

Via Email

Calgary Head Office Suite 1000, 250 – 5 Street SW Calgary, Alberta T2P 0R4 Canada

April 30, 2021

Cabin Ridge Project Ltd.

www.aer.ca

Attention: Patrick Landry, Director Engineering

RE: Reconsideration and Suspension under Section 42 of the Responsible Energy Development Act
Cabin Ridge Project: Coal Exploration Program CEP 200001, Deep Drill Permit C 2020-6, 52
Regulatory Temporary Field Authorizations

Dear Sir:

The Alberta Energy Regulator (AER) has received the following direction from the Minister of Energy, Ministerial Order 093/2021, Coal Exploration Direction, dated April 23, 2021, pursuant to section 67 of the Responsible Energy Development Act (the REDA):

 To take steps to suspend or pause all approvals (as defined by REDA) for coal exploration, on Category 2 lands, until December 31, 2021, or such other date as the Minister of Energy may specify in writing to the AER.

The AER has issued to Cabin Ridge Project Ltd. coal exploration program CEP 200001, deep drill permit C 2020-6 and 52 regulatory temporary field authorizations (RTF) on coal Category 2 lands. A list of these active dispositions and the permit can be found in Appendix 1 (collectively, the Approvals). The Approvals permit activities which relate to coal exploration.

The AER has the authority to reconsider its decisions pursuant to section 42 of the REDA. That section states:

The Regulator may, in its sole discretion, reconsider a decision made by it and may confirm, vary, suspend or revoke the decision.

The AER will only exercise its discretion to reconsider under the most extraordinary circumstances where it is satisfied that there are exceptional and compelling grounds to do so. The AER has determined there are extraordinary circumstances present. Subsection 67(2) of the REDA provides that the AER shall, within the time period set out in a ministerial order, comply with the directions given under this section.

Given the circumstances as outlined above, the AER considers that there exist exceptional and compelling grounds, and the AER has decided to conduct a reconsideration of the Approvals, without a hearing.

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Decision on Reconsideration

Having reviewed and considered the ministerial direction, the AER is satisfied that it is clearly within the scope of subsections 67(1) (a) and (b) of the REDA. The pausing or suspension of all approvals for coal exploration on Category 2 lands is a clear priority of the Government of Alberta which the AER has been directed to follow in the carrying out of its powers, duties and functions in this area of its jurisdiction. The direction is also aimed at ensuring the AER's coal exploration work is consistent with the programs, policies and work of the Government of Alberta, namely the halting of exploration on Category 2 lands while the Government's public engagement process on coal exploration and development in Alberta is ongoing. Given that this is a valid exercise of the Minister's authority, the AER is required to comply with the direction as per subsection 67(2) of the REDA.

The AER has decided to suspend the Approvals. Effective immediately, activity previously authorized pursuant to the Approvals is hereby suspended.

The suspension of the Approvals is effective immediately and the suspension will remain in place until December 31, 2021.

Cabin Ridge Project Ltd. remains responsible for maintaining the safety and security of all the sites and associated activities authorized by the Approvals during the suspension.

Sincerely,

<Original signed by>

Laurie Pushor
President and CEO

cc: Rushang Joshi, AER

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Appendix 1: Approvals on Category 2 lands

Company	Project	Type of Disposition	Disposition Number
Cabin Ridge Project Ltd.	Cabin Ridge	Coal Exploration Program	CEP200001
		Deep Drill permit	C 2020-6
		Regulatory Temporary Field Authorization	RTF209400
			RTF209401
			RTF209402
			RTF209403
			RTF209404
			RTF209405
			RTF209406
			RTF209407
			RTF209408
			RTF209409
			RTF209410
			RTF209411
			RTF209412
			RTF209413
			RTF209414
			RTF209415
			RTF209416
			RTF209417
			RTF209418
			RTF209419
			RTF209420
			RTF209421
			RTF209422
			RTF209423
			RTF209424
			RTF209425
			RTF209426
			RTF209427
			RTF209428
			RTF209429

Company	Project	Type of Disposition	Disposition Number
			RTF209430
			RTF209431
			RTF209432
			RTF209433
			RTF209434
			RTF209435
			RTF209436
			RTF209437
			RTF209438
			RTF209439
			RTF209440
			RTF209441
			RTF209442
			RTF209443
			RTF209444
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			RTF209446
			RTF209447
			RTF209448
			RTF209449
			RTF209450
			RTF209451