

**Via Email**

January 28, 2025

Black Eagle Mining Corporation

Attention: Vaughn Wishart, Executive Chairman, Valory Resources Inc.

**Calgary Head Office**  
Suite 1000, 250 – 5 Street SW  
Calgary, Alberta T2P 0R4  
Canada[www.aer.ca](http://www.aer.ca)

Dear Sir:

Re: **Reconsideration of Suspension and Extension of Expiry Dates under Section 42 of the *Responsible Energy Development Act***  
**Blackstone Project: Coal Exploration Program CEP 190008, Deep Drill Permit C2020-1 (the Approvals)**

Pursuant to section 42 of the *Responsible Energy Development Act* (REDA) the Alberta Energy Regulator (AER) has revoked its decision to suspend the Approvals of Black Eagle Mining Corporation (Black Eagle) on April 30, 2021 and also varied the Approvals to extend the expiry date of the Approvals to account for the period of suspension (as set out in Appendix 1).

Background:

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 Black Eagle to proceed with abandonment and reclamation of the sites and it was noted that the Approvals continued to be suspended until written notice is provided by the AER.

Pursuant to section 67 of the REDA, the AER 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 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.

Following receipt of MO 003/2025, the AER wrote on January 20, 2024 to Black Eagle, the approval holder, and copied those who had filed statements of concern (SOCs) prior to the issuance of the Approvals, including Ermineskin Cree Nation, Whitefish (Goodfish) Lake First Nation #128, and Blood Tribe/Kainai Nation through their counsel on record, JFK Law LLP.

The letter explained the AER had decided to reconsider the Approvals pursuant to section 42 of REDA. The AER would decide whether to confirm, vary, suspend or revoke its Suspension Decision and the expiry dates in the Approvals. Furthermore, it explained that the reconsideration will be conducted, without a hearing<sup>1</sup> on the basis of written submissions. Black Eagle and any person who had filed a SOC on the original applications for the Approvals could provide submissions to the AER by 4:00 pm January 24, 2025 on the issue of **“whether and on what grounds the AER can refuse to lift the suspensions of the Approvals and extend the expiry dates of the Approvals, given the mandatory requirement for the AER in section 67(2) of REDA to comply with the Minister’s Direction.”**

In response to the AER’s letter, no submissions were filed by Black Eagle or any person who had filed a SOC on the original applications for the Approvals.

#### Decision on Reconsideration

Section 67 of REDA provides that

- 67(1)** When the Minister considers it to be appropriate to do so, the Minister may by order give directions to the Regulator for the purposes of
  - (a) providing priorities and guidelines for the Regulator to follow in the carrying out of its powers, duties and functions, and
  - (b) ensuring the work of the Regulator is consistent with the programs, policies and work of the Government in respect of energy resource and mineral resource development, public land management, environmental management and water management.
- (2)** The Regulator shall, within the time period set out in the order, comply with directions given under this section.

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<sup>1</sup> Under section 43 of REDA, the AER may conduct a reconsideration with or without a hearing.

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 it doing otherwise.

Accordingly, pursuant to section 42 of the REDA, the AER has decided to revoke the Suspension Decision, which means the suspension of the Approvals has been lifted. It has also reconsidered the Approvals and decided to vary the Approvals in order to extend the expiry dates of the Approvals to account for the period of suspension (as set out in Appendix 1).

Sincerely,

<Original signed by>

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Laurie Pushor  
President and CEO

cc: Ermineskin Cree Nation, via JFK Law LLP, [rjanes@jfkllaw.ca](mailto:rjanes@jfkllaw.ca)  
Whitefish (Goodfish) Lake First Nation #128, via JFK Law LLP, [rjanes@jfkllaw.ca](mailto:rjanes@jfkllaw.ca)  
Blood Tribe / Kainai Nation, via JFK Law LLP, [rjanes@jfkllaw.ca](mailto:rjanes@jfkllaw.ca)  
Rushang Joshi, AER  
Doug Koroluk, AER  
[Coal.Applications@aer.ca](mailto:Coal.Applications@aer.ca)  
[AERSurfaceActivityApplication@aer.ca](mailto:AERSurfaceActivityApplication@aer.ca)  
[TDL.Applications@aer.ca](mailto:TDL.Applications@aer.ca)

**Appendix 1: Approvals on Category 2 Lands**

<b>Company</b>	<b>Project</b>	<b>Type of Disposition</b>	<b>Disposition Number</b>	<b>Original Operational Expiry Date</b>	<b>Original Reclamation Expiry Date</b>	<b>Original Expiry Date</b>	<b>New Operational Expiry Date</b>	<b>New Reclamation Expiry Date</b>	<b>New Expiry Date</b>
Black Eagle Mining Corporation	Blackstone	Coal Exploration Program	CEP 190008	2022-Feb-25	2025-Feb-25	N/A	2025-Nov-25	2028-Nov-24	N/A
		Deep Drilling Permit	C 2020-1	N/A	N/A	2022-Feb-25	N/A	N/A	2026-Nov-25