review. This information will be updated by Coalspur and used to develop appropriate management strategies to address wildlife issues. |
## Fisheries Concerns (4 comments)

<table>
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<tr>
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<tbody>
<tr>
<td>• Are there any fish bearing streams in the Vista Coal Project area?</td>
<td>The potential effects on the water quality and fish habitat within and adjacent to the proposed Project area were assessed during the 1983 Project review. This information will be updated by Coalspur and used to develop appropriate management strategies to address fisheries issues. The environmental assessment for the Vista Coal Project will address issues related to water quality, which includes Selenium. Additionally, the Coal Valley Mine is mining the same coal formation that’s planned to be mined for Vista and there have been no Selenium problems experienced by Coal Valley.</td>
</tr>
<tr>
<td>• Selenium and deformed fish</td>
<td></td>
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<tr>
<td>• Selenium issue – effect on Rainbow Trout</td>
<td></td>
</tr>
<tr>
<td>• Water quality and fish habitat</td>
<td></td>
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</tbody>
</table>

## Aboriginal Consultation (4 comments)

<table>
<thead>
<tr>
<th>Comment Received</th>
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</thead>
<tbody>
<tr>
<td>• Aboriginal consultation</td>
<td>An Aboriginal Consultation plan is being prepared for review by the Provincial and Federal Governments. Preliminary contacts with Aboriginal Community Leaders were made in November 2010 and are continuing.</td>
</tr>
<tr>
<td>• Aboriginal consultation</td>
<td></td>
</tr>
<tr>
<td>• Has Aboriginal Consultation begun?</td>
<td></td>
</tr>
<tr>
<td>• Land claims and aboriginal issues—extent of effect and process for dealing with it</td>
<td>Issues of First Nations’ land claims are the responsibility of the Federal and Provincial Governments. We will be consulting with First Nations and Aboriginal Communities with traditional land use interests in the Region.</td>
</tr>
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</table>

## Historical Resources Preservation (4 comments)

<table>
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<tr>
<th>Comment Received</th>
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</thead>
<tbody>
<tr>
<td>• Archaeological/Historical resources and First Nations’ interests – will there be studies?</td>
<td>Discussions will be held and agreements reached with First Nations communities for traditional land use studies.</td>
</tr>
<tr>
<td>• Cache Percotte Trail in Vista area – what is effect on this historic outfitting trail?</td>
<td>In 1983 a review and site assessment of historical, paleontological and archaeological resources was completed. The results were reported to Alberta Culture and Community Spirit as the regulatory agency of note for this assessment. Coalspur will be updating the historical resource assessment.</td>
</tr>
<tr>
<td>• Consider historic values and resources</td>
<td></td>
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<tr>
<td>• Fossil identification</td>
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</table>

## Other (1 comment)

<table>
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<tr>
<th>Comment Received</th>
<th>Coalspur Response</th>
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</thead>
<tbody>
<tr>
<td>• Livestock in Edson</td>
<td>Although it is unlikely that the proposed Vista Coal Project will have an effect on livestock production in Edson, we will follow-up to confirm that this is the case.</td>
</tr>
</tbody>
</table>
Public Engagement Program Open House – January 14 and 15, 2011

Support for the Project (8 comments)

- Glad to see the project-good for town
- Looking forward to the project moving ahead
- Will be good for the area
- Excited about the project and the opportunity for the community
- Get going soon
- Good luck, it’s good to get work, hood for this community
- I want to see it get underway, jobs for my kids
- Want a definite answer on whether or not it’s a go!
- Hope I don’t have to wait so long…30 years ago Manalta; glad not crossing river

We also believe it’s a good project. The economic benefits are expected to be significant and will support the continued contribution of coal mining to the region’s economy. Coalspur Mines representatives will work closely with the Provincial, Municipal, Federal and Aboriginal Governments as well as Vista Coal Project stakeholders and the public to ensure that the full range of interests, needs and concerns are identified and addressed.

Employment/Contract Opportunities (19 comments)

- APEX Distribution – looking for information on timing of purchasing, supply plans etcetera
- Employment…When will operation start? Already dropped off resume
- Equipment size
- How many employees? (4 people asked)
- Want to know when jobs will start
- Bulk Fuel – interested in project timing
- Aggregate – new pit by Pinehurst
- Welder-company interest
- Interested in construction work
- Esso bulk-lube fuel, station designs
- Looking for economic opportunities for the Band. Contracting, etcetera
- When will you begin hiring contractors for construction? For equipment supply? For services?
- Will local contractors have first bid option?
- Watch the hiring process because of all the drugs in this area; you need someone that knows the area and people
- You should have a local photographer; try BrianCarnellphoto.com.
- Hire locally - a priority for Coalspur

As the Vista Coal Project proposal progresses we will be carefully reviewing and determining the contract, supply and employment requirements and opportunities. Approximately 400 employees will be required once the mine is fully operational.

We are interested in suppliers and contractors who can contribute to the success of the Vista Coal Project should it proceed. Once we have received regulatory approval from the Government of Alberta and our Board of Directors confirms that the Vista Coal Project can proceed, we will be posting contracting and supplier opportunities.

Our first preference is to hire locally. We expect a lot of interest in working at the Vista Coal Project from people living both inside and outside of the region. Our lead recruitment personnel will be based out of our Hinton, AB office.

Contracting and employee recruitment will likely occur 2 to 3 years following the decision to proceed with the project.
Air Quality and Nuisance Effects (19 comments)

- Noise and dust from blasting when wind blows toward town
- Loadout dust impact
- Weather events from the east. How will dust be managed and air quality in general? How will extreme weather events be managed? Wind, water, fire?
- Dust control
- Noise and dust in Carldale
- Hamlet of OBED-never dust or noise issues. 1 km from mainline.
- Will the mine use dust suppressant to keep road dust under control?
- Conveyor noise and dust concerns
- Will there be adequate dust and noise safeguards in the mine itself as per the people that will be working there?
- Noise control-loading
- Noise
- Interference with MRI/Catscan with blasting
- How many kilometers is Coalspur Mine from OBED?
- How will the Vista Project affect Seabolt Estates?
- Not too close to town – cause of dust and noise. Make sure gun range is well sheltered. Pretty good location for plant – away from Hinton.
- Keep strip mines not noticeable from town
- Proximity to town

The Vista Coal Project will be sited on the former Manalta Coal property for which a mine permit was granted in 1983. The active mining area will begin approximately 10 kilometers from the Town of Hinton boundary and 12 kilometers from Obed. The mine is proposed to be developed east towards the McLeod River. Proposed future mining activities to expand the Vista Coal Project will require new applications and environmental assessments that must address the proximity of active mining to the Town of Hinton as well as nearby residential subdivisions in Yellowhead County.

Our application for the Vista Coal Project requires that we include the specifications and an operating plan for mining operations and related facilities. This includes how we will continuously monitor all emissions, including dust, so that they don’t pose an environmental, human health or aesthetic problem. We also have to determine potential sources and levels of noise, who the noise might affect and how we proposed to reduce it if it could exceed allowable levels. Coalspur Mines Ltd. will continuously engage the public to receive and address environmental issues and needs that are of concern. In addition Coalspur will be required to follow and meet extensive regulatory requirements for environmental monitoring and reporting of results.

- Look of conveyor bridge over highway 16-make sure it doesn’t look bad
- Impact of rail sidings

As part of the planning process for selecting the sites for the access road, loadout and conveyor facilities, Coalspur will need approval from Alberta Transportation for design and location.

Our mine plans are currently being developed. An important consideration for the design will be to minimize the potential for visual impacts on the community of Hinton.
## Mine Planning and Facility Location (30 comments)

<table>
<thead>
<tr>
<th>Comment Received</th>
<th>Coalspur Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Curious about location and timing. Lived in Hinton for 41 years and supported Cheviot</td>
<td>We anticipate that data collection, EA and application preparation will be submitted for regulatory review in the summer of 2011 with a decision in the summer of 2012. Public involvement and Aboriginal Consultation will be occurring throughout preparation and following the application submission.</td>
</tr>
<tr>
<td>- Interest in location and timing</td>
<td>Once we have received regulatory approval from the Government of Alberta and our Board of Directors confirms that the Vista Coal Project can proceed, we will be posting contracting and supplier opportunities. This will likely occur 2 to 3 years following the decision to proceed with the project.</td>
</tr>
<tr>
<td>- Interested in timing and location of plant. How coal will get to rail</td>
<td>The Vista Coal Project will be sited on the former Manalta Coal property for which a mine permit was granted in 1983. The active mining area will begin approximately 10 kilometers from the Town of Hinton boundary and will be developed east towards the McLeod River. Proposed future mining activities to expand the Vista Coal Project will require new applications and environmental assessments that must address the proximity of active mining to the Town of Hinton as well as nearby residential subdivisions in Yellowhead County.</td>
</tr>
<tr>
<td>- Is your schedule still on track to be met? Is there anything that could get in the way on meeting it?</td>
<td></td>
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<tr>
<td>- Mine completion, construction timing</td>
<td></td>
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<tr>
<td>- Would the Vista Coal project operate concurrently/at the same time with Vista South proposal?</td>
<td></td>
</tr>
<tr>
<td>- Are you going to use the conveyor from the OBED mine?</td>
<td>Two options for a conveyor and coal loadout have been considered with the preferred option linking the coal preparation plant to a point in the locality of Pedley. The preferred option will be new construction, the conveyor and loadout facilities at the Obed Mine will not be used.</td>
</tr>
<tr>
<td>- Conveyor off-loading where it meets train tracks—where will it be?</td>
<td>The maintenance access road will generally follow the alignment of the conveyor route.</td>
</tr>
<tr>
<td>- Loadout and conveyor routes are only options. When will you have something definite?</td>
<td>Prior to development of the conveyor and access road for maintenance and as part of the planning process for selecting the sites for the access road, loadout and conveyor facilities, Coalspur will need approval from Alberta Transportation for design and location.</td>
</tr>
<tr>
<td>- Will the conveyor go over or under Hwy 16?</td>
<td></td>
</tr>
<tr>
<td>- Will the conveyor require an access road parallel to Hwy 16- from Hinton? Effect on Hwy 16-Hinton interchange</td>
<td></td>
</tr>
<tr>
<td>- Alberta Environment is looking for project description so Terms of Reference can be set</td>
<td>A description is being prepared for Vista Coal Project along with a proposed Environmental Assessment Terms of Reference that will be available for public review and comment.</td>
</tr>
<tr>
<td><strong>Comment Received</strong></td>
<td><strong>Coalspur Response</strong></td>
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</tbody>
</table>
| - Environmental concerns important. Proper planning and management are important to address these. Follow plan and do it right.  
- Have all the environmental permits been approved?  
- I encourage Coalspur and especially its consultants to ensure any applications to the government provide the greatest assurance that the proposed project does not significantly impact the environment, users of the environment or First Nations' Rights. Pollution prevention, minimization to maximum extent, BMPs and BATEA is expected.  
- Proximity to Hinton-explain process and new regulatory process for that development  
- Timing of regulatory process and start of construction  
- Want copy of map-Manalta 1981 map  
- What are the requirements for an environmental assessment now that the mine permit and processing plant permits have been approved?  
- What main roadblocks would to see to making this project successful? | In May 2011, Coalspur was informed that the Mine Permit transfer request was approved under permit number C 2011-5 and to be designated as Mine No. 1815. During the same period approval was also granted to construct and operate a coal processing plant. Part of the approval of the transfer of the mine permit indicated that should Coalspur Mines propose developments outside of the existing mine permit boundary that an amendment to the permit boundary would be required. This necessitates the initiation of additional environmental assessment activities including public engagement.  
As part of Coalspur Mines Ltd. application for the Vista Coal Project we must prepare an environmental assessment that considers and reports on the project’s potential effect on air and water quality and how it will be managed to protect the environment. Our application must also consider the effects and potential management requirements, if any, for recreational activities, hunting, fishing, trapping and gathering.  
Proposed, future mining activities to expand the Vista Coal Project will require new applications and environmental assessments that must address proximity mining to Hinton as well as nearby residential subdivisions in Yellowhead County.  
A regional map showing our lease area boundaries with an outline of the proposed Vista Coal Project has been prepared and is available on request. Once we have developed our plans more fully, the map will be updated and made available. Our applications will be publicly available and will contain detailed maps and other project related information. |
<table>
<thead>
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</thead>
<tbody>
<tr>
<td>• How do you do your coal reserves calculations, do you do them yourself?</td>
<td>Coal reserves have been calculated and reported by third party, internationalized recognized experts.</td>
</tr>
<tr>
<td>• There’s a rumor that Coalspur’s mine application is being prepared to sell to someone else to develop. Is that true?</td>
<td>Initial economic assessments have indicated that the Vista Coal Project may be financially and economically viable. There is a strong demand for thermal coal in Asian markets.</td>
</tr>
<tr>
<td>• Just interested in how the project is coming along</td>
<td>Coalspur Mines is an Australian company listed on the Australian stock exchange. The company acquired the first Hinton coal asset in 2009. Since then the company has acquired adjacent coal assets creating the Vista Coal Project. As a significant North American coal project the company decided to also list on the Toronto Stock Exchange to improve access to North American investors.</td>
</tr>
<tr>
<td>• Where will the mine administrative office be?</td>
<td>The mine administration office will be at the mine site once approval to proceed with construction has been granted.</td>
</tr>
<tr>
<td>• Will Coalspur ever mine across Hwy 40?</td>
<td>There are no plans currently to mine on the other side of Highway 40.</td>
</tr>
<tr>
<td>• Will the OBED mine be finished when Coalspur starts up?</td>
<td>We are required to prepare and submit an Environmental Assessment (EA) Report that examines the environmental and socio-economic effects of the Vista Coal Project as part of our application for mine development. This must consider the short and long term socio-economic effects of construction and operation of the Project, including effects related to other projects. While we are not aware of the operating plans for the Obed Mine at this time, that information will be sought from Coal Valley Resources Inc. to incorporate into the Vista Coal environmental assessment.</td>
</tr>
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</table>

**Water Management and Effects (3 comments)**

<table>
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<tr>
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<th>Coalspur Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Controlling water, sediment control, comment on Coal Valley run-off</td>
<td>As part of Coalspur Mines Ltd. application for the Vista Coal Project we must prepare an environmental assessment that considers and reports on the project’s potential effect on water quality and quantity. We will be required to discuss and determine the situation and if any management actions are required.</td>
</tr>
<tr>
<td>• Status of Pedley reservoir</td>
<td></td>
</tr>
<tr>
<td>• Impacts on water wells in Carldale</td>
<td></td>
</tr>
</tbody>
</table>
### Social Effects (6 comments)

<table>
<thead>
<tr>
<th>Comment Received</th>
<th>Coalspur Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Recreation Effects</td>
<td>We are required to prepare and submit an Environmental Assessment (EA) Report that examines the environmental and socio-economic effects of the Vista Coal Project as part of our application for mine development. This must consider the short and long term socio-economic effects of construction and operation of the Project, including effects related to housing, recreation, hunting, fishing, trapping and gathering, and effects on First Nations and Métis (e.g., traditional land use and social and cultural implications).</td>
</tr>
<tr>
<td>- Bike trails near Cache Percotte</td>
<td></td>
</tr>
<tr>
<td>- Gun range road and impact</td>
<td></td>
</tr>
<tr>
<td>- Emergency services may need to use Pedley - may need to break train!</td>
<td></td>
</tr>
<tr>
<td>- How do you deal with other industrial land uses?</td>
<td></td>
</tr>
<tr>
<td>- Social needs of project - land will be required for industrial development</td>
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</tbody>
</table>

### Reclamation Plans (4 comments)

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<thead>
<tr>
<th>Comment Received</th>
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</thead>
<tbody>
<tr>
<td>- Reclamation Plan needed</td>
<td>Coalspur must provide a reclamation plan as part of our regulatory applications to the Energy Resources Conservation Board (ERCB) and Alberta Environment (AENV). The reclamation plan covers the mining area and all related facilities including the coal preparation plant and tailings pond.</td>
</tr>
<tr>
<td>- Salvage timber</td>
<td>Coalspur Mines is committed to progressive and continuous reclamation of lands where mining has been completed. We are also committed to work with other resource users in our mine permit area to coordinate and manage all activities.</td>
</tr>
<tr>
<td>- Will you salvage the trees for lumber or pulp before you mine?</td>
<td>Timber salvage will be planned before mine development begins. Forest regeneration will be part of the reclamation plan requirements.</td>
</tr>
<tr>
<td>- Salvage the timber including regeneration.</td>
<td></td>
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<tr>
<td><strong>Public Engagement and Aboriginal Consultation Processes (5 comments)</strong></td>
<td></td>
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</tbody>
</table>
| - Open houses are good to keep everyone up to speed on the project, no surprises for the town  
  - Keep us informed  
  - Is the public engagement program an important part of the application?  
  - Is the Aboriginal consultation an important part of the application?  
  - As the rail and loadout options are further developed, please involve the town of Hinton since the town has jurisdiction over the highway right of way  |
| Coalspur Mines representatives will work closely with the Provincial, Municipal, Federal and Aboriginal Governments as well as Vista Coal Project stakeholders and the public to ensure that the full range of interests, needs and concerns are identified and addressed.  
Coalspur is committed to early and regular public engagement. The public engagement and Aboriginal Consultation program will continue throughout the Vista Coal Project application process and continue during construction and operations. Data collected during the public engagement and Aboriginal Consultation programs will be used to inform environmental assessment and mine application to ensure any issues, needs and interests are identified and addressed.  |

<table>
<thead>
<tr>
<th><strong>Wildlife Effects (5 comments)</strong></th>
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<tbody>
<tr>
<td>- Animal passage around the conveyor</td>
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<tr>
<td>The potential effect on the movement of wildlife both within and through the proposed Project area were assessed during the 1983 Project review. This information will be updated by Coalspur and used to develop appropriate management strategies to address wildlife issues.</td>
</tr>
<tr>
<td>- Trumpeter swans may be nesting in water ponds in mining area (West Fraser has information)</td>
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<tr>
<td>This will be followed up as part of our requirements for the wildlife component of the Vista Project environmental assessment.</td>
</tr>
</tbody>
</table>
| - Reclaimed areas that are held by the company creates a park/protected area like atmosphere created for wildlife by mines - elk, deer, sheep are not available to hunt  
  - Creates wildlife management issues during life of mine, and end land use. Animals are drawn there from other areas. When land returned needs to be opened to hunting (but can’t be wholesale slaughter.) Still haven’t resolved these issues with existing mines. Here we go again.  |
| Coalspur must provide a reclamation plan as part of our regulatory applications to the Energy Resources Conservation Board (ERCB) and Alberta Environment (AENV). The reclamation plan covers the mining area and all related facilities including the coal preparation plant and tailings pond.  
Coalspur Mines is committed to progressive and continuous reclamation of lands where mining has been completed. We are also committed to work with other resource users in our mine permit area to coordinate and manage all activities.  |
<p>| - Protect traditional uses (e.g. trapping)  |
| We have researched and identified the trappers with Fur Resource licenses in the area and have added their information to our contact list for ongoing updates on the proposed Vista Coal Project.  |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Discussions will be held and agreements reached with First Nations and Aboriginal communities for traditional land use studies.</td>
<td></td>
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</table>

**Other (1 comment)**

- Build windmills to generate power for mining and sell excess power to the grid
  
  Coalspur’s power and transmission requirements have not yet been determined. We will have to apply to the transmission authority for the connection locations and requirements.
Public Engagement Program Open House – November 29 and Weekly in December 2011

Support for Project (2 comments)

- Looking forward to project going
- Mine is good for Hinton

We believe that the Vista Coal Project will be a positive addition to industrial and resource development in the Hinton – Edson region.

Employment and Contract Opportunities (17 comments)

- Equipment rental - Will Coalspur need this service?
- Interested in timing for leasing of mining equipment
- What training do I need to work at the mine?
- When will there be employment opportunities? (mentioned 13 times)
- Will there be opportunities for First Nations and Métis Nation members’ employment?

As the Vista Coal Project proposal progresses we will be carefully reviewing and determining the contract, supply and employment requirements and opportunities. Approximately 400 employees will be required once the mine is fully operational. While the education, training and skill requirements will vary, mine workers will require a minimum of a high school certificate.

We are interested in suppliers and contractors who can contribute to the success of the Vista Coal Project should it proceed. Once we have received regulatory approval from the Government of Alberta and our Board of Directors confirms that the Vista Coal Project can proceed, we will be posting contracting and supplier opportunities.

Our first preference is to hire locally. We expect a lot of interest in working at the Vista Coal Project from people living both inside and outside of the region. Our lead recruitment personnel will be based out of our Hinton, AB office.

Contracting and employee recruitment will likely occur 2 to 3 years following the decision to proceed with the project.

Wildlife – Access for Hunting (7 comments)

- Wildlife crossing of conveyor route—don’t block my elk!
- How will hunting be affected by mining? What geographic area will be ‘off-limits’ for hunting?
- Won’t let us hunt and fish; talked to everyone and they explained
- Hunter for 56 years in Hinton. Minor concern re: access to hunting in MacPherson Creek area.
- Maintain access for hunting – I want to be able

We are required to assess wildlife impacts and potential impacts on recreation, including hunting, as part of the EIA for the conveyor. The results are anticipated to be reported in the first quarter of 2012.

For safety reasons there will be no hunting within any of the surface lease area for the Coalspur Mine. Pending approval by both the Government of Alberta and Coalspur Mines
to chase elk from one side of conveyor to the other. Allow driving, parking and walking on conveyor road. Obed won’t let you stop or walk across road by their conveyor.

- MSLs create a zone that wildlife are attracted to, frustrating hunting and exceeding carrying capacity
- Weak communication re: Coalspur’s plans to connect access road to Hinton Fish and Game club road. Possible solutions include: keep MSL as tight to footprint as is safe. Create a ‘bow only’ zone.
- When will construction start? When will hunting in the conveyor corridor begin to be impacted by construction?

**Coalspur Response**

Board of Directors, construction is estimated to start in the second or third quarter of 2013.

We will discuss the possibility of hunting staging/parking areas within our mine lease area if it can be safely and conveniently done in consideration of mine operation and other industrial road users requirements.

Because our road access at Highway 16 is in close proximity to the Hinton Fish and Game Club gun range road, we will continue to work toward an agreement that ensures safe access for both range users and our mine staff.

**Environmental Impact (8 comments)**

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<tbody>
<tr>
<td>Acid rain issues from oil and gas, coal business. Carbonic acid. How will Coalspur purify water?</td>
<td>As part of Coalspur Mines (Operations) Ltd. application for the Vista Coal Project we must prepare an environmental assessment that considers and reports on the project’s potential effect on water quality and quantity. We will be required to discuss and determine the situation and if any management actions are required. An important consideration for the design and layout of our mine and related facilities will be to minimize the potential for visual impacts on the community of Hinton. Our aim is to reuse as much of our process water as possible, keeping the need for additional, make up water to a minimum. Regional air monitoring data are available on the West Central Airshed website at <a href="http://www.wcas.ca">www.wcas.ca</a>. At this time we plan on using industrial best available technology that is economically achievable for water storage and treatment. We anticipate submitting our EIA and mine application to the Alberta Government in the first quarter of 2012.</td>
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<tr>
<td>Confident that environmental effects will be addressed</td>
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<tr>
<td>Groundwater concerns</td>
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<tr>
<td>Have you considered using MARL for water treatment?</td>
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</tr>
<tr>
<td>Is air monitoring data available on AB website for West Central air shed?</td>
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</tr>
<tr>
<td>Reclamation and water quality are important. Ensure it’s well planned and designed to address water quality</td>
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<tr>
<td>When will EIA be completed for submission to the government?</td>
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<tr>
<td>View from hill is really scenic; will it be impacted?</td>
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</table>
**Mine Facilities - Location of Conveyor/Crossing Highway 16 (6 comments)**

- Do you have wildlife conveyor crossings like OBED? What are your plans for FMA road crossings?
- Have you considered tying into future Hinton east bypass interchange?
- Not happy with going over highway at current crossings. Why did Coalspur not change design of conveyor crossing to go under highway?
- Pedley Crossing: There will be an additional cost to haul firewood if crossing closed to traffic. Crossing will be blocked with train. Are there alternatives?
- Potential to move conveyor crossing north then angle conveyor up to loadout north of tracks
- Where is loadout and why are you closing Pedley Crossing CN?

As part of the planning process for selecting the sites for the access road, loadout and conveyor facilities, Coalspur will need approval from Alberta Transportation for design and location. Four options for rail loadout were identified between the Hinton boundary and the vicinity of Pedley. Each option was reviewed considering: CN Rail’s strict guidelines and regulations, conflict with logging roads, ravine and creek crossings, and oilfield sites, room for a storage building, conveyor and road access. The preferred option, approximately 6 kilometers east of the eastern boundary of Hinton, best met the selection criteria. Also important was the need to ensure that no major existing vehicle crossings would be blocked and that impact on neighbours would be minimized.

Our mine plans are currently being developed in consideration of the need for the design to minimize the potential for visual impact on the community of Hinton. Conveyor construction requiring tunneling was examined. It was determined that based on the topography between the active mining area that the landscape disturbance would result in greater environmental impact and overall costs.

We will ensure that our conveyor is placed and constructed to allow for wildlife movement.

We are working with the forest management agreement holder for the area to ensure we develop integrated access that accounts for both mine and forestry requirements.
### Socio-economic Impact of Mine on Hinton (6 comments)

- Availability of medical services in Hinton (e.g., family doctors)
- Need to know what opportunities might be if Coalspur is a go. Work with industrial and residential developers. Consider impacts on employment, industrial development, and housing. Provide projected estimates/numbers.
- Concern about socio-economic impacts of large male workforce on community. What will be the side effects of a “transient male” population on families, infrastructure, social systems? Don’t want Fort McMurray effect.
- Coordination with the town of Hinton to address immediate and long-term needs. Consider schools, health care, law enforcement, emergency response, social and family supports.
- There is already a shortage of medical doctors. What does Coalspur do to help attract doctors to Hinton? Would you consider issuing bursaries to medical students with condition to practice in Hinton for 5 years?
- What will be impact on the community of the job seekers at the Coalspur mine (e.g., on housing, social issues such as potential increases in drug use, prostitution and crime)?
- Socio-economic assessment needs to be as complete as possible

We are required to prepare and submit an Environmental Impact Assessment (EIA) Report that examines the environmental and socio-economic effects of the Vista Coal Project as part of our application for mine development. This must consider the short and long term socio-economic effects of construction and operation of the Project, including effects related to housing, recreation, hunting, fishing, trapping and gathering, and effects on First Nations and Métis (e.g., traditional land use and social and cultural implications). If there are impacts which must be mitigated then we will develop plans to do so. Should some of the needs identified at the open house would likely require a collaborative effort among the municipalities and all industrial operators.

We will be entering into discussion with the Town of Hinton to determine representatives to discuss any development implications and how we might mutually plan to minimize the impacts and maximize the benefits.

We are also required to meet with discuss and resolve any potential conflicts with other industrial users as part of our regulatory application requirements. This includes forestry, oil and gas, as well as other surface disposition holders.

### Public Engagement (3 comments)

- Build a 3D model of what the lookout/conveyor would look like from a 5-10 km distance. Put it on display at the Recreation Centre in Hinton.
- Have 3D maps available
- Will Coalspur offer tours of mine once developed? Could even integrate historic resources into it.

We will continue to make every effort to ensure that people who are interested in the Vista Coal Project can learn about and comment on it. We will provide maps and graphics that help people orient to and comment on the project.

If our application to the Government of Alberta is successful, we will develop a community relations and engagement program that will include a range of methods for people to learn about and understand our mine operations.
### Traffic Management (2 comments)

- Industrial cut through traffic in the Carldale - Pedley area will cause a hazard once the rail crossing is closed for mine train loading
- Slowing up traffic at Valley crossing

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<td>The issue of cut through traffic has been identified by residents in the Carldale Pedley area. We will be reviewing the situation to see what might be possible to ensure that traffic travel and safety continue to be maintained once the loadout and rail facilities have been developed.</td>
<td></td>
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</table>

As part of the EIA we must consider the short and long term socio-economic effects of construction and operation of the Project, including effects related to housing, recreation, hunting, fishing, trapping and gathering, traffic and effects on First Nations and Métis (e.g., traditional land use and social and cultural implications).