The Instructions accompanying this Letter of Transmittal should be read carefully before completing this Letter of Transmittal. The Depositary or your broker or other financial advisor will assist you in completing this Letter of Transmittal.

LETTER OF TRANSMITTAL
To Deposit Common Shares of

COASTAL CONTACTS INC.

Pursuant to the Offer to Purchase
Dated January 18, 2008

THE OFFER WILL BE OPEN FOR ACCEPTANCE UNTIL AT 5:00 P.M. (EASTERN TIME) ON FEBRUARY 25, 2008, UNLESS THE OFFER IS EXTENDED, WITHDRAWN OR VARIED.

The Depository is:

COMPUTERSHARE INVESTOR SERVICES INC.

Toll free: 1-800-564-6523
E-mail: corporateactions@computershare.com

By Mail:
P.O. Box 7021
31 Adelaide Street East
Toronto, Ontario M5C 3H2
Attention: Corporate Actions

By Hand or Overnight Courier:
100 University Avenue
9th Floor
Toronto, Ontario M5J 2Y1
Attention: Corporate Actions

By Hand or Overnight Courier:
510 Burrard Street, 2nd Floor
Vancouver, British Columbia
V6C 3B9
Attention: Corporate Actions

This Letter of Transmittal is to be used only if certificates for Shares (as defined below) are to be forwarded to it pursuant to Section 4 of the Offer to Purchase (as defined below).

TO: COASTAL CONTACTS INC. ("COASTAL")
AND TO: COMPUTERSHARE INVESTOR SERVICES INC. (THE "DEPOSITARY")

The undersigned delivers to Coastal the enclosed certificate(s) for Shares and, subject only to the provisions of the Offer to Purchase regarding withdrawal, irrevocable accepts the Offer for such Shares upon the terms and condition contained in the Offer. The following are the details of the enclosed certificate(s):

DESCRIPTION OF SHARES DEPOSITED (See Instructions 3 and 4)
Name(s) and Address(es) of Registered Owner(s) (Please Fill in Exactly as Name(s) Appear(s) on Share Certificate(s))

Share Deposited (Attach signed list if necessary)		
Share Certificate Number(s)	**Number of Shares Represented by Certificate(s)**	**Number of Shares Deposited**
Total Number of Shares Deposited		
* If you desire to deposit fewer than all Shares evidenced by any share certificates listed above, indicate in this column the number of Shares you wish to deposit. Otherwise, all Shares evidenced by such share certificates will be considered to have been deposited. See Instruction 4 in this Letter of Transmittal.		

Delivery of this instrument to an address other than those shown above does not constitute a valid delivery.

SHAREHOLDERS WHO WISH TO DEPOSIT SHARES UNDER THE OFFER AND WHOSE CERTIFICATE IS REGISTERED IN THE NAME OF AN INVESTMENT DEALER, STOCK BROKER, BANK, TRUST COMPANY OR OTHER NOMINEE SHOULD IMMEDIATELY CONTACT SUCH NOMINEE IN ORDER TO TAKE THE NECESSARY STEPS TO BE ABLE TO DEPOSIT SUCH SHARES UNDER THE OFFER.

Shareholders whose certificates are not immediately available or who cannot deliver to the Depositary their certificates for Shares and all other documents which this Letter of Transmittal requires by the Expiration Date (as defined in the Offer to Purchase) may only deposit their Shares according to the guaranteed delivery procedure set forth in Section 5 of the accompanying Issuer Bid Circular (the “Circular”). See Instruction 2 in this Letter of Transmittal.

The undersigned hereby deposits to Coastal the above-described Common Shares (the “Shares”) at the price per Share indicated in this Letter of Transmittal or pursuant to a Purchase Price Tender (as defined in Coastal’s Offer to Purchase dated January 18, 2008 (the “Offer to Purchase”)), as specified below, net to the shareholder in cash (subject to applicable withholding taxes, if any) and upon the terms and subject to the conditions set forth in the Offer to Purchase, the Circular, and this Letter of Transmittal (all of which, together, constitute the “Offer”).

Subject to and effective upon acceptance for purchase of the Shares deposited hereby in accordance with the terms of the Offer pursuant to an Auction Tender (as defined in the Offer to Purchase) or pursuant to a Purchase Price Tender, the undersigned hereby sells, assigns and transfers to or upon the order of Coastal all rights, title and interest in and to all Shares deposited hereby and in and to any and all rights, benefits and claims in respect thereof or arising, or having arisen as a result of the undersigned’s status as a Shareholder of Coastal and in an to any and all distributions, payments, securities, rights, assets or other interests which may be declared, paid, issued, distributed, made or transferred, or may be payable, issuable, distributable or transferable, on or in respect of such Shares or any of them on or after the date upon which the Shares are taken up and paid for under the Offer and hereby irrevocably constitutes and appoints the Depositary and any officer of Coastal as attorney in-fact of the undersigned with respect to such Shares, with full power of substitution (such power of attorney being an irrevocable power coupled with an interest), to:

(a) deliver certificates for such Shares, together with all accompanying evidences of transfer and authenticity, to or upon the order of Coastal upon receipt by the Depositary, as the undersigned’s agent, of the Purchase Price (as hereinafter defined);

(b) present certificates for such Shares for cancellation and transfer on Coastal’s books; and

(c) receive all benefits and otherwise exercise all rights of beneficial ownership of such Shares, subject to the next paragraph, all in accordance with the terms of the Offer.

The undersigned hereby represents and warrants that:

(a) when and to the extent Coastal accepts the Shares for payment, Coastal will acquire good, marketable, and unencumbered title thereto, free and clear of all liens, charges, encumbrances, security interests, claims, restrictions and equities whatsoever, together with all rights and benefits arising therefrom, provided that any dividends or distributions which may be paid, issued, distributed, made or transferred on or in respect of such Shares to shareholders of record on or prior to the date on which the Shares are taken up and paid for under the Offer shall be for the account of the undersigned;

(b) on request, the undersigned will execute and deliver any additional documents that the Depositary or Coastal deems necessary or desirable to complete the assignment, transfer, and purchase of the Shares deposited hereby; and

(c) the undersigned has read and agrees to all of the terms of the Offer.

The names and addresses of the registered owners should be printed, if they are not already printed above, as they appear on the certificates representing Shares deposited hereby. The certificates representing Shares deposited and the number of Shares that the undersigned wishes to deposit should all be indicated in the appropriate boxes. If the deposit is being made pursuant to an Auction Tender, the purchase price at which such Shares are being deposited should be indicated in Box B - “Auction Tender”.

The undersigned understands that he or she must indicate whether the Shares are being deposited pursuant to an Auction Tender or a Purchase Price Tender by completing Box A - "Type of Tender". Shareholders who deposit Shares without making a valid Auction Tender or Purchase Price Tender will be deemed to have made a Purchase Price Tender.

The undersigned understands that Coastal will determine a single price per Share (not less than $1.10 per Share or more than $1.25 per Share) (the "Purchase Price") that it will pay for Shares validly deposited and not withdrawn pursuant to the Offer, taking into account the number of Shares deposited pursuant to Auction Tenders and Purchase Price Tenders, the prices specified by shareholders making Auction Tenders, and the price at which Shares deposited pursuant to Purchase Price Tenders are considered to be deposited. For the purpose of determining the Purchase Price, Shares deposited pursuant to Purchase Price Tenders will be considered to have been deposited at $1.10 per Share. The undersigned understands that Coastal will select the Purchase Price that will allow it to purchase up to 7,000,000 Shares (or such lesser number of Shares as are properly deposited) at a price not less than $1.10 per Share or more than $1.25 per Share pursuant to the Offer. The undersigned understands and acknowledges that all Shares properly deposited and not withdrawn pursuant to Auction Tenders at prices at or below the Purchase Price and pursuant to Purchase Price Tenders will be purchased at the Purchase Price, net to the shareholder in cash (subject to applicable withholding taxes, if any), upon the terms and subject to the conditions of the Offer, including the applicable pro-ration provisions relating to Shares deposited, and that Coastal will return all other Shares, including Shares deposited and not withdrawn at prices greater than the Purchase Price, and Shares not purchased because of pro-ration.

The undersigned recognizes that under certain circumstances set forth in the Offer to Purchase, Coastal may terminate or amend the Offer or may not be required to purchase any of the Shares deposited hereby or may accept for payment, in accordance with the applicable pro-ration provisions relating to Shares deposited, fewer than all of the Shares deposited hereby. The undersigned understands and acknowledges that certificate(s) for any Shares not deposited or not purchased will be returned to the undersigned at the address indicated above, unless otherwise indicated in Box E - "Special Payment Instructions" or Box F - "Special Delivery Instructions". The undersigned recognizes that Coastal has no obligation, pursuant to the Special Payment Instructions, to transfer any certificates for Shares from the name of the registered owner.

The undersigned understands and acknowledges that acceptance of Shares by Coastal for payment will constitute a binding agreement between the undersigned and Coastal, effective as of the Expiration Date, upon the terms and subject to the conditions of the Offer.

The undersigned understands and acknowledges that payment for Shares accepted for payment pursuant to the Offer will be made by Coastal by depositing the aggregate Purchase Price for such Shares with the Depositary, which will act as agent for shareholders who have properly deposited Shares in acceptance of the Offer for the purpose of receiving payment from Coastal and transmitting payment to such shareholders. The undersigned further understands and acknowledges that receipt by the Depositary from Coastal of payment for such Shares will be deemed to constitute receipt of payment by such shareholders. Under no circumstances will interest be paid by Coastal or the Depositary by reason of any delay in paying for any Shares or otherwise.

The cheque for the Purchase Price for such of the deposited Shares as are taken up by Coastal will be issued to the order of the undersigned and mailed to the address indicated above, unless otherwise indicated in Box E - "Special Payment Instructions", Box F - "Special Delivery Instructions", or Box H - "Hold for Pick-Up". Such payment will be received in Canadian dollars.

All authority conferred or agreed to be conferred in this Letter of Transmittal shall survive the death or incapacity of the undersigned, and any obligations of the undersigned under this Letter of Transmittal shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Except as stated in the Offer to Purchase, this deposit is irrevocable.

If a share certificate has been lost, stolen or destroyed, this Letter of Transmittal, including Box L - "Lost, Stolen or Destroyed Certificates" should be completed as fully as possible and forwarded to the Depositary, together with a letter describing the loss, theft or destruction and providing a telephone number. The Depositary will respond with the replacement requirements, which includes certain additional documents which must be properly completed and submitted in good order to the Depositary on or prior to the Expiration Date.

The undersigned agrees not to vote any of the deposited Shares taken up and paid for under the Offer, or distributions on such Shares consisting of securities, at any meeting and not to exercise any of the other rights or privileges attaching to any of such deposited Shares or distributions consisting of securities, or otherwise act with respect thereto. The undersigned agrees further to execute and deliver to Coastal, provided not contrary to any applicable law, at any time and from time to time, as and when requested by, and at the expense of Coastal, any and all instructions of proxy, authorization or consent, in form and on terms satisfactory to Coastal, in respect of any such deposited Shares or distributions consisting of securities. The undersigned agrees further to designate in any such instruments of proxy the person or persons specified by Coastal as the proxyholder of the undersigned in respect of such deposited Shares or distributions consisting of securities.

The parties acknowledge that they have requested that the present agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. Les parties reconnaissent avoir exigé la rédaction en anglais de la présente entente, ainsi que de tous documents conclus, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement ou conformément à la présente entente.

BOX A TYPE OF TENDER	
Check only one box. If more than one box is checked or if no box is checked, all Shares identified above will be deemed to have been tendered by way of a Purchase Price Tender. Shares are being deposited hereby pursuant to (check one):	
☐ **An Auction Tender (Please complete Box B)**	☐ **A Purchase Price Tender (Please complete Box C)**

BOX B
AUCTION TENDER

This box **MUST** be completed if Shares are being deposited pursuant to an Auction Tender.

PRICE (IN CANADIAN DOLLARS) PER SHARE AT WHICH SHARES ARE BEING DEPOSITED.

Check Only One Box. If more than one box is checked, there is no proper deposit of Shares.

☐ $1.10

☐ $1.15

☐ $1.20

☐ $1.25

IF PORTIONS OF SHARES ARE BEING DEPOSITED AT DIFFERENT PRICES, USE A SEPARATE LETTER OF TRANSMITTAL FOR EACH PRICE SPECIFIED (See INSTRUCTION 5).

BOX C
PURCHASE PRICE TENDER

This box **MUST** be completed if Shares are being deposited pursuant to a Purchase Price Tender.

The undersigned either (*check one*):

☐ is depositing ______________________ Shares registered in the name of and owned by the undersigned, or

☐ is a broker, dealer, bank, trust company or other nominee that is depositing, for the beneficial owners thereof, ______________________ Shares with respect to which it is the owner of record.

BOX D
ODD LOTS
(See Instruction 7)

To be completed ONLY if Shares are being deposited by or on behalf of persons owning beneficially an aggregate of fewer than 100 Shares as of the close of business on the Expiration Date.

The undersigned either (*check one*):

☐ will be the registered owner of an aggregate of fewer than 100 Shares as of the close of business on the Expiration Date, all of which are deposited, or

☐ is a broker, dealer, commercial bank, trust company or other nominee that (i) is depositing, for the beneficial owners thereof, Shares with respect to which it is the record owner, and (ii) believes, based upon representations made to it by each such beneficial owner, that such beneficial owner will own an aggregate of fewer than 100 Shares as of the close of business on the Expiration Date and is depositing all of such Shares.

BOX E
SPECIAL PAYMENT INSTRUCTIONS
(See Instructions 1,4, 6 and 8)

To be completed ONLY if certificates for Shares not deposited or not purchased and/or the cheque for the purchase price of Shares purchased are to be issued in the name of someone other than the person signing Box J.

Issue cheque and/or certificate(s) to:

Name ______________________________
(Please Print)
Address ____________________________

____

____
(Include Postal Code or Zip Code)

(Social Insurance No. or Tax Identification No. or Social Security No.)
(Recipients in U.S. to Complete Substitute Form W-9) (See Instruction 11)

BOX G
JURISDICTION OF RESIDENCE
(*Please check the appropriate box)*

I/We hereby declare that the registered holder(s) of the certificate deposited hereunder:

☐ IS/ARE
☐ IS/ARE NOT

resident(s) of Canada.

BOX H
HOLD FOR PICK-UP

☐ Hold certificates for Shares and/or cheques for pick up.

BOX F
SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 1,4, 6 and 8)

To be completed ONLY if certificates for Shares not deposited or not purchased and/or the cheque for the purchase price of Shares purchased are to be sent to someone other than the person signing Box J, or to the undersigned at an address other than shown above.

Mail cheque and/or certificate(s) to:.

Name ______________________________
(Please Print)
Address ____________________________

____

____
(Include Postal Code or Zip Code)

BOX I

☐ Check here if certificates for deposited Shares are being delivered pursuant to a Notice of Guaranteed Delivery previously sent to the Depositary and complete the following:

Name(s) of Registered Owner(s) ______________________________

Date of Execution of Notice of Guaranteed Delivery ______________________________

Name of Institution Which Guaranteed Delivery ______________________________

BOX J
SHAREHOLDER(S) SIGN HERE
(See Instructions 1 and 6)
(Recipients in the U.S.: Please Complete Substitute Form W-9)

Must be signed by registered owner(s) exactly as name(s) appear(s) on certificate(s) or on a security position listing or by person(s) authorized to become registered owner(s) by certificate(s) and documents transmitted with this Letter to Transmittal. If signature is by attorney-in-fact, executor, administrator, trustee, guardian, officer of a corporation or other legal representative acting in a fiduciary or representative capacity, please set forth the full title. **See Instruction 6.**

Authorized Signature(s) ______________________
Shareholder(s) or Legal Representative

____
Shareholder(s) or Legal Representative

Name(s) ______________________

____

Address ______________________

____

____
(Include Postal Code or Zip Code)

Area Code and Telephone Number ______________________

____

U.S. shareholders must provide their Taxpayer Identification No. or Social Security No.; Canadian shareholders must provide their Social Insurance No. (See Instruction 11)

____

Date: ______________________

BOX K
SIGNATURE GUARANTEE

(See Instructions 1 and 6)

Authorized Signature(s) ______________________
Guarantor

Name ______________________

____

Firm ______________________

Address ______________________

____

____
(Include Postal Code or Zip Code)

Area Code and Telephone Number ______________________

____

Date ______________________

BOX L
LOST, STOLEN OR DESTROYED CERTIFICATES

To be completed **ONLY** if certificates representing Shares being deposited have been lost, stolen or destroyed.

The undersigned has either *(check one)*:

- ☐ lost his or her certificate(s) representing Shares;
- ☐ had his or her certificate(s) representing Shares stolen; or
- ☐ had his or her certificate(s) representing Shares destroyed.

If a certificate representing Shares has been lost, stolen or destroyed, this Letter of Transmittal, including this Box L, must be completed as fully as possible and forwarded, together with a letter describing the loss, theft or destruction and providing a telephone number, to the Depositary. The Depositary will respond with the replacement requirements.

INSTRUCTIONS

Forming Part of the Terms of the Offer

1. ***Signature Guarantees.*** No guarantee of a signature is required if either:

    (a) this Letter of Transmittal is signed by the registered holder of the Shares deposited with this Letter of Transmittal and payment and delivery are to be made directly to such owner and such owner has not completed either Box E - "Special Payment Instructions" or Box F "Special Delivery Instructions" above; or

    (b) such Shares are deposited for the account of a Canadian Schedule I chartered bank, a major trust company in Canada, a member of the Securities Transfer Agent Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP) (each such entity, an "Eligible Institution"). Members of these programs are usually members of a recognized stock exchange in Canada or the United States, members of the Investment Dealers Association of Canada, members of the Financial Industry Regulatory Authority or banks and trust companies in the United States.

In all other cases, an Eligible Institution must guarantee all signatures on this Letter of Transmittal by completing Box K - "Signature Guarantee". See Instruction 6 in this Letter of Transmittal.

2. ***Delivery of Letter of Transmittal and Certificates; Guaranteed Delivery Procedures.*** Certificates for all physically deposited Shares together with a properly completed and duly executed Letter of Transmittal or facsimile thereof, and any other documents required by this Letter of Transmittal, should be hand delivered, couriered or mailed to the Depositary at the appropriate address set forth herein and must be received by the Depositary by the Expiration Date (as defined in Section 1 of the Offer to Purchase).

Shareholders whose certificates are not immediately available or who cannot deliver certificates for Shares and all other required documents to the Depositary by the Expiration Date, may only deposit their Shares by or through any Eligible Institution by properly completing and duly executing and delivering a Notice of Guaranteed Delivery (or facsimile of it) to the Depositary by the Expiration Date, which must include a guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery, and by otherwise complying with this guaranteed delivery procedure as set forth in Section 5 of the Circular. Pursuant to such guaranteed delivery procedure, the certificates for all physically deposited Shares, as well as a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) relating to such Shares with signatures that are guaranteed if so required in accordance with the Letter of Transmittal, and all other documents required by this Letter of Transmittal must be received by the Depositary before 5:00 p.m. (Eastern time) on the third business day after the Depositary receives such Notice of Guaranteed Delivery. See Section 5 of the Circular.

The Notice of Guaranteed Delivery may be hand delivered, couriered, mailed or transmitted by facsimile transmission to the Depositary.

The tender information specified in a Notice of Guaranteed Delivery by a person completing such Notice of Guaranteed Delivery will, in all circumstances, take precedence over the tender information that is specified in the related Letter of Transmittal that is subsequently deposited.

The method of delivery of all documents, including certificates for Shares, is at the election and risk of the depositing shareholder. If delivery is by mail, registered mail, properly insured, is recommended.

Coastal will not purchase any fractional Shares, nor will it accept any alternative, conditional or contingent deposits except as specifically permitted by Sections 4 and 5 of the Circular. All depositing shareholders, by execution of this Letter of Transmittal (or a manually executed photocopy of it), waive any right to receive any notice of the acceptance of their deposit.

3. ***Inadequate Space.*** If the space provided in the box captioned "Description of Shares Deposited" is inadequate, the certificate numbers and/or the number of Shares should be listed on a separate signed schedule and attached to this Letter of Transmittal.

4. ***Partial Deposits and Unpurchased Shares.*** If fewer than all of the Shares evidenced by any certificate are to be deposited, fill in the number of Shares which are to be deposited in the box entitled "Number of Shares Deposited". In such case, if any deposited Shares are purchased, a new certificate for the remainder of the Shares

evidenced by the old certificate(s) will be issued and sent to the registered holder, unless otherwise specified in Box E - "Special Payment Instructions" or Box F - "Special Delivery Instructions" on this Letter of Transmittal, as soon as reasonably practicable after the Expiration Date. All Shares represented by the certificate(s) listed and delivered to the Depositary are deemed to have been deposited unless otherwise indicated.

5. (a) ***Indication of Type of Tender.*** To deposit Shares, the shareholder must complete Box A - "Type of Tender" on this Letter of Transmittal or, if applicable, on the Notice of Guaranteed Delivery, indicating whether he or she is depositing Shares pursuant to an Auction Tender (Box B) or a Purchase Price Tender (Box C). **Either Box B or Box C must be checked. If more than one box is checked or if no box is checked, all Shares identified will be deemed to have been tendered by way of a Purchase Price Tender. The same Shares cannot be deposited (unless previously properly withdrawn as provided in Section 3 of the Offer to Purchase) pursuant to both an Auction Tender and a Purchase Price Tender or pursuant to Auction Tenders at more than one price.** However, if a shareholder desires to deposit Shares in separate lots at a different type of tender for each lot, such shareholder must complete a separate Letter of Transmittal or, if applicable, a Notice of Guaranteed Delivery for each lot which the shareholder is depositing.

(b) ***Indication of Price at Which Shares are being Deposited.*** For Shares to be properly deposited pursuant to an Auction Tender, the shareholder must complete Box B - "Auction Tender" on this Letter of Transmittal indicating the price per Share in Canadian dollars at which he or she is depositing Shares. A shareholder wishing to deposit portions of his or her Shares pursuant to Auction Tenders at different prices must complete a separate Letter of Transmittal for each price at which he or she wishes to deposit each such portion of his or her Shares. The same Shares cannot be deposited pursuant to Auction Tenders (unless previously withdrawn as provided in Section 3 of the Offer to Purchase) at more than one price. No price can be specified by shareholders making a Purchase Price Tender.

6. ***Signatures on Letter of Transmittal, Stock Power and Endorsements***.

(a) If Box J in this Letter of Transmittal is signed by the registered owner(s) of the Shares deposited hereby, the signature(s) must correspond exactly with the name(s) as written on the face of the certificate without any change whatsoever.

(b) If the Shares are registered in the names of the two or more joint owners, each such owner must sign in Box J in this Letter of Transmittal.

(c) If any deposited Shares are registered in different names on several certificates, it will be necessary to complete, sign, and submit as many separate Letters of Transmittal as there are different registrations of certificates.

(d) When this Letter of Transmittal is signed by the registered owner(s) of the Shares listed and transmitted hereby, no endorsements of certificate(s) representing such Shares or separate stock powers are required unless payment is to be made, or the certificates for Shares not deposited or not purchased are to be issued, to a person other than the registered owner(s). Any signature(s) required on such certificates or stock powers must be guaranteed by an Eligible Institution. If this Letter of Transmittal is signed by a person other than the registered owner of the certificate(s) listed, the certificates must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name(s) of the registered owner(s) appear(s) on the certificate, and signatures on such certificate(s) or stock power(s) must be guaranteed by an Eligible Institution. An ownership declaration, which can be obtained from the Depositary, must also be completed and delivered to the Depositary. See Instruction 1 in this Letter of Transmittal.

(e) If this Letter of Transmittal or any certificates or stock powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or any other legal representative acting in a fiduciary or representative capacity, such persons should so indicate when signing and must submit proper evidence satisfactory to Coastal or the Depositary of their authority to so act.

7. ***Odd Lots.*** As described in Section 2 of the Offer to Purchase, if Coastal is to purchase less than all Shares deposited by the Expiration Date, the Shares purchased first will consist of all Shares so deposited by any shareholder who will own beneficially, as of the close of business on the Expiration Date, an aggregate of fewer than

100 Shares and who deposits all of his or her Shares under Auction Tenders at or below the Purchase Price or under Purchase Price Tenders. This preference will not be available unless Box D - "Odd Lots" is completed.

8. ***Special Payment and Delivery Instructions.*** If certificates for Shares not deposited or not purchased and/or cheques are to be issued in the name of a person other than the signer of the Letter of Transmittal, or if such certificates and/or cheques are to be sent to someone other than the signer of the Letter of Transmittal or to the signer at a different address, Box E - "Special Payment Instructions" and/or Box F - "Special Delivery Instructions" must be completed.

9. ***Irregularities.*** All questions as to the number of Shares to be taken up, the price to be paid therefor, the form of documents and the validity, eligibility (including time of receipt) and acceptance for payment of any deposit of Shares will be determined by Coastal, in its sole discretion, which determination will be final and binding on all parties. Coastal reserves the absolute right to reject any or all deposits of Shares determined by it in its sole discretion not to be in proper form nor completed in accordance with the instructions herein and in the Offer or the acceptance for payment of, or payment for, which may, in the opinion of Coastal's counsel, be unlawful. Coastal also reserves the absolute right to waive any of the conditions of the Offer or any defect or irregularity in any deposit of Shares. No individual deposit of Shares will be deemed to be properly made until all defects and irregularities have been cured or waived. None of Coastal, the Depositary or any other person will be under any duty to give notification of any defect or irregularity in deposits or incur any liability for failure to give any such notice. Coastal's interpretation of the terms and conditions of the Offer (including this Letter of Transmittal and the Notice of Guaranteed Delivery) will be final and binding.

10. ***Questions and Requests for Assistance and Additional Copies.*** Questions and requests for assistance may be directed to the Depositary at the addresses and telephone and facsimile numbers set forth herein. Additional copies of the Offer to Purchase, the Circular and this Letter of Transmittal and copies of the Notice of Guaranteed Delivery may be obtained from the Depositary or from your local broker, dealer, commercial bank, or trust company.

11. ***Substitute Form W-9.*** Each U.S. shareholder depositing Shares to the Depositary is required to provide the Depositary with a correct U.S. taxpayer identification number ("TIN"), which is generally the shareholder's social security or federal employer identification number, and with certain other information, on Substitute Form W-9, which is provided under "Important Tax Information" below. Failure to provide the information on this form may subject the depositing shareholder to a US$50 or greater penalty imposed by the U.S. Internal Revenue Service and backup withholding of 28% of any payment made to you pursuant to the Offer.

12. ***Governing Law.*** The Offer and any agreement resulting from the acceptance of the Offer will be construed in accordance with and governed by the laws of the Province of British Columbia and the laws of Canada applicable therein.

13. ***Privacy Notice.*** The Depositary is committed to protecting your personal information. In the course of providing services to you and its corporate clients, it receives non-public personal information about you Ì from transactions it performs for you, forms you send, other communications it has with you or your representatives, etc. This information could include your name, address, social insurance number, securities holdings and other financial information. The Depositary uses this to administer your account, to better serve your and its clients' needs and for other lawful purposes relating to its services. The Depositary has prepared a *Privacy Code* to tell you more about its information practices and how your privacy is protected. It is available at computershare.com, or by writing to the Depositary at 100 University Avenue, Toronto, Ontario, M5J 2Y1. The Depositary will use the information you are providing on this form in order to process your request and will treat your signature(s) on this form as your consent to the above.

IMPORTANT: This Letter of Transmittal or a manually signed photocopy of it (together with certificates for Shares and all other required documents) or the Notice of Guaranteed Delivery, where applicable, must be received by the Depositary on or before the Expiration Date.

IMPORTANT U.S. TAX INFORMATION FOR U.S. HOLDERS

This is a summary only of certain U.S. tax considerations. Shareholders should consult with their tax advisers regarding the tax consequences with respect to their particular circumstances.

Under U.S. federal income tax law, a U.S. shareholder depositing to the Depositary whose deposited Shares are accepted for payment is required by law to provide the Depositary with such shareholder's correct TIN on Substitute Form W-9 below. If such shareholder is an individual, the TIN is his or her social security number. If the Shares are registered in more than one name or are not registered in the name of the actual owner, consult your tax advisor. If the Depositary is not provided with the correct TIN, the U.S. Internal Revenue Service may subject the U.S. shareholder or other payee to a US$50 penalty. If a U.S. shareholder makes a false statement with no reasonable basis that results in no backup withholding, the U.S. Internal Revenue Service may subject the U.S. shareholder to a US$500 penalty.

PLEASE COMPLETE THE SUBSTITUTE FORM W-9 BELOW TO PROVIDE YOUR TAX IDENTIFICATION NUMBER AND A CERTIFICATION AS TO YOUR EXEMPTION FROM BACK-UP WITHHOLDING TO BE COMPLETED BY U.S. SHAREHOLDERS THAT ARE U.S. PERSONS

SUBSTITUTE Form **W-9** **Department of the Treasury** **Internal Revenue Service** **Payer's Request for Taxpayer Identification Number (TIN) and Certification**	**Part I** — Taxpayer Identification Number — For all accounts enter your taxpayer identification number on the appropriate line at right. Certify by signing and dating below.	Social Security Number OR Employer Identification Number (If awaiting TIN, write "Applied For") ______________________________

Part II — For Payees exempt from backup withholding, check the Exempt box below, and complete the Substitute Form W-9.

Exempt ☐

Name: ____

Business Name: ____

Please check appropriate box

☐ Individual/Sole Proprietor ☐ Corporation ☐ Partnership ☐ Other: ________________________________

Address:

City: __________________________ State: __________ Zip Code:

PART III — Certification — Under penalties of perjury, I certify that:

(1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me); and

(2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and

(3) I am a U.S. person (including a U.S. resident alien).

Certification Instructions — You must cross out item (2) above if you have been notified by the IRS that you are subject to backup withholding because of underreporting interest or dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out item (2).

Signature: ______________________________________ Date:

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU WROTE "APPLIED FOR" IN PART I OF THIS SUBSTITUTE FORM W-9

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (a) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office or (b) I intend to mail or deliver an application in the near future. I understand that, notwithstanding the information I provided in Part III of the Substitute Form W-9 (and the fact that I have completed this Certificate of Awaiting Taxpayer Identification Number), all payments made to me before I provide a properly certified taxpayer identification number will be subject to the applicable percentage of backup withholding tax.

Signature: __________________________ Date: ____________________________________

Note: Failure to complete and return this Substitute Form W-9 may subject you to applicable Federal income tax withholding on any payments made to you.

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

Guidelines for Determining the Proper Identification Number for the Payee (You) to Give the Payer.--Social security numbers have nine digits separated by two hyphens: i.e., 000-00-0000. Employee identification numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the payer. All "Section" references are to the Internal Revenue Code of 1986, as amended. "IRS" is the Internal Revenue Service.

For this type of account:	Give the social security number of—
1. Individual	The Individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor[2]
4. (a) The usual revocable savings trust account (grantor is also trustee)	The grantor trustee[1]
(b) So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
5. Sole proprietorship	The owner[3]

For this type of account:	Give the employer identification number of—
6. Sole proprietorship	The owner[3]
7. A valid trust, estate, or pension trust	The legal entity[4]
8. Corporate	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

1. List first and circle the name of the person whose number you furnish. If only one person on a joint account has a social security number, that person's number must be furnished.
2. Circle the minor's name and furnish the minor's social security number.
3. You must show your individual name, but you may also enter your business or doing business as" name. You may use either your social security number of your employer identification number (if you have one).
4. List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the taxpayer identification number of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

NOTE: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

Obtaining a Number
If you don't have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Card, at the local Social Administration office, or Form SS-4, Application for Employer Identification Number, by calling 1 (800) TAX-FORM, and apply for a number.

Payees Exempt from Backup Withholding
Payees specifically exempted from withholding include:

- An organization exempt from tax under Section 501(a), an individual retirement account (IRA), or a custodial account under Section 403(6)(7), if the account satisfies the requirements of Section 401(1)(2).
- The United States or a state thereof, the District of Columbia, a possession of the United States, or a political subdivision or instrumentality of any one or more of the foregoing.
- An international organization or any agency or instrumentality thereof.
- A foreign government and any political subdivision, agency or instrumentality thereof.

Payees that may be exempt from backup withholding include:

- A corporation.
- A financial institution.
- A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States.
- A real estate investment trust.
- A common trust fund operated by a bank under Section 584(a).
- An entity registered at all times during the tax year under the Investment Company Act of 1940.
- A middleman known in the investment community as a nominee who is listed in the most recent publication of the American Society of Corporate Secretaries, Inc., Nominee List.
- A futures commission merchant registered with the Commodity Futures Trading Commission.
- A foreign central bank of issue.
- A trust exempt from tax under Section 664 or described in Section 4947.

Payments of dividends and patronage dividends generally exempt from backup withholding include:

- Payments to nonresident aliens subject to withholding under Section 1441.
- Payments to partnerships not engaged in a trade or business in the United States and that have at least one nonresident alien partner.
- Payments of patronage dividends not paid in money.
- Payments made by certain foreign organizations.
- Section 404(k) payments made by an ESOP.

Payments of interest generally exempt from backup withholding include:

- Payments of interest on obligations issued by individuals. However, if you pay $600 or more of interest in the course of your trade or business to a payee, you must report the payment. Backup withholding applies to the reportable payment if you have not provided your correct taxpayer identification number to the payer.
- Payments of tax-exempt interest (including exempt-interest dividends under Section 852).
- Payments described in Section 6049(b)(5) to nonresident aliens.
- Payments on tax-free covenant bonds under Section 1451.
- Payments made by certain foreign organizations.
- Mortgage or student loan interest paid to you.

Certain payments, other than payments of interest, dividends, and patronage dividends, that are exempt from information reporting are also exempt from backup withholding. For details, see the regulations under sections 6041, 6041A, 6042, 6044, 6045, 6049, 6050A and 6050N.

Exempt payees described above must file Form W-9 or a substitute Form W-9 to avoid possible erroneous backup withholding. FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, CHECK THE BOX IN PART 4 OF THE FORM, SIGN AND DATE THE FORM, AND RETURN IT TO THE PAYER.

Privacy Act Notice—Section 6109 requires you to provide your correct taxpayer identification number to payers, who must report the payments to the IRS. The IRS uses the number for identification purposes and may also provide this information to various government agencies for tax enforcement or litigation purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold 28% of taxable interest, dividends, and certain other payments to a payee who does not furnish a taxpayer identification number to the payer. Certain penalties may also apply.

Penalties

(1) Failure to Furnish Taxpayer Identification Number.—If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) Civil Penalty for False Information With Respect to Withholding. —If you make a false statement with no reasonable basis that results in no backup withholding; you are subject to a $500 penalty.

(3) Criminal Penalty for Falsifying Information. —Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE