

By Email Only

January 20, 2025

Elan Coal Ltd.

Attention: Daniel Campbell, Daniel@atrumcoal.com

Dear Sir:

RE: Reconsideration of Suspension and Expiry Dates of Approvals under Section 42 of the *Responsible Energy Development Act*

Elan Project: CEP 170004, TFA183710, TFA 183823, TFA 184686

Elan South Project: CEP 190001, TFA 194728, TFA 203392 and Deep Drill Permit C 2019-4

Isolation South Project: CEP190005, TFA 202208, TFA202843, TDL 00465948, Deep Drill Permit C 2019-14

Isolation South 2D Seismic: Geophysical Program GEO200003 (the Approvals)

Pursuant to section 42 of the *Responsible Energy Development Act* (REDA) the Alberta Energy Regulator (AER) has reconsidered its decision to suspend the Approvals of Elan Coal Ltd. on April 30, 2021 (Suspension Decision) and also reconsidered the Approvals to extend the expiry date of the Approvals to account for the period of suspension (as set out in Appendix 1).

The Approvals were suspended on April 30, 2021 following a reconsideration by the AER that followed the issuance of *Ministerial Order 093/2021*, Coal Exploration Direction (Suspension Decision). The April 30, 2021 decision was varied on March 7, 2022 following the issuance of *Ministerial Order 002/2022* to allow Elan Coal Ltd. to proceed with abandonment and reclamation of the sites and it was noted that the CEPs and related approvals continued to be suspended until written notice is provided by the AER.

The AER has received direction from the Minister of Energy and Minerals, in *Ministerial Order 003/2025* (MO 003/2025), dated January 15, 2025. The AER has been directed pursuant to section 67 of the REDA to:

- a. lift the suspension of all approvals that were suspended under Ministerial Orders 054/2021, 093/2021 and 002/2022;
- b. extend the expiry dates of approvals suspended under Ministerial Orders 054/2021, 093/2021 and 002/2022 to account for the period of suspension;

- c. continue to apply the restrictions in place in respect of the exploration for and development of coal within categories of lands as described in *A Coal Development Policy for Alberta (1976)* when evaluating coal applications, with consideration of the Coal Industry Modernization Initiative policy guidance set out in the Government of Alberta News Release, titled “Protecting the environment with tougher coal rules”, dated December 20, 2024, and
- d. comply with directions given under MO 003/2025 by January 31, 2025.

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 section 67.

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 considers it is appropriate to exercise its authority under Section 42 of the REDA because of MO 003/2025. The AER has decided to conduct a reconsideration of the Suspension Decision and to reconsider the Approvals to extend the expiry date of the Approvals to account for the period of suspension, without a hearing.¹ The AER further notes that as no statements of concern were received prior to the issuance of the Approvals, the reconsideration of the Suspension Decision and reconsideration of the Approvals can proceed without requiring additional written submissions.

Decision on Reconsideration

Having reviewed and considered MO 003/2025, the AER is satisfied that the MO is clearly within the scope of subsections 67(1) (a) and (b) of the REDA. The lifting of the suspension of all approvals for coal exploration that were previously suspended pursuant to Ministerial Orders, 093/2021 and 002/2022 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 considers the application of the 1976 Coal Policy and government policy as expressed in the December 20, 2024 news release. Given that this is a valid exercise of the Minister’s authority pursuant to legislation, the AER is required to comply with the direction as per subsection 67(2) of the REDA within the time period specified in it, and the AER has identified no other grounds that would warrant doing otherwise.

¹ Section 43 of REDA provides that the AER may conduct a reconsideration with or without a hearing.

Accordingly, the AER has decided to lift the suspension of the Approvals. Effective the date of this letter, the suspension of the Approvals is lifted and the expiry dates set out in the Approvals are extended to account for the period of suspension as detailed in Appendix 1.

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	Original Operational Expiry Date	Original Reclamation Expiry Date	Original Expiry Date	New Operational Expiry Date	New Reclamation Expiry Date	New Expiry Date
Elan Coal Ltd	Elan	Coal Exploration Program	CEP 170004	2020-Mar-20	2023-Mar-20	N/A	N/A	2026-Dec-10	N/A
		Temporary Field Authorization	TFA 183710	N/A	N/A	2023-Mar-20	N/A	N/A	2026-Dec-10
		Temporary Field Authorization	TFA 183823	N/A	N/A	2023-Mar-20	N/A	N/A	2026-Dec-10
		Temporary Field Authorization	TFA 184686	N/A	N/A	2023-Mar-19	N/A	N/A	2026-Dec-09

Company	Project	Type of Disposition	Disposition Number	Original Operational Expiry Date	Original Reclamation Expiry Date	Original Expiry Date	New Operational Expiry Date	New Reclamation Expiry Date	New Expiry Date
Elan Coal Ltd.	Elan South	Coal Exploration Program	CEP 190001	2021-May-28	2024-May-28	N/A	2025-Feb-17	2028-Feb-17	N/A
		Temporary Field Authorization	TFA 194728	N/A	N/A	2021-June-03	N/A	N/A	2025-Feb-23
		Temporary Field Authorization	TFA 203392	N/A	N/A	2022-Oct-15	N/A	N/A	2026-Jul-07
		Deep Drill Permit	C 2019-4	N/A	N/A	2021-Sep-23	N/A	N/A	2025-Jun-15

Company	Project	Type of Disposition	Disposition Number	Original Operational Expiry Date	Original Reclamation Expiry Date	Original Expiry Date	New Operational Expiry Date	New Reclamation Expiry Date	New Expiry Date
Elan Coal Ltd.	Isolation South	Coal Exploration Program	CEP 190005	2021-Jul-22	2024-Jul-22	N/A	2025-Apr-13	2028-Apr-12	N/A
		Temporary Field Authorization	TFA 202208	N/A	N/A	2023-May-26	N/A	N/A	2027-Feb-15
		Temporary Field Authorization	TFA 202843	N/A	N/A	2024-Jul-23	N/A	N/A	2028-Apr-14
		Temporary Diversion Licence	TDL 00465948	N/A	N/A	2021-Jul-24	N/A	N/A	2025-Apr-15
		Deep Drill Permit	C 2019-14	N/A	N/A	2021-Jul-22	N/A	N/A	2025-Apr-13
	Isolation South 2D Seismic	Geophysical Program	GEO 200003	N/A	N/A	2022-Apr-30	N/A	N/A	2026-Jan-20