

**PROOF OF CLAIM INSTRUCTION LETTER
FOR THE CLAIMS PROCEDURE FOR UNKNOWN CREDITORS OF CLINE MINING
CORPORATION, NEW ELK COAL COMPANY LLC AND NORTH CENTRAL
ENERGY COMPANY (the “Applicants”)**

CLAIMS PROCEDURE

By Order of the Ontario Superior Court of Justice (Commercial List) dated December 3, 2014 (the “**CCAA Filing Date**”) (as such Order may be amended from time to time the “**Claims Procedure Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the “**CCAA**”), the Applicants and FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor of the Applicants (the “**Monitor**”), have been authorized to conduct a claims procedure (the “**Claims Procedure**”). A copy of the Claims Procedure Order and other public information concerning these proceedings can be obtained from the Monitor’s website at: <http://cfcanada.fticonsulting.com/cline>.

This letter provides general instructions for completing a Proof of Claim form. Defined terms not defined within this instruction letter shall have the meaning ascribed thereto in the Claims Procedure Order.

The Claims Procedure is intended to identify and determine any claims against the Applicants and the Directors or Officers of the Applicants, whether unliquidated, contingent or otherwise, that are to be affected in the plan of compromise and arrangement being pursued by the Applicants under the CCAA. Please review the Claims Procedure Order for the full terms of the Claims Procedure.

All notices and inquiries with respect to the Claims Procedure should be directed to the Monitor by prepaid registered mail, courier, personal delivery, facsimile transmission or email at the address below:

FTI Consulting Canada Inc., Court-appointed Monitor of Cline Mining
Corporation, New Elk Coal Company LLC and North Central Energy Company

Claims Process

79 Wellington Street West

TD South Tower

Suite 2010, P.O. Box 104

Toronto, ON M5K 1G8

Attention: Pamela Luthra

Telephone (416) 649.8099 (Local Toronto)

(855) 398.7390 (Toll-Free)

Fax: (416) 649.8101

Email cline@fticonsulting.com

FOR CREDITORS SUBMITTING A PROOF OF CLAIM

If you believe that you have a Claim against the Applicants or a Director or Officer of the Applicants and you have not already received a Notice of Claim in respect of such Claim, you must complete and file a Proof of Claim form with the Monitor. All Proofs of Claim for Prefiling Claims (i.e. Claims against the Applicants arising prior to the CCAA Filing Date) and all Director/Officer Claims **must be received by the Monitor before 5:00 p.m. (Toronto Time) on January 13, 2015** (the “**Claims Bar Date**”), unless the Monitor and the Applicants agree in writing or the Court orders that the Proof of Claim be accepted after that date. If you do not file a Proof of Claim in respect of any such Claims by the Claims Bar Date, you shall not be entitled to vote at any meeting of creditors regarding the plan of compromise and arrangement being proposed by the Applicants or participate in any distribution under such plan in respect of such Claims and any such Claims shall be forever extinguished and barred.

All Proofs of Claim for Restructuring Period Claims (i.e. Claims against the Applicants arising on or after the CCAA Filing Date) **must be received by the Monitor on the date that is seven (7) Calendar Days after termination, repudiation or resiliation of the agreement or other event giving rise to the Restructuring Period Claim** (the “**Restructuring Period Claims Bar Date**”), unless the Monitor and the Applicants agree in writing or the Court orders that the Proof of Claim be accepted after that date. If you do not file a Proof of Claim in respect of any such Restructuring Period Claims by the Restructuring Period Claims Bar Date, you shall not be entitled to vote at any meeting of creditors regarding the plan of compromise and arrangement being proposed by the Applicants or participate in any distribution under such plan in respect of such Claims and any such Claims you may have against the Applicants and/or any of the Directors and Officers of the Applicants shall be forever extinguished and barred.

All Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada United States/Canadian Dollar noon exchange rate in effect as of the date of the Initial Order.

ADDITIONAL FORMS

Additional Proof of Claim forms can be obtained from the Monitor’s website at <http://cfcanada.fticonsulting.com/cline> or by contacting the Monitor.

DATED this 3rd day of December, 2014.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE
AND ARRANGEMENT OF CLINE MINING CORPORATION, NEW ELK COAL
COMPANY LLC AND NORTH CENTRAL ENERGY COMPANY**

PROOF OF CLAIM

1. PARTICULARS OF CREDITOR

(a) Full Legal Name of Creditor:

(b) Full Mailing Address of Creditor:

(c) Telephone Number of Creditor:

(d) Facsimile Number of Creditor:

(e) E-mail Address of Creditor:

(f) Attention (Contact Person):

2. **PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:**

(a) Have you acquired this Claim by assignment? Yes No
(if yes, attach documents evidencing assignment)

(b) Full Legal Name of original creditor(s): _____

3. **PROOF OF CLAIM**

THE UNDERSIGNED CERTIFIES AS FOLLOWS:

(a) That I am a Creditor of the Applicants / I hold the position of _____ of the Creditor;

(b) That I have knowledge of all the circumstances connected with the Claim described and set out below;

(c) The Applicants and/or the Director(s) or Officer(s) of the Applicants were and still are indebted to the Creditor as follows (*Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada Canadian Dollar noon exchange rate in effect as of the date of the Initial Order.*)

(i) Name of Applicant(s) to which Claim Relates:

(ii) Prefiling Claims against the Applicants (not including WARN Act Claims):

\$ _____

(iii) Restructuring Period Claims against the Applicants:

\$ _____

(iv) Director/Officer Claims against the Directors and/or Officers of the Applicants:

\$ _____

(v) WARN Act Claims against the Applicants:

\$ _____

(vi) TOTAL CLAIM:

\$ _____ (Total of (ii), (iii), (iv) and (v))

4. **NATURE OF CLAIM AGAINST THE APPLICANTS**

(CHECK AND COMPLETE APPROPRIATE CATEGORY)

Unsecured Claim of \$ _____

Secured Claim of \$ _____

In respect of this debt, I hold security over the assets of the Applicants valued at \$ _____, the particulars of which security and value are attached to this Proof of Claim form.

(If the Claim is secured, provide full particulars of the security, including the date on which the security was given the value for which you ascribe to the assets charged by your security, the basis for such valuation and attach a copy of the security documents evidencing the security.)

5. **PARTICULARS OF CLAIM:**

The particulars of the undersigned's total Claim (including Prefiling Claims, Restructuring Period Claims, WARN Act Claims and Director/Officer Claims) are attached.

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, particulars and copies of any security and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed. If a claim is made against any Directors or Officer, specify the applicable Directors or Officers and the legal basis for the Claim against them.)

6. **FILING OF CLAIM**

For Prefiling Claims, this Proof of Claim must be returned to and received by the Monitor by **5:00 p.m. (Toronto Time) on the Claims Bar Date (January 13, 2015)**.

For Restructuring Period Claims, Claim must be returned to and received by the Monitor by **5:00 p.m. (Toronto Time) on the date that is seven (7) Calendar Days after termination, repudiation or resiliation of the agreement or other event giving rise to the Restructuring Period Claim.**

In both cases, completed forms must be delivered by prepaid registered mail, courier, personal delivery, facsimile transmission or email at the address below to the Monitor at the following address:

FTI Consulting Canada Inc., Court-appointed Monitor of Cline Mining Corporation, New Elk Coal Company LLC and North Central Energy Company

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Telephone (416) 649.8099 (Local Toronto)

(855) 398.7390 (Toll-Free)

Fax: (416) 649.8101

Email cline@fticonsulting.com

Dated at _____ this _____ day of _____, 201__.