

**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**

SECURED NOTEHOLDERS PROXY

**10% SENIOR SECURED NOTES DUE JUNE 15, 2014
("2011 Notes")**

**10% SENIOR SECURED NOTES DUE JUNE 15, 2014
(the "2013 Notes")**

Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Plan of Compromise and arrangement of the Applicants (as may be amended, restated or supplemented from time to time, the "**Plan**") and filed pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**") with the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). For greater certainty, any references herein to the "Plan" shall be interpreted to also refer to any Amended Plan (as defined in the Plan and the Meetings Order).

In accordance with the Plan and the Meetings Order, this proxy is to be completed by Marret Asset Management Inc. on behalf of the Secured Noteholders with respect to their Secured Noteholder's Allowed Secured Claim and their Secured Noteholder's Allowed Unsecured Claim.

In accordance with the Claims Procedure Order and the Meetings Order: (a) each Secured Noteholder is an Eligible Voting Creditor; and (b) each Secured Noteholder is entitled to vote its Secured Noteholder's Allowed Secured Claim at the Secured Noteholders Meeting and its Secured Noteholder's Allowed Unsecured Claim at the Unsecured Creditors Meeting.

Marret Asset Management Inc. hereby certifies that funds for which it has sole discretionary authority to manage or administer investments are the beneficial holders of all of the Secured Notes. This proxy form confirms that the Secured Noteholders have chosen to appoint Jay A. Swartz of Davies Ward Philips & Vineberg LLP, with power of substitution at Mr. Swartz's discretion, or such other Person as he, in his sole discretion, may designate (the "**Davies Proxy**") to attend and act on behalf of the Secured Noteholders at both the Secured Noteholders Meeting and the Unsecured Creditors Meeting and at any and all adjournments, postponements or other rescheduling of the Meetings, and to vote the amount of the Secured Noteholders Allowed Secured Claim and the Secured Noteholders Allowed Unsecured Claim at such Meetings.

Marret Asset Management Inc. on behalf of the Secured Noteholders, hereby appoints the Davies Proxy (i) to attend on behalf of and act for the Secured Noteholders at the Secured Noteholders Meeting and at any and all adjournments, postponements or other rescheduling of the Secured Noteholders Meeting, (ii) to attend on behalf of and act for the Secured Noteholders at the Unsecured Creditors Meeting and at any and all adjournments, postponements or other rescheduling of the Unsecured Creditors Meeting, (iii) vote on any matter that comes before the Secured Noteholders Meeting and the Unsecured Creditors Meeting, including casting any votes on a resolution to approve the Plan (or an Alternate Plan) in accordance with the Master Voting List (as defined in the Meetings Order), a copy of which is attached hereto; and (iv) to otherwise act for and on behalf of the Secured Noteholders with respect to any amendments, modifications, variations or supplements to the Plan and to any other matters that may come before the Meetings or any adjournment, postponement or other rescheduling of the Meetings.

**MARRET ASSET MANAGEMENT INC. (on behalf of
the Secured Noteholders)**

Per:

Name:

Title:

Attached: Master Voting List