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| <b>MINFILE Number:</b> 104H 020 | <b>Name:</b> MOUNT KLAPPAN (HOBBIT-BROATCH) | <b>Status:</b> Developed Prospect |
|---------------------------------|---|-----------------------------------|

| Ore Zone/<br>Year/Report On             | Tonnage/<br>Category             | Commodity | Grade | Reference/<br>Comments   |
|---|----------------------------------|-----------|-------|--|
| HOBBIT-BROATC<br>H<br>2007            Y | 3,400            kt<br>Indicated | Coal      | 100 % | Calculated using Geological Survey of Canada 88-21 method, 2007.<br>Technical Report on the Lost-Fox Area Thermal Coal Supply Pre-Feasibility Study, for Fortune Minerals, Marston Canada, March 2007.   |
| HOBBIT-BROATC<br>H<br>2007            Y | 64,600           kt<br>Inferred  | Coal      | 100 % | Calculated using Geological Survey of Canada 88-21 method using Gulf Canada data from 1981-1985.<br>Technical Report on the Lost-Fox Area Thermal Coal Supply Pre-Feasibility Study, for Fortune Minerals, Marston Canada, March 2007 (www.sedar.com). |
| HOBBIT-BROATC<br>H<br>1984            N | 405,700           kt<br>Combined | Coal      | 100 % | Measured, indicated and inferred resources contained within 15 seams greater than 0.5 metre in true thickness to a depth of 500 metres below surface.<br>Gulf Canada Resources Inc. Coal Assessment Report 709, January 1985.                          |