

**REPORT UNDER PART 4  
of  
NATIONAL INSTRUMENT 62-103**

**1. Name and address of the eligible institutional investor:**

AlphaNorth Asset Management (the “Offeror”)  
333 Bay Street, Suite 630  
Toronto, ON M5H 2R2

**2. The net increase or decrease in the number or principal amount of securities, and in the eligible institutional investor’s securityholding percentage in the class of securities, since the last report filed by the eligible institutional investor under Part 4 or the early warning requirements:**

All amounts in this report are reported as at April 30, 2014.

Since the Offeror’s last report in respect of Canada Coal Inc. (the “Issuer”) dated October 15, 2012 under the early warning requirements, there has been a net increase of 645,000 common shares and a net decrease of 3,750,000 common share purchase warrants of the Issuer which the Offeror and any joint actor have beneficial ownership of or exercise control or direction over and a net increase of 3.6% of the issued and outstanding common shares of the Issuer, assuming the exercise of all common share purchase warrants of the Issuer which the Offeror and any joint actor have beneficial ownership of or exercise control or direction over.

**3. The designation and number or principal amount of securities and the eligible institutional investor’s securityholding percentage in the class of securities at the end of the month for which the report is made:**

The Offeror and any joint actor have beneficial ownership of or exercise control or direction over 7,395,000 common shares and 1,000,000 common share purchase warrants of the issuer, representing approximately 18.9% of the issued and outstanding common shares, assuming the exercise of all common share purchase warrants of the Issuer which the Offeror and any joint actor have beneficial ownership of or exercise control or direction over.

**4. The designation and number or principal amount of securities and the percentage of outstanding securities referred to in item 3 over which:**

- (a) **the eligible institutional investor, either alone or together with any joint actors, has ownership and control:**

7,395,000 common shares and 1,000,000 common share purchase warrants of the Issuer, representing approximately 18.9% of the issued and outstanding common shares, assuming the exercise of all common share purchase warrants of the Issuer which the Offeror and any joint actor have beneficial ownership of or exercise control or direction over.

- (b) **the eligible institutional investor, either alone or together with any joint actors, has ownership but control is held by other entities other than the eligible institutional investor or any joint actors:**

None.

- (c) **the eligible institutional investor, either alone or together with any joint actors, has exclusive or shared control but does not have ownership:**

None.

5. **The purpose of the eligible institutional investor and any joint actors in acquiring or disposing of ownership of, or control over, the securities, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:**

The securities described herein are being held for investment purposes. Depending on market and other conditions, the Offeror and any joint actor may from time to time in the future increase or decrease its ownership of or control or direction over, or exercise its current right to acquire, common shares or other securities of the Issuer, through market transactions, private agreements or otherwise.

6. **The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the eligible institutional investor, or any joint actor, and the issuer of the securities or any other entity in connection with any transaction or occurrence resulting in the change in ownership or control giving rise to the report, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:**

The Offeror has entered into investment management agreements with entities which beneficially own the securities of the Issuer, pursuant to which the Offeror has been appointed to manage the investment portfolio of such entities, including making investment decisions regarding the acquisition, holding, disposition and voting of the securities of the Issuer.

7. **The names of any joint actors in connection with the disclosure required by this report:**

AlphaNorth Offshore Inc.

8. **If applicable, a description of any change in any material fact set out in a previous report by the eligible institutional investor under the early warning requirements or Part 4 in respect of the reporting issuer's securities:**

Not applicable.

9. **The Offeror is eligible to file reports under Part 4 in respect of the reporting issuer.**
10. **The filing of this report is not an admission that an entity named in the report owns or controls any described securities or is a joint actor with another named entity.**

Dated this 6th day of May, 2014.

**ALPHANORTH ASSET MANAGEMENT**

By: *"Joey Javier"*

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Name: Joey Javier

Title: Secretary