

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Corporation:

CanAm Coal Corp. ("CanAm")
100, 320 – 23rd Avenue S.W.
Calgary, Alberta T2S 0J2

Item 2. Date of Material Change:

May 28, 2015

Item 3. Press Release:

A news release was issued by or on behalf of CanAm on May 28, 2015 through the services of Accesswire.

Item 4. Summary of Material Change:

On May 28, 2015, CanAm announced that its Alabama based coal mining operations filed voluntary petitions under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Alabama.

In addition, CanAm also reported that it received a notice of default from certain holders of its 9.5% Unsecured 2016 Debentures and 12% Secured 2018 Debentures and that the Company had received a demand for payment notice for an outstanding related party loan in the amount of \$750,000 that was advanced on November 5, 2014.

Item 5 Full Description of Material Change:

CanAm Coal Corp.'s ("CanAm" or the "Company") Alabama based coal mining subsidiaries; Birmingham Coal & Coke Co., Inc ("BCC"), Cahaba Contracting & Reclamation, LLC ("CCR") and RAC Mining, LLC ("RAC") (collectively referred to as the "Alabama Subsidiaries") have filed voluntary petitions under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Alabama. The Alabama Subsidiaries have mineral reserves, mining operations, coal properties and long term off-take contracts with customers in the northwestern region of Alabama. During the restructuring, the Alabama Subsidiaries will operate its businesses, continue customer shipments, continue to honor its obligations to its landowners and will continue to pay its employees in the normal course.

"Over the past several years, the coal markets in the U.S. have faced a number of significant challenges, including increased environmental regulations and reductions in demand due to weaknesses in the U.S. and global economy and lower natural gas prices. This environment has created an extremely challenging financing environment as the Company attempted to refinance its existing debt obligations," stated Jos De

Smedt, CanAm's Chief Executive Officer. "Additionally, weakness in the local thermal coal market in the fourth quarter of 2014 and the first quarter of 2015, combined with a cold and extremely wet winter that impacted the mining and shipment of coal, has continued to erode CanAm's cash position."

CanAm plans to use the Chapter 11 process to undertake a financial restructuring and create a strong financial foundation for the company's future. "After careful consideration of all available alternatives, the boards of the respective companies determined that a Chapter 11 filing was a necessary and prudent step and the best way to maintain regular operations and allow for a successful restructuring," said Mr. Robert Lewis, President of CanAm, BCC and CCR.

Jones Walker LLP is serving as legal counsel for the Alabama Subsidiaries and Borden Ladner Gervais LLP is serving as Canadian counsel for CanAm.

The Company is also reporting that it has received a notice of default from Christian & Small Attorneys who are representing certain holders of the Company's 9.5% Unsecured 2016 Debentures and 12% Secured 2018 Debentures (collectively referred to as the "Debentures"). In accordance with the terms of the Debentures, the entire principal of all Debentures becomes immediately due and payable upon default. The Company is currently reviewing the notice of default. In addition, the Company has received a demand for payment notice for an outstanding related party loan in the amount of \$750,000 that was advanced on November 5, 2014. The Company is currently reviewing the notice of demand for payment.

Item 6. Reliance on Subsection 7.1(2) of National Instrument 51-102:

N/A

Item 7. Omitted Information:

N/A

Item 8. Executive Officer:

Jos De Smedt
Chief Executive Officer
Telephone: 403-262-3797

Item 9. Date of Report:

May 28, 2015

Cautionary Statement Regarding Forward-Looking Statements and Information

This material change report may contain certain forward-looking information including anticipated defaults or events of default under certain of the Company's debt obligations and results thereof, and the Company's ongoing efforts to deal with its current financial position and restructuring under Chapter 11 of the US Bankruptcy Code. All statements included herein, other than statements of historical fact, is forward-looking information and such information involves various risks and uncertainties. There can be

no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. A description of assumptions used to develop certain additional forward-looking information and a description of risk factors that may cause actual results to differ materially from such certain forward-looking information can be found in the Company's disclosure documents on the SEDAR website at www.sedar.com. The Company does not undertake to update any forward-looking information except in accordance with applicable securities laws.