

## MARCH 2015 QUARTERLY REPORT

**VANCOUVER, British Columbia, Canada, 29 April 2015: Coalspur Mines Limited ("Coalspur" or "Company") (ASX: CPL, TSX: CPT)** is pleased to present its quarterly report for the three months ending 31 March 2015.

### Highlights of past quarter

On 24 February 2015, the Company announced that it had entered into a definitive agreement ("Scheme Implementation Agreement") for the proposed acquisition of Coalspur by KC Euroholdings S.à r.l. ("KCE") by way of an Australian scheme of arrangement ("Scheme"). It is proposed that, under the Scheme, KCE will acquire all of the outstanding shares of the Company in consideration for a cash payment of A\$0.023 per Coalspur share (the "Consideration"), subject to the fulfilment of the conditions in the Scheme Implementation Agreement, some of which are described below. In addition to executing the Scheme Implementation Agreement, KCE executed a definitive agreement to purchase (at a discount to face value) the senior, secured debt facility provided by EIG Global Energy Partners ("EIG") to the Company, for consideration comprising a partial cash settlement together with future payments contingent on future coal prices.

On 17 March 2015, the Federal Court of Australia ("Court") approved the despatch of Coalspur's Scheme booklet ("Scheme Booklet") and ordered that Coalspur convene a meeting of its shareholders to consider and, if thought fit, approve the Scheme ("Scheme Meeting"). Following the Court hearing, the Scheme Booklet was registered with the Australian Securities and Investments Commission ("ASIC") and dispatched to Coalspur shareholders. The Scheme was approved by Coalspur's shareholders at the Scheme meeting held on 22 April 2015.

On 23 March 2015, the Company announced that ASIC granted the Company an extension of time to hold its annual general meeting ("AGM") for its financial year ended 31 December 2014. Pursuant to the relief granted by ASIC, Coalspur must hold its AGM by 31 July 2015. The extension of time was sought to enable Coalspur's AGM to be held once the outcome of the proposed Scheme was known.

Effective 31 March 2015, Mr Rob Gough resigned as Chief Financial Officer and Ms Gill Winckler agreed to take over the responsibilities of Chief Financial Officer.

Subsequent to the end of the quarter, KCE and Borrowdale Park S.A. ("Borrowdale Park") entered into an agreement for KCE to purchase the debt provided by Borrowdale Park to the Company pursuant to a subordinated debt facility.

On 24 April 2015, Coalspur announced that it was seeking an approximately 30 day adjournment to the second Court hearing (which was scheduled for 28 April 2015) relating to the Scheme. The purpose of the adjournment was to allow Coalspur and KCE additional time to satisfy the condition precedent to the Scheme relating to the renegotiation of Coalspur's existing contractual arrangements with Ridley Terminals Inc. ("Ridley Terminals") to the satisfaction of KCE. Negotiations between the relevant parties were not expected to conclude in time for the second Court hearing scheduled on 28 April 2015.

On 28 April 2015, Coalspur announced that the second Court hearing was adjourned to 3 June 2015.

On 29 April 2015, KCE satisfied two conditions of the Scheme by completing the acquisition of the debts held by EIG and Borrowdale Park. The conditions precedent relating to the amendment of Coalspur's current contracts with Ridley Terminals and CN Rail will need to be satisfied or waived prior to the second Court date.

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**Forward Looking Information**

This report contains forward-looking information concerning Coalspur, including information regarding Coalspur's expectations regarding the implementation of the acquisition of Coalspur by way of an Australian scheme of arrangement ("Scheme"), and other matters. All statements in this report, other than statements of historical facts, that address events or developments that Coalspur expects to occur, are statements of forward-looking information. Although Coalspur believes that such forward-looking information is based on reasonable assumptions, such information is not a guarantee of future performance and actual results or developments may differ materially from the forward-looking information. Material factors or assumptions used by Coalspur to develop forward-looking information include the following: (a) the conditions to the Scheme will be fulfilled, including the condition relating to KCE reaching agreement with Ridley Terminals Inc., alternatively additional financing for the development of Vista will be available on reasonable terms or sufficient consideration will be realized from a sale of Coalspur or some or all of its assets in order to fulfil the Company's obligations to its creditors; (b) coal price and currency exchange rate assumptions; (c) regulatory approvals, permits and licenses for the development, construction and operation of Vista will be obtained, amended and maintained on a basis consistent with Coalspur's current expectations; (d) key personnel will be retained or recruited; (e) accuracy of mineral resource and reserve estimates; (f) Coalspur's title to mineral and surface rights will be maintained; and (g) Coalspur's secured creditors will continue to be supportive of its strategic process. Factors that could cause actual results to differ materially from forward-looking information include: (i) uncertainties relating to fulfilment of the conditions precedent to the Scheme, obtaining the additional financing required for the development of Vista, or successfully selling Coalspur or some for all of its assets and uncertainties related to project realization values; (ii) conditions for drawdown and other requirements under existing credit facilities, including the acceleration of debt due to events of default; (iii) fluctuations in coal prices and currency exchange rates; (iv) uncertainties regarding the receipt, maintenance, amendment and conditions of regulatory approvals, permits and licenses required for the development, construction and operation of Vista; (v) uncertainties relating to the retention or recruitment of key personnel; (vi) take or pay commitments with Ridley Terminals; (vii) uncertainties in Coalspur's mineral resource or reserve estimates; (viii) uncertainties related to aboriginal claims and overlapping mineral or surface rights; and (i) uncertainties related to general economic, market and business conditions. For more information on Coalspur, investors should review Coalspur's continuous disclosure filings that are available at [www.sedar.com](http://www.sedar.com) and [www.asx.com.au](http://www.asx.com.au).

### Schedule of tenements held by the Company

Project Name	Location	Permit/lease number	Percentage Interest	Status
Vista Coal Project	Alberta	1307020587	100%	Granted
Vista Coal Project	Alberta	1307020588	100%	Granted
Vista Coal Project	Alberta	1307060429	100%	Granted
Vista Coal Project	Alberta	1308020345	100%	Granted
Vista Coal Project	Alberta	1308020346	100%	Granted
Vista Coal Project	Alberta	1308020347	100%	Granted
Vista Coal Project	Alberta	1308020348	100%	Granted
Vista Coal Project	Alberta	1308020349	100%	Granted
Vista Coal Project	Alberta	1308050904	100%	Granted
Vista Coal Project	Alberta	1308050905	100%	Granted
Vista Coal Project	Alberta	1308120620	100%	Granted
Vista Coal Project	Alberta	1308120622	100%	Granted
Vista Coal Project	Alberta	1308120624	100%	Granted
Vista Coal Project	Alberta	1311040471	100%	Granted
Vista Coal Project	Alberta	1311040472	100%	Granted
Vista Coal Project	Alberta	1311050576	100%	Granted
Vista Coal Project	Alberta	1311050581	100%	Granted
Vista Coal Project	Alberta	1311050582	100%	Granted
Vista Coal Project	Alberta	1399080001	100%	Granted
Vista Coal Project	Alberta	80368501	100%	Application
Vista Coal Project	Alberta	80368502	100%	Application
Vista Coal Project	Alberta	80368503	100%	Application
Vista Extension	Alberta	1307050787	100%	Granted
Vista Extension	Alberta	1307050788	100%	Granted
Vista Extension	Alberta	1307050789	100%	Granted
Vista Extension	Alberta	1307050790	100%	Granted
Vista Extension	Alberta	1307050791	100%	Granted
Vista Extension	Alberta	1307050792	100%	Granted
Vista Extension	Alberta	1307050793	100%	Granted
Vista Extension	Alberta	1307050794	100%	Granted
Vista Extension	Alberta	1307050795	100%	Granted
Vista Extension	Alberta	1307050796	100%	Granted
Vista Extension	Alberta	1307050797	100%	Granted
Vista Extension	Alberta	1307050798	100%	Granted

Vista Extension	Alberta	1307050799	100%	Granted
Vista Extension	Alberta	1307050800	100%	Granted
Vista Extension	Alberta	1307050801	100%	Granted
Vista Extension	Alberta	1307050802	100%	Granted
Vista Extension	Alberta	1308060419	100%	Granted
Vista Extension	Alberta	1308060420	100%	Granted
Vista South	Alberta	1308120621	100%	Granted
Vista South	Alberta	1308120623	100%	Granted
Vista South	Alberta	1309120451	100%	Granted
Vista South	Alberta	1309120452	100%	Granted
Vista South	Alberta	1309120453	100%	Granted
Vista South	Alberta	1309120454	100%	Granted
Vista South	Alberta	1309120455	100%	Granted
Vista South	Alberta	1309120456	100%	Granted
Vista South	Alberta	1309120457	100%	Granted
Vista South	Alberta	1309120458	100%	Granted
Vista South	Alberta	1309120459	100%	Granted
Vista South	Alberta	1309120460	100%	Granted
Vista South	Alberta	1309120461	100%	Granted
Vista South	Alberta	1309120462	100%	Granted
Vista South	Alberta	1309120463	100%	Granted
Vista South	Alberta	1309120464	100%	Granted
Vista South	Alberta	1310090997	100%	Granted
Vista South	Alberta	1310090998	100%	Granted
Vista South	Alberta	1310090999	100%	Granted
Vista South	Alberta	1310091000	100%	Granted
Vista South	Alberta	1310091001	100%	Granted
Athabasca River	Alberta	1311120568	100%	Granted
Athabasca River	Alberta	1311120570	100%	Granted
Athabasca River	Alberta	1311120572	100%	Granted
Athabasca River	Alberta	1311120573	100%	Granted
Athabasca River	Alberta	1311120574	100%	Granted

# Appendix 5B

## Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

**COALSPUR MINES LIMITED**

ABN

**73 003 041 594**

Quarter ended ("current quarter")

**March 31, 2015**

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter C\$'000	Year to date (3 months) C\$'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for:		
	(a) exploration & evaluation	-	-
	(b) development	59	59
	(c) production	-	-
	(d) administration	(2,057)	(2,057)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	7	7
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other - rental income	97	97
		-	-
<b>Net Operating Cash Flows</b>		(1,894)	(1,894)
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other a) Capitalized finance costs	-	-
	b) Capitalized development costs	-	-
<b>Net investing cash flows</b>		-	-
1.13	Total operating and investing cash flows (carried forward)	(1,894)	(1,894)

+ See chapter 19 for defined terms.

**Appendix 5B**
**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,894)	(1,894)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material): -financing costs	-	-
	<b>Net financing cash flows</b>	-	-
	<b>Net increase (decrease) in cash held</b>	-	-
1.20	Cash at beginning of quarter/year to date	6,696	6,696
1.21	Exchange rate adjustments to item 1.20	1	1
1.22	<b>Cash at end of quarter</b>	4,803	4,803

**Payments to directors of the entity and associates of the directors**
**Payments to related entities of the entity and associates of the related entities**

	Current quarter C\$'000
1.23	Aggregate amount of payments to the parties included in item 1.2
	163
1.24	Aggregate amount of loans to the parties included in item 1.10
	-

1.25 Explanation necessary for an understanding of the transactions

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

The Company's debt agreements with EIG and Borrowdale Park accrue interest at 11% and 10.5%, respectively, until Coalspur is in production at which point cash repayments commence.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Not applicable

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available C\$'000	Amount used C\$'000
3.1 Loan facilities	-	87,400
3.2 Credit standby arrangements	188	22

### Estimated cash outflows for next quarter

	C\$'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production	-
4.4 Administration	4,803*
<b>Total</b>	<b>4,803*</b>

\*Assumes completion of the Scheme

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter C\$'000	Previous quarter C\$'000
5.1 Cash on hand and at bank	4,593	6,486
5.2 Deposits at call	210	210
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>4,803</b>	<b>6,696</b>

### Mining interests and changes in interests in mining tenements and petroleum tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Not applicable			
6.2 Interests in mining tenements acquired or increased	Not applicable			

**Appendix 5B**
**Mining exploration entity and oil and gas exploration entity quarterly report**
**Issued and quoted securities at end of current quarter**

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1 <b>Preference <sup>+</sup>securities</b> (description)	-	-	Not applicable	Not applicable
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b><sup>+</sup>Ordinary securities</b>	641,544,455	641,544,455	Not applicable	Not applicable
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b><sup>+</sup>Convertible debt securities</b> (description)	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> (description and conversion factor)	<u>Options/Warrants:</u> 2,750,000 350,000 1,450,000 1,773,225 120,000,000 1,007,514 <u>Rights:</u> 305,375 1,155,593 343,375 8,160,739	- - - - - - - - - - - -	<u>Exercise price</u> A\$0.25 A\$0.70 A\$1.05 C\$0.30 A\$0.55 C\$0.30 <u>Exercise price</u> A\$Nil A\$Nil A\$Nil A\$Nil	<u>Expiry date</u> 30 June 2015 30 June 2015 30 June 2015 16 Dec 2016 1 July 2021 30 June 2019 <u>Expiry date</u> 30 June 2015 15 Dec 2015 30 June 2016 31 Dec. 2016
7.8 Issued during quarter	-			
7.9 Exercised during quarter	-			
7.10 Expired/forfeited/cancelled during quarter				
7.11 <b>Debentures (totals only)</b>	-	-		
7.12 <b>Unsecured notes (totals only)</b>	-	-		



## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does ~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

“Gill Winckler”  
Sign here.....  
(Director/~~Company secretary~~)

Date: 29 April 2015

Print name: Gill Winckler

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity’s activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.