CANAM COAL CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011

The following management discussion and analysis ("MD&A"), prepared as of April 27, 2012, provides analysis of the Company's financial condition and results of operations for the two and eleven month period ended December 31, 2011 and should be read in conjunction with the audited consolidated financial statements of the Company.

The Company has changed its fiscal year end from January 31 to December 31 and therefore the current fiscal year ending December 31, 2011 is comprised of eleven months. The comparable period, included in the financial statements and in this MD&A, for the period ending January 31, 2011 is comprised of 12 months. The prior year is referred to in this MD&A as fiscal 2010. The Company changed its year end in order to align fiscal years across all of its subsidiaries.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts in this MD&A are in Canadian dollars unless otherwise stated.

This discussion and analysis contains forward-looking statements. Please refer to the cautionary language on page 20.

Overview

CanAm Coal Corp. is a coal producer and development company listed on the TSX Venture Exchange and the OTCQX International market. The Company's corporate strategy is to build shareholder value through the acquisition, exploration and development of coal resources and resource related technologies. The Company's main activities and assets include its Alabama coal mine operations, the exclusive rights for the North American market to a proprietary Coal to Liquids technology which converts coal into liquid fuels (such as oil, jet fuel) and the Buick Coal Project which holds significant coal resources in Colorado, USA. The Company also evaluates on an ongoing basis other coal and related opportunities.

Since late 2009, CanAm has repositioned itself as an active coal mine producer and since then the Company has gained control of RAC Mining LLC ("RAC"), a predominantly metallurgical coal producer, and acquired a 50% ownership stake in Birmingham Coal & Coke Inc., a predominantly thermal coal producer, with a 5-year option to purchase the remaining 50%. With currently 4 mines in operation; Powhatan, Bear Creek, Old Union and Gooden Creek, the Company has steadily improved financial and operational metrics with record results in fiscal year 2011. A summary of key metrics for the last 3 fiscal years are as follows:

(in $millions)	December 31 2011 (11 months)	January 31 2011 (12 months)	January 31 2010 (12 months)
Production (in tons)	256,221	48,361	4,761
Revenue	$24.4	$5.3	$0.5
Income from mining operations	$2.5	$0.3	$0.1
EBITDA, before one-time items	$4.6	($0.2)	($0.5)
Cash flow from operations	$4.0	($0.4)	($0.5)
Cash on hand, at period end *	$4.4	$2.0	$0.3
Shareholders' equity	$9.8	$5.1	$4.8
* includes restricted cash			

"This was unquestionably the break-out year for CanAm with record financial and operational metrics at all levels", said Tim Bergen, CEO of CanAm. "Our BCC acquisition was no doubt the turning point for our Company as we significantly increased and diversified our production capacity, were able to leverage the customer relationships and off-take contracts and, last but not least, gained access to an experienced and qualified coal mining team with a proven track record of running safe, reliable and profitable operations. As to 2012, our team will continue on its path of aggressive growth at all levels as we remain bullish in the outlook for the overall coal markets and remain confident in our ability to execute on our 2012 growth plan of achieving between 450,000 and 550,000 tons of annual production".

Highlights and key events for the year include:

The Company set a number of financial and operating milestones in 2011 including:

- Record annual revenues of $24.4 million, up from $5.3 million in fiscal 2010;
- Record income from mining operations of $2.5 million, up from $0.3 million in fiscal 2010;
- Record EBITDA, before one-time expenses, of $4.6 million, up from $(0.2) million in fiscal 2010;
- Record cash flow from operations of $4.0 million, up from $(0.4) in fiscal 2010;
- Record annual production of 256,221 tons, up from 48,361 tons in fiscal 2010

Other highlights and significant events include:

- Completed the purchase of a 50% ownership stake in Birmingham Coal & Coke which operates 3 operating mines and a brokerage business in Alabama. The Company has an option to purchase an additional 30% ownership within the next 2 years and the remaining 20% within 5 years;
- Raised $11.5 million through a 9.5% convertible debenture offering which was used to fund the Company's acquisition, its 2011 capital expenditure program and for working capital purposes;
- Completed a NI 43-101 independent reserve report for BCC which determined the coal resource at 6 million tons of proven reserves. On this basis, and considering current production levels, average mine life for the BCC mines is 10 years;
- Started trading on the US OTC market, OTCQX International, under the symbol COECF;
- Hired a major independent engineering firm to pursue alternative development opportunities for the Buick Coal Property in Colorado.

Highlights and key events for the fourth quarter (2 months) include:

- Achieved coal sales of 49,852 tons, up from 14,633 tons in Q4 2010;
- Generated revenue of $5.0 million, up from $1.5 million in Q4 2010;
- Generated EBITDA of $0.7 million, up from ($0.4) in Q4 2010;

Highlights and events subsequent to the quarter ended December 31, 2011 include:

- Concluded a number of off-take agreements with various customers that resulted in 85% of estimated 2012 production being contracted for. Average price increases in such contracts were between 4% to 17% as compared to last year.
- Consolidated all mine operations under one common structure in order to drive operational efficiencies.
- Renegotiated the reclamation bonding program in place for the BCC mines resulting in the release of approximately $0.7 million of restricted cash.
- Appointed Scott Bolton, a senior partner with PricewaterhouseCoopers, as the new CFO of the Company and Jos De Smedt, the current CFO, as the President and COO. Both appointments are effective June 1, 2012.

Financial results for the eleven and twelve month period ended December 31, 2011 and January 31, 2011 were as follows:

	December 31, 2011 (11 months)	January 31, 2011 (12 months)
Revenue	$24,431,668	$5,328,935
Income from mining operations	$2,517,941	$342,281
Other income (expenses)	($4,713,968)	($2,303,825)
Income (loss) before tax *	($2,196,027)	($1,961,544)
Net income (loss)	($2,169,814)	($1,956,642)
EBITDA, before one-time items	$4,605,388	($214,525)

* includes $0.8 M of one-time expenses relating to the BCC acquisition & debenture financing

Mine operating results for the two and eleven month period ended December 31, 2011 were as follows:

	Dec 31 2011 (2 months)	Jan 31 2011 (3 months)	Dec 31 2011 (11 months)	Jan 31 2011 (12 months)
Metallurgical coal	9,152	9,873	52,355	35,857
Thermal coal	40,700	4,760	203,866	12,504
Total	**49,852**	**14,633**	**256,221**	**48,361**
Coal sales revenue	4,994,437	1,532,564	24,431,668	5,176,648
Income from mining operations	231,557	-161,891	2,517,941	342,281
EBITDA, before one-time items	653,586	-368,953	4,605,388	-214,525
Coal sales (in tons)	49,852	14,633	256,221	48,361
Average coal price	100	105	95	107
Average cost of product sold	58	78	52	71
Average cost of royalties transportation and other	21	26	19	25
Average income from mining	5	-11	10	7
Average EBITDA, before one-time items	13	-25	18	-4

Notes:
- Averages are all presented on a per ton basis.
- Through November 8, 2010, the Company owned 49% of the mining operations and therefore prior year's numbers represent CanAm's proportionate 49% share.
- EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization equals income from mining operations plus depreciation, depletion, amortization and accretion minus general and administrative expenses. EBITDA before one-time items excludes the BCC transaction costs. EBITDA is a supplemental measure that is not presented in accordance with International Financial Reporting Standards (IFRS). This non-IFRS measure may not be comparable to the calculation of similarly titled measures reported by other companies and should not be considered in isolation, as an alternative to, or more meaningful than financial measures calculated and reported in accordance with IFRS.

Coal Sales

Coal sales for the eleven month period ended December 31, 2011 were 256,221 tons as compared to 48,361 tons in the twelve month period ended January 31, 2011 or a 5-fold increase. The significant increase is mainly the result of the acquisition of a 50% ownership in BCC which was effective May 1, 2011. BCC operates three coal mines; Bear Creek, Old Union and Gooden Creek, that produce high quality thermal coal. BCC also operates a brokerage business which contributed 9,163 tons of coal sales in fiscal 2011. The ratio of metallurgical/thermal coal for the eleven month period ended December 31, 2011 at the Powhatan mine was 57/43% as compared to 74/26% in fiscal 2010. The Company's target coal mix is 60/40%.

Coal sales were 49,852 tons in the fourth quarter of fiscal 2011 as compared to 14,633 tons in Q4 of fiscal 2010 or an increase of 35,219 tons. BCC's mines and the Powhatan mine contributed 37,613 tons and 12,239 tons, respectively. Coal sales at the Powhatan mine were below target as production slowed down as a result of a lower than usual recovery rate on thermal coal, greater than usual equipment downtime during a cycle of higher than average strip ratios and extra vacation days taken over the Christmas holiday period. The ratio of metallurgical/thermal coal for Q4 at the Powhatan mine was 75/25% as a result of a lower recovery rate on the thermal coal.

Revenue, Income and EBITDA

Revenue, income and EBITDA for the eleven month period were all up significantly as compared to the prior fiscal year as a result of the increased production following the acquisition of a 50% ownership stake in BCC and improved pricing on both metallurgical and thermal coal. Although prices for both coals increased, the average coal price was lower due to the Company's coal mix of 20/80% metallurgical/thermal coal as compared to 74/26% in the prior period. The major shift in the coal mix is primarily due to the BCC acquisition which only mines high quality thermal coal. For the year, the Company realized an average sales price of $95/ton as compared to $107/ton in fiscal 2010. Production costs for the year were on average $52/ton as compared to $71/ton in fiscal 2010 with the decrease mainly coming from the lower production costs at the BCC mines. EBITDA was $4,605,388 as compared to ($214,525) in fiscal 2010.

For the two month period ended December 31, 2011, the Company generated $5 million in revenue and $0.7 million in EBITDA. Average production cost for the quarter was slightly higher as a result of lower production levels at the Powhatan mine. Average cost of royalties, transportation and other was also higher as a result of a one-time adjustment of $140,000 to royalties following a review of royalties due to various landowners.

Other Income (Expenses)

Other expenses for the two and eleven month period ended December 31, 2011 were $915,298 and $4,713,968, respectively as compared to $1,490,017 and $2,303,825 in the prior year. The increase for the year was mainly the result of: higher general and administrative expenses as a result of the increased activity in the Company's operations and additional overhead following the acquisitions of BCC and RAC (+$840,000), interest and costs associated with the Company's 9.5% and 12% debenture (+$1,642,000), higher stock based compensation expenses (+$187,000), one-time transaction costs associated with the BCC acquisition (+$383,000) and higher equipment interest expense mainly as a result of the BCC acquisition (+$187,000). The increase was offset by a favourable impact of fluctuations in the US$/CDN$ foreign exchange (-$110,000) and a reduction in the write down of mineral properties (-$710,000).

The Company's overall financial position remained healthy as a result of the cash flow generated from mining operations, conversion of a portion of the 12% convertible debenture and additional funds generated from the exercise of warrants and options. Cash on hand at December 31, 2011 was $2.6 million as compared to $1.5 million at January 31, 2011. In addition, the Company provided $1.7 million in cash as security for reclamation bonds of which $0.7 million became unrestricted subsequent to the year end as a result of a restructuring of the bonding program.

Outlook

The Company remains committed to execute on its aggressive growth plan for 2012 of achieving between 450,000 to 550,000 tons of annual production. In order to achieve this growth in 2012, the Company is looking to expand production at some of its current mines and is working to open up any of the following new mines: Davis, Posey Mill 2, Knight and Old Union 2. Each of these properties are at various stages of the permitting process and are, for the most part, adjacent to our current mines. Up to 85% of our estimated 2012 production has been contracted for with a variety of customers including the Alabama Coal Cooperative and various industrial users.

Further expansion and growth will continue to be pursued by either adding adjacent lands to our reserve portfolio or by pursuing accretive acquisitions with a focus on high quality thermal or metallurgical coal. The Company also has an option to purchase an additional 30% ownership in BCC within the next 2 years and the remaining 20% within 5 years.

In addition, the Company continues to pursue the development of the Buick Coal Property which holds significant coal resources, 188 million tons of indicated and 103 million tons of inferred coal resources, in Colorado, USA. In this context, CH2M HILL, an independent major engineering firm, has recently completed a study to identify alternative development opportunities for this resource and they recommended that the Company pursue two alternatives: the production of activated carbon or the gasification of the coal resource to produce liquid motor and/or jet fuels.

Alabama Coal Mine Operations

RAC Mining LLC ("RAC")

On November 23, 2009, the Company entered into a Joint venture agreement and completed a transaction to create a US coal mining company, RAC Mining LLC ("RAC") in partnership with a group of private investors in Alabama. Pursuant to the transaction, CanAm purchased a 49% interest in RAC from treasury for US$1,000,000 paid by a combination of cash and notes. CanAm's partners, two Alabama based mining companies, owned 51% of RAC Mining in exchange for the contribution of mining rights associated with two active mining permits and two mining leases. On November 8, 2010, the Company acquired from Job Land & Mineral Inc ("JLM"), through its wholly owned subsidiary Radar USA Hold Corp. and its majority owned subsidiary RAC Mining LLC: its 49% ownership share in RAC, its ASMC (permit # 3868 and #3933) and ADEM (# AL7194) permits associated with the Powhatan mine and its leases associated with the Powhatan lands. In consideration for the acquired assets, CanAm paid a purchase price of US$1,486,250. In addition, CanAm also deposited, with various lenders, an amount of approximately US$400,000 as security for reclamation bonds posted by such lenders. Concurrent with the Transaction, RAC also acquired mining equipment from JLM for a total purchase price of US$904,600 and purchased US$72,000 of equipment from a third party vendor.

RAC currently has two coal properties, the Powhatan mine in Jefferson County, Alabama and the Davis mine in the Franklin, Marion and Winston counties in Alabama.

Birmingham Coal & Coke Company, Inc ("BCC")

On May 9, 2010, the Company completed a transaction (the "Transaction") to acquire three operating coal mines in Alabama, USA. Pursuant to the Purchase and Sale Agreement and an Option Agreement, the Transaction resulted in Radar USA Hold Corp (a wholly owned subsidiary of the Company) purchasing 50% of all of the issued and outstanding shares of Birmingham Coal & Coke Company, Inc. and 50% of all of the membership interests of Cahaba Contracting & Reclamation, LLC ("Shares and Interests") from its principal shareholders. In consideration for the Shares and Interests, CanAm and Radar USA paid a cash purchase price of an aggregate of US$8,000,000 and delivered an aggregate of 12.5 million common shares in the capital of CanAm Coal Corp. The Company also has an option (the "Option") whereby Radar USA may acquire an additional 30% of the Shares and Interests within 2 years from the closing date of the Transaction and the remaining 20% of the Shares and Interests within 5 years from the closing date of the Transaction (such that if the Option were fully exercised, Radar USA would wholly own BCC). The purchase price for the remaining 50% of the Shares and Interests purchased pursuant to the Option, is based on a multiple of four times the combined average annual EBITDA of BCC from the preceding three years prior to the date of exercise of the Option, but shall be no less than

US$11,500,000 in year one of the option period, US$12,000,000 in year two of the option period, US$12,500,000 in year three of the option period, US$13,000,000 in year four of the option period and US$13,500,000 in year five of the option period**.** The Transaction has an effective date of May 1, 2011.

The acquisition provides CanAm access to three operating coal mines (Bear Creek, Old Union and Gooden Creek) that produce high quality thermal coal, a coal brokerage business and a stable cash flow.

In June 2011, the Company completed a NI 43-101 compliant independent reserve report for Birmingham Coal & Coke, Inc. The resource estimate was prepared by Dennis Nikols, P. Geo., as the "Qualified Person" under NI 43-101. A copy of the report entitled "CanAm Coal Corp.'s Share Purchase from Birmingham Coal & Coke Co., Technical Report NI 43-101" is available on the SEDAR website at www.sedar.com.

The report determined the coal resource at 6 million tons of proven reserves. A summary of the Proven Reserves of the 3 coal mining properties combined is shown in the table below.

Summary of Proven Reserves

	Bear Creek		Old Union		Gooden Creek		Total	
	Acres	Tons	Acres	Tons	Acres	Tons	Acres	Tons
Permitted Active Mining	155	310,000	406	720,000	178	445,000	739	1,475,000
Permit Pending	784	1,347,750	729	1,275,000	726	1,893,800	2239	4,516,550
Total	939	**1,657,750**	1135	**1,995,000**	904	**2,338,800**	2978	**5,991,550**

Notes: 1) Permitted Active Mining refers to that coal where all environmental and operating permits are in place and active mining and reclamation was proceeding as of January 1, 2011. 2) Permit Pending refers to that coal where all mining permits are not yet granted (in some cases, environmental permits have been granted).

The 6 million tons of reserves at BCC are low sulfur, high-volatile A Bituminous and in some instances exhibit near metallurgical coal characteristics. These reserves are extractable through open pit mining methods with no washing required. A recovery factor of 85% has been used in the calculation of the reserves which is standard with these coal seams in Alabama and conservative by BCC's historical recovery rates. Heating value for these coals ranges from 11,000 Btu/lb. to 13,000 Btu/lb. Sulfur percent, as a constituent of the ash, ranges from 0.7% to 1.6%, which makes for compliance sulfur blended coal products. The percent of ash in the coal ranges from 6.0% to 16.0% depending on the seam being mined at the time of production.

As part of the technical study, an economic analysis was performed for the period 2011 through 2020 which considered coal prices and unit operating costs consistent with historical performance and with typical coal price and unit cost inflation factors incorporated into the model. For 2011, production is forecasted at 480,000 tons (as compared to a three year historical average of 460,000 tons), coal sales pricing at US$87/ton, production cost of US$55/ton and EBITDA of US$17/ton. Capital cost projections over the period include US$1 million to US$2 million each year for equipment rebuilds and refurbishment and US$2 million each year for capital equipment replacement. On this basis, the technical report shows a pretax net present value (NPV) of US$39 million at a 12% per annum discount rate.

Mine Profile

The four producing mines and the prospective Davis mine, due to come on-stream in late 2012, have the following characteristics:

Mine	Coal Type	Coal Quality			Lands	Productive	Status
		BTU/lb	Sulfur	Ash	(acres)	Capacity **	
Powhatan	70% Met * 30% Thermal	14,400 12,300	0.6% 1.2%	3% 14%	450	180,000	Production
Davis	Thermal	11,500	0.7%	12%	1,165	180,000	Development
Bear Creek	Thermal	11,500	0.7%	12%	939	120,000	Production
Old Union	Thermal	12,800	1.1%	7%	1,135	300,000	Production
Gooden Creek	Thermal	12,900	1.6%	5.5%	904	180,000	Production

* 28% Vol, 9 FSI; ** annual tons

In addition to the above lands, BCC also has leases in place on an additional 1,000 acres of adjacent lands which will provide for additional expansion opportunities and/or extend the mine life of the existing mines.

The coal is currently being sold into the local markets to both industrial users and power plant customers. For the thermal coal the Company has currently off-take contracts in place through the year 2015 to 2017. Such contracts provide for annual price escalation and are also subject to Fuel/Labor/Explosives inflation adjustments. The Company has entered into a 3 year contract for some of its metallurgical coal with a volume commitment of 3,500 to 8,000 tons per month. Some of the metallurgical coal is sold into the seaborne markets.

Buick Coal Project, Colorado

The Company's Buick Coal project is located in Elbert County - ninety miles southeast of Denver, near the town of Limon, Colorado. CanAm holds coal, mineral and some surface rights on over 22,500 acres of land within the project area. The extensive and generally flat-lying Laramie formation hosts two main lignite coal seams, the A Seam and the B Seam, with two lesser rider seams noted as the Upper A Seam and the Upper B Seam. An up-to-date National Instrument 43-101 compliant technical report was completed on October 26, 2007 by Tetra Tech MM, Inc. ("TTMM") and Karl M. Kolin, P.E., a Qualified Person as defined by National Instrument 43-101. The Technical Report presents a resource estimate for the A and Upper A Seams only - the B Seams, generally higher in sulfur, are not included in this resource estimate.

The Technical Report indicated the following resources:

- Indicated Lignite Resources: 188,220,000 tons – average thickness of 8.14 ft
- Inferred Lignite Resources: 103,372,000 tons – average thickness of 7.38 ft

These resources reflect lignite that is mineable by surface mining methods and is of a quality suitable for mine mouth energy production, such as power (electricity), coal-to-gas, and coal-to-liquids projects. Also, with advances in technology, coal benefication or the upgrading of lower grade coal to coal with higher energy levels similar to the characteristics of valuable bituminous coals, has opened up additional joint venture opportunities for this resource.

On April 15, 2010, the Company signed a licensing agreement with C2E Global Ltd for the exclusive rights to a proprietary Coal to Liquids Technology (the "CTL-T"). The CTL-T is a proprietary technology which converts coal into liquid fuels (e.g. oil, jet fuel) at an economical cost with zero airborne emissions. An existing plant in China is currently using CTL-T and has the capability to produce 100,000 tons of fuel oils per annum which is approximately 1,900 barrels of oil equivalent per day ("boepd"). The agreement provides the Company with an opportunity to further develop its coal portfolio and, in particular, focus on leveraging this technology on its existing coal resources and assets in Alabama and Colorado.

The major terms of the Agreement are as follows:

- An exclusive, perpetual, right to use, develop, patent, market, sell and commercialize the CTL Technology in the states of Alabama, Colorado and Montana of the United States of America.
- A right of first refusal to acquire any license of the CTL Technology for Canada.
- An opportunity to obtain a license for specific project opportunities that it proposes to C2E in any of the remaining states of the United States of America.
- The development of Coal to Liquids Plants ("CTL Plants") will be pursued by the parties with the Company and C2E having the right to participate for a 50% ownership stake each in any and all CTL Plants. C2E and the Company will share development costs and profits according to the ownership criteria above.
- Jointly fund all project feasibility costs at a rate of 50% each.
- The term of the Agreement is for a period of 3 years (ending April 15, 2013).

In December 2011, the Company retained CH2M HILL, a major independent engineering firm, to identify alternative development opportunities for the deposit. The following options are being considered as part of the study: activated carbon production and other carbon products, beneficiation of coal and production of syngas based products.

Mineral property development costs and project evaluation costs of $89,936 were capitalized for the period ending December 31, 2011 (Fiscal 2010 - $78,270)

RPS Fuels, LLC (a Joint Venture between CanAm and New Energy USA, LLC)

On August 23th, 2007, CanAm signed an arm's length Joint Venture Agreement (the "Joint Venture Agreement") with New Energy USA, LLC ("New Energy"), to establish a Joint Venture to utilize New Energy's Re-Fuel technology process (the "Re-Fuel Technology") to develop engineered solid fuel products using a combination of reclaimed coal slurry pond waste and biomass. The Re-Fuel Technology is a patent pending process that combines a coal waste product with bio-mass to produce an engineered solid fuel product called Re-Fuel.

The Company's consolidated financial statements include the proportionate share of the accounts of the joint venture entity RPS Fuels, LLC ("RPS") in which the Company has a 50% interest. The Company has decided to temporarily put the development of its RPS activities on hold as it considers its options and alternatives for this venture with its partner New Energy. Therefore, the Company has decided to substantially write off the assets it holds including any project development expenses that were capitalized, an advance that was provided to RPS and the initial purchase price consideration of $1,066,000 which was paid through an aggregate of four million common shares of the Company. Three million of such shares were performance shares held in escrow which were cancelled in fiscal 2010 following the non-performance of New Energy.

Selected Annual Information

All Currency amounts are in Canadian dollars unless stated otherwise.

	For the periods ended		
	December 31, 2011	**January 31, 2011**	**January 31, 2010**
Total Revenues	$24,431,668	$5,328,935	$544,116
Net Income (Loss) - In Total - Basic and Diluted Loss per Share	 ($2,169,814) ($0.02)	 ($1,956,642) ($0.02)	 ($945,596) ($0.02)
Total Assets	$37,920,944	$10,719,661	$5,401,400
Total Long Term Liabilities	$21,098,474	$3,573,663	$24,343
Cash Dividends Declared	Nil	Nil	Nil

Results of Operations

	December 31, 2011 (11 months)	January 31, 2011 (12 months)
Revenue	$24,431,668	$5,328,935
Income from mining operations	$2,517,941	$342,281
Other income (expenses)	($4,713,968)	($2,303,825)
Income (loss) before tax *	($2,196,027)	($1,961,544)
Net income (loss)	($2,169,814)	($1,956,642)
EBITDA, before one-time items	$4,605,388	($214,525)
* includes $0.8 M of one-time expenses relating to the BCC acquisition & debenture financing		

For the eleven month period ended December 31, 2011, the Company reported a loss of $2.2 million as compared to a loss of $2.0 million in fiscal 2010 or an increase of $200,000. Although the Company achieved significant growth of revenue and income from mining operations as a result of its expansion strategy, the loss for the year can mainly be attributed to: one-time cost associated with the BCC acquisition and related debenture financing of $0.8 million, cost associated with the financing of the acquisitions of $1.6 million, higher general and administrative expenses of $0.8 million, higher equipment interest expenses of $0.2 million. Such costs were partly offset by a favourable impact of fluctuations in the US$/CDN$ foreign exchange of $0.1 million and a reduction in the write down of mineral properties of $0.7 million.

The table below provides selected operating and financial information from the Company's Alabama mining operations.

	Dec 31 2011 (2 months)	Jan 31 2011 (3 months)		Dec 31 2011 (11 months)	Jan 31 2011 (12 months)
Metallurgical coal	9,152	9,873		52,355	35,857
Thermal coal	40,700	4,760		203,866	12,504
Total	**49,852**	**14,633**		**256,221**	**48,361**
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Average income from mining	5	-11		10	7
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Note:
- Averages are all presented on a per ton basis.
- Through November 8, 2010, the Company owned 49% of the mining operations and therefore prior year's numbers represent CanAm's proportionate share
- EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization equals income from mining operations plus depreciation, depletion, amortization and accretion minus general and administrative expenses. EBITDA before one-time items excludes the BCC transaction costs. EBITDA is a supplemental measure that is not presented in accordance with International Financial Reporting Standards (IFRS). This non-IFRS measure may not be comparable to the calculation of similarly titled measures reported by other companies and should not be considered in isolation, as an alternative to, or more meaningful than financial measures calculated and reported in accordance with IFRS.

Coal Sales and Revenues

Coal sales for the eleven month period ended December 31, 2011 were 256,221 tons as compared to 48,361 tons in the twelve month period ended January 31, 2011 or a 5-fold increase. The significant increase is mainly the result of the acquisition of a 50% ownership in BCC which was effective May 1, 2011. BCC operates three coal mines; Bear Creek, Old Union and Gooden Creek, that produce high quality thermal coal. BCC also operates a brokerage business which contributed 9,163 tons of coal sales in fiscal 2011. The ratio of metallurgical/thermal coal for the eleven month period ended December 31, 2011 at the Powhatan mine was 57/43% as compared to 74/26% in fiscal 2010. The Company's target coal mix is 60/40%.

Coal sales were 49,852 tons in the fourth quarter of fiscal 2011 as compared to 14,633 tons in Q4 of fiscal 2010 or an increase of 35,219 tons. BCC's mines and the Powhatan mine contributed 37,613 tons and 12,239 tons, respectively. Coal sales at the Powhatan mine were below target as production slowed down as a result of a lower than usual recovery rate on thermal coal, greater than usual equipment downtime during a cycle of higher than average strip ratios and extra vacation days taken over the Christmas holiday period. The ratio of metallurgical/thermal coal for Q4 at the Powhatan mine was 75/25% as a result of a lower recovery rate on the thermal coal.

Coal revenue for the eleven month period ended December 31, 2011, was $24.4 million as compared to $5.2 million for fiscal 2010 with metallurgical coal being sold at prices between US$135 and US$150 and thermal coal being sold at prices between US$60 and US$100. Although prices for both coals increased, the average coal price was lower due to the Company's coal mix of 20/80% metallurgical/thermal coal as compared to 74/26% in the prior period. The major shift in the coal mix is primarily due to the BCC acquisition which only mines high quality thermal coal.

For the two month period ended December 31, 2011, coal revenue was $5.0 million as compared to $1.5 million in the prior fiscal period. Changes with the comparable period of last year can primarily be explained by the BCC acquisition.

The average sales price was negatively impacted by a strengthening of the Canadian dollar. The average exchange rate for the eleven month period was US$1=CDN$0.9888 as compared to US$1=CDN$1.0299 in the fiscal 2010.

Equipment rental revenue, generated from renting RAC's mining equipment to its contract miner, for fiscal 2010 amounted to $152,287. As RAC took over mining operations from its contract miner, there is no recurring rental revenue in fiscal 2011.

Cost of goods sold

Total cost of goods sold including production cost, royalties, transportation and other and depreciation, depletion and amortization for the eleven month period ended December 31, 2011 was $21.9 million (or $85 per ton) as compared to $5.0 million (or $103 per ton) for the prior period. The cost of goods sold on a per ton basis decreased by $18 per ton due to lower production cost at the BCC mines and lower cost at the Powhatan since operations were taken over from the contract miner.

Through November 8, 2010, production cost represents the production fee charged by RAC's contract miner. Such production fee was US$65 per ton (CDN$67). Since RAC took over operations on November 8, 2010 and the acquisition of the BCC mines, major components of production cost include direct labour, contract labour, fuel, blasting services, equipment repair and maintenance and operating materials and supplies. For the eleven month period ended December 31, 2011, production cost was $13.3 million (or $52 per ton) as compared to $3.4 million (or $71 per ton) for the prior period.

Royalties, transportation and other ("RTO") includes royalties to mineral and surface owners, transportation expenses from the mine to the customer, brokerage fees and mineral taxes owed to the state of Alabama. For the eleven month period ended December 31, 2011, total royalties, transportation and other costs were $4.7 million (or $19 per ton) as compared to $1.2 million (or $25 per ton), respectively. Reduced RTO cost/ton is mainly a result of no brokerage fee cost for the sale of any of BCC's coal.

Depreciation, depletion and amortization relate to the capital expenditures required for mine acquisition, development and operation. These are calculated on a unit-of-production basis and/or amortized over the useful life of the equipment and amounted to $3.8 million for the eleven month period ended December 31, 2011 as compared to $0.3 million in the prior period. The significant increase in depreciation, depletion and amortization is the result of the BCC acquisition and the fact that the Company took over mining operations at RAC and now runs its own fleet of equipment. Previously, depreciation and amortization was primarily included in the production fee charged by the contract miner.

For the two month period ended December 31, 2011, total cost of goods sold was $4.8 million (or $95 per ton) as compared to $1.7 million (or $117 per ton) in the prior period. Higher total cost of goods sold in the quarter were mainly the result of lower production levels at the Powhatan mine and a one-time additional charge to royalties as a result of a review of royalties due to various landowners. Costs of goods sold in the fourth quarter of fiscal 2010 were higher as a result of the transition of Powhatan mining operations from a contract miner to RAC.

Cost of goods sold was positively impacted by a strengthening Canadian dollar. The average exchange rate for the nine month period was US$1=CDN$0.9888 as compared to US$1=CDN$1.0299 in the comparable prior period.

EBITDA, before one-time items

EBITDA for the two and eleven month period ended December 31, 2011 was $4.6 million and $0.7 million respectively, as compared to ($0.4) million and ($0.2) million in the prior year, respectively.

General and administrative expenses

General and Administrative Expenses include general corporate overhead expenses and administrative expenditures related to the Alabama coal mine operations and were comprised of:

		December 31, 2011	January 31, 2011
Professional and consulting fees	$	**918,440**	646,783
Payroll and related costs		**272,390**	-
Stock exchange fees		**51,827**	27,490
Shareholder's information		**22,763**	43,285
Rent		**62,683**	41,251
Insurance		**69,570**	15,780
Advertising and promotion		**99,115**	54,508
Telephone, fax and internet		**40,752**	20,438
Office		**15,796**	11,060
Travel		**76,580**	31,338
Amortization		**1,099**	1,099
Bank and finance charges		**64,484**	3,644
Licenses, fees and taxes		**26,185**	13,723
Other		**28,274**	-
	$	**1,749,958**	910,399

General and administrative expenses for the eleven month period ended December 31, 2011 were $1.7 million as compared to $0.9 million in fiscal 2010. The increase of $0.8 million is mainly due to administrative support and overhead at BCC and RAC (+$520,000), increased corporate overhead as a result of expanding operations (+$140,000), increased investor relations cost (+$45,000) resulting from increased IR and promotional activities, fees associated with director remuneration ($60,000) and increased travel ($45,000).

For the two month period ended December 31, 2011, general and administrative expenses were $0.4 million as compared to $0.4 million in the prior year. Increases in expenses were consistent with full year changes but do not show in comparatives as the Q4 2010 includes 3 months versus 2 months in Q4 2011.

Other expenses (income), excluding general and administrative expense

Other expenses (income) for the three and nine month period ended October 31, 2011 were as follows:

	December 31, 2011 (11 months)	January 31, 2011 (12 months)
Interest on debenture	$888,200	$126,955
Debenture related costs	$984,774	$117,602
Stock based compensation	$374,076	$182,262
Impairment on mineral property & equipment	$3,361	$713,659
Foreign exchange (gain) loss	($28,183)	$82,189
Transaction costs	$522,713	$139,060
Other(income) expense	$219,069	$31,699
	$2,964,010	$1,393,426
Increase of	$1,570,584	

Total increase for the eleven month period ended December 31, 2011 was $1.5 million. The year-to-date number includes $0.8 million of one-time items: $0.5 million for BCC acquisition expenses and $0.3 million related to 2.4 million broker warrants issued as a result of the 9.5% debenture financing. Debenture related costs include accrued and paid interest, amortization of debenture issue costs and accretion expense related to the debentures issued. As the debenture was issued in the third quarter of fiscal 2010 and the second quarter of fiscal 2011, prior year's expense is minimal. Non-cash stock based compensation was higher and this is mainly a function of the number and timing of options issued in the period and the number of options that vested in the current fiscal year. Other expense (income) for the period is higher as a result of the BCC acquisition and the inclusion of its interest associated with equipment loans. Impact of US$/CDN$ exchange rate fluctuations for the period resulted in a gain of $28,000 as compared to a loss of $82,189 in the prior year. Last year also included a write down on the RPS related activities in the amount of $0.7 million.

Summary of Quarterly Results

The following table presents selected financial information of the Company for the eight most recently completed quarters.

Period	Revenues	EBITDA	Net Income (loss)	
	$	$	$	Per share
Q4 December 31,2011	4,994,437	653,586	(625,435)	($0.005)
Q3 October 31, 2011	8,729,604	1,744,787	(497,764)	($0.003)
Q2 July 31, 2011	7,474,506	1,339,144	(1,274,219)	($0.01)
Q1 April 30, 2011	3,233,121	867,870	227,604	$0.002
Q4 January 31, 2011	1,553,248	(368,953)	(1,595,332)	($0.016)
Q3 October 31, 2010	1,216,885	(59,537)	(342,647)	($0.004)
Q2 July 31, 2010	1,434,064	141,932	6,389	$0.000
Q1 April 30, 2010	1,124,738	72,034	(25,053)	($0.000)

In spite of a short fourth quarter (only two months as a result of the change in the year end), revenue in Q4 was significantly higher as compared to the prior year as a result of higher coal sales of 35,219 tons. Revenue in Q4 was lower than Q3 as a result of the two-month quarter and lower than expected production at the Powhatan mine. The net loss for Q4 2011 was significantly lower than Q4 2010 as a result of the contribution of income from mining operations during the quarter and a write down recorded on the RPS activities in the amount of $0.7 million.

Revenue increased in the third quarter as a result of higher coal sales. Coal sales were up 12,808 tons as compared to Q2. The loss for the quarter was significantly down as result of higher income from mining operations and no unusual expenditures in the quarter.

Revenue increased significantly in the second quarter as a result of the 50% acquisition of BCC effective May 1, 2011. An additional 50,798 tons of production in Q2 and continued strong pricing resulted in revenue for the quarter of $7,474,506. The loss for the quarter was mainly the result of one-time expenses of $772,000 associated with the acquisition of BCC and the related debenture financing, interest on the Company's outstanding convertible debentures of $307,000 and non-cash expense of $368,000 related to debenture issue costs and stock based compensation.

Revenue increased in the first quarter of fiscal 2011 as a result of increased coal production and rising coal prices. Increased coal production, better strip ratios and mine efficiencies, following the take-over of mine operations by the Company from the previous contract miner, resulted in lower overall production costs. The combination of higher revenues and lower production costs resulted in income from mining operations of $892,824 as compared to a loss of $161,891 in the fourth quarter of fiscal 2010. Improved mining income was partly offset by higher general and administrative expenses, higher interest and debenture costs and higher stock based compensation expense.

Revenue increased in the fourth quarter of fiscal 2010 as compared to the third quarter of fiscal 2010 as a result of the increase in the Company's ownership of RAC from 49% to 98%. However, in the fourth quarter of fiscal 2010, the Company transitioned mine operations from a contract miner to RAC and therefore production considerably slowed during November and December 2010. As a result of the low production volumes and resulting sales in the fourth quarter, the Company incurred a loss on mining operations of $161,891 as compared to a profit of $109,780 in the third quarter. The fourth quarter was also impacted by a one-time write down on the Company's RPS activities of $713,659, increased debenture interest and related costs of $42,536, increased stock compensation expense of $49,199 and increased general and administrative expenses of $161,632. Such expenses mainly increased as a result of increased professional and consulting fees related to audit services, management compensation and investor related services including the hiring of an IR firm. The fourth quarter also saw the increase in general overhead from RAC as a result of the Company's increased ownership.

The quarterly results for fiscal 2010 as compared to fiscal 2010 are reflective of the Company's acquisition of a producing coal mine in November of 2009. Since the acquisition, results have continuously improved as a result of the positive contribution from the mining operations through the third quarter of fiscal 2010. In the third quarter of fiscal 2010, the Company's coal operations continued to perform well and coal sales in the third quarter were on par with the second quarter and record production of 11,051 tons was achieved in the month of August 2010. Despite good overall mine performance, results for the third quarter were down from the second quarter as a result of lower income from mining operations (-$107,000), interests and costs associated with the Company's 12% debenture (+$94,000), higher stock compensation expense (+$10,000), higher foreign exchange losses as a result of the strengthening Canadian dollar (+$54,000) and higher professional and consulting fees (+$72,000).

Liquidity and Capital Resources

The Company's financial position remained healthy and at December 31, 2011, the Company had cash and cash equivalents of $2,630,811. In addition, the Company had $1,736,989 in restricted cash deposited as security for reclamation bonds. Subsequent to the year end, the Company renegotiated the bonding program in place for BCC resulting in a release of $736,118 from restricted cash. Working capital on hand was ($1,019,255) at December 31, 2011.

Cash generated from operations for the eleven month period ended December 31, 2011 was $3,973,221 as compared to ($403,290) in the prior fiscal year.

Subsequent to December 31, 2011, a total of 900,000 shares were issued pursuant to a private placement of 900,000 units for gross proceeds of $153,000. Each unit consists of one common share and one-half share purchase warrant. Each full warrant entitles the holder to purchase one additional common share for a period of 2 years at an exercise price of $0.22 per common share.

On April 11, 2011, the Company closed a financing of Subscription Receipts (the "Subscription Receipts") through a brokered private placement of $10,440,000 and a non-brokered private placement of $1,060,000 for total gross proceeds of $11.5 million. On May 9, 2011, the proceeds of its Subscription Receipt financing were released from escrow as a result of the successful completion of the acquisition of 50% of Birmingham Coal & Coke Company, Inc and Cahaba Contracting & Reclamation LLC. The Subscription Receipts were for convertible debentures of CanAm (the "Debentures") in the principal amount of the Subscription Receipts and common share purchase warrants of CanAm (the "Warrants") such that each $1,000 principal amount of the Debentures resulted in holders receiving 1,666 Warrants.

The Debentures mature 36 months from the date of issuance of the Debentures and are convertible, at the option of the holder, into common shares ("Common Shares") of the Company at a conversion price of $0.30 per Common Share. The Debentures will be unsecured and will bear interest at a rate of 9.5 percent per year, payable semi-annually. The Company shall have the right to require conversion of the Debentures any time after one year if the volume weighted average price of the Common Shares over the preceding 20 trading days is at $0.60 or higher. Each Warrant entitles the holder to purchase one additional Common Share for a period of 2 years from the date of issuance of the Warrants at an exercise price of $0.35 per Common Share. A total of 19,159,000 warrants were issued to debenture holders and 2,436,000 broker warrants were issued.

In March and April 2011, $485,000 of the Company's 12% unsecured convertible debentures was converted into common shares at a conversion price of $0.15 per common share for a total of 3,233,331 shares.

In August and September of 2011, a total of 981,500 shares were issued pursuant to the exercise of warrant agreements for total proceeds of $98,150 and 1 million shares were issued pursuant to the exercise of option agreements for total proceeds of $100,000. Also, $745,000 of the Company's 12% debentures was converted for a total of 4,966,663 shares.

Funds raised through the various equity and debt instruments will be used to fund the Company's acquisition strategy, its capital expenditure program and for general corporate purposes.

Risks and Uncertainties

The exploration and development of natural resources are highly speculative in nature and are subject to significant risks. The risk factors which should be taken into account in assessing the Company's activities include, but are not necessarily limited to, those set out below. These risks are not intended to be presented in any assumed order of priority. Any one or more of these risks could have a material effect on the Company and should be taken into account in assessing the Company's activities.

Alabama Coal Mine Operations

The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of coal. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Company.

In addition, the Company is subject to a number of other risks including but not limited to volatility of coal prices, marketability of the coal, governmental regulations and processing of licenses and permits and environmental regulation and liability.

Buick Coal Property and Coal to Liquids Technology

The Company is also developing its Buick Coal property. Various permits and approvals are necessary to begin commercial operations of any proposed coal mining and/or heavy mineral mining. Developing the property is capital intensive and the company will need to raise additional funding to maintain its position with regards to the coal. Furthermore, as a result of political and environmental pressure, coal-fired power plants will be required to capture a significant amount of the CO_2 emissions. Although, various technologies and systems are under development and being tested, "clean coal" energy power plants are not in use on a commercial scale at this time. Alternatives do exist for the development of Buick and they include development of a coal to gas or a coal to liquids plant. Likewise this development will require various permits and approvals and will be capital intensive and the company will need to raise additional funding to maintain its position in the property and development.

Transactions with Related Parties

During the period, the Company had the following transactions with directors and companies controlled by certain of the Company's officers and directors:

		December 31, 2011		January 31, 2011
Professional and consulting fees	$	418,000	$	308,000
Rent		9,100		41,943
Other		132,000		12,000

Included in accounts payable and accruals is $106,000 (January 31, 2011 - $132,500) owed to a company which is 50% owned by a director. These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

		December 31, *2011*	January 31, 2011
Stock based compensation payments for options granted to directors and key management personnel	$	**325,331**	91,950
Wages and consulting fees paid to directors and key management personnel	$	**550,000**	320,000

Off-Balance Sheet Arrangements

At December 31, 2011, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interests in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Commitments

Future Minimum Payments

At December 31, 2011, the Company is party to certain contracts relating to minimum coal royalties, equipment rent and office rent as follows:

2012	$	349,615
2013		268,255
2014		85,605
	$	703,474

International Financial Reporting Standards ("IFRS")

The Company's IFRS accounting policies are provided in note 2 to the condensed interim consolidated financial statements. In addition, note 18 to the condensed interim consolidated financial statements presents reconciliations between the Company's fiscal 2011 previous Canadian GAAP results and its results under IFRS. The reconciliations include the statement of financial position as at February 1, 2010, October 31, 2010 and January 31, 2011 and statements of comprehensive income/loss for the three and nine months ended October 31, 2010 and the year ended January 31, 2011.

Future Changes in Accounting Policies

The IASB has issued a number of new standards to come into effect in periods subsequent to 2011. The Company is currently assessing the impact of the new standards on its financial statements, but at this time does not anticipate that the adoption of the standards will have a significant impact on the Company's financial statements.

The new IFRS pronouncements which have been issued but are not yet effective may have an impact on the Company in the future as follows:

The IASB issued IFRS 9, "Financial Instruments" as the initial phase of replacing IAS 39 "Financial Instruments: Recognition and Measurement" ("IAS 39"). The standard revises and limits the classification and measurement models available for financial assets and liabilities to amortized cost or fair value. Previously multiple models were available.

The IASB issued IFRS 10, "Consolidated Financial Statements" to supersede IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation – Special Purpose Entities". The standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. This new standard is effective for annual periods beginning on or after January 1, 2013.

The IASB issued IFRS 11, "Joint Arrangements" to supersede IAS 31 "Interests in Joint Ventures" and SIC 13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers". The standard is intended to provide for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. This new standard is effective for annual periods beginning on or after January 1, 2013.

The IASB issued IFRS 12, "Disclosure of Interests in Other Entities". The standard specifies disclosure requirements for all forms of interests in other entities, including joint arrangements, special purpose vehicles, and other off-balance sheet vehicles. This new standard is effective for annual periods beginning on or after January 1, 2013.

The IASB issued IFRS 13, "Fair Value Measurement". The main provisions of the standard include defining fair value, setting out in a single standard a framework for measuring fair value, and specifying certain disclosure requirements about fair value measurements. This new standard is effective for annual periods beginning on or after January 1, 2013.

IAS 1 – Presentation of financial statements ("IAS 1") was amended by the IASB in June 2011 in order to align the presentation of items in other comprehensive income with US GAAP standards. Items in other comprehensive income will be required to be presented in two categories: items that will be reclassified into profit or loss and those that will not be reclassified. The flexibility to present a statement of comprehensive income as one statement or two separate statements of profit and loss and other comprehensive income remains unchanged. The amendments of IAS 1 are effective for annual periods beginning on or after July 1, 2012.

IAS 12 – "Income Taxes ("IAS 12") was amended in December 2010 to remove subjectivity in determining on which basis an entity measures the deferred tax relating to an asset. The amendment introduces a presumption that an entity will assess whether the carrying value of an asset will be recovered through the sale of an asset. The amendments to IAS 12 are effective for reporting periods beginning on or after January 1, 2012.

In October 2011, the IASB issued IFIC 20 – "Stripping Costs in the Production Phase of a Surface Mine". IFRIC 20 provides guidance on the accounting for the costs of stripping activity in the production phase of surface mining when two benefits accrue to the entity from the stripping activity: usable coal that can be sued to produce inventory and improved access to further quantities of material that will be mined in future periods. IFRIC must be applied starting January 1, 2013 with early adoption permitted.

Additional disclosure concerning CanAm's Accounting Policies is provided in the Company's Notes to the Consolidated Financial Statements, which is contained in its Consolidated Financial Statements for December 31, 2011. These financial statements can be found on CanAm's web site at www.canamcoal.com or through www.sedar.com.

Additional Data

Additional information relating to CanAm is filed on www.sedar.com

Summary of Outstanding Share Data as at April 27, 2012

(1) Authorized share capital:
Unlimited number of voting common shares
20,000,000 of non-voting preferred shares

(2) Shares issued and outstanding:
128,123,571 common shares outstanding with a recorded value of $17,885,408.

(3) Options outstanding:
9,775,000 options outstanding to purchase common shares at an exercise price of $0.10 – $0.25 with a weighted average of $0.17. These options expire 2012 – 2017.

(4) Warrants outstanding:
24,913,664 warrants outstanding to purchase common shares at an exercise price of $0.15 to $0.35 with a weighted average of $0.32. These warrants expire in 2012 - 2014.

Forward Looking Information

This management's discussion and analysis contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking information includes, but is not limited to, information concerning the business of CanAm Coal Corp. ("CanAm") and matters relating thereto. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Assumptions upon which such forward-looking information is based include factors and events that are not within the control of CanAm and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking information include changes in market conditions, variations in coal recovery rates, risks relating to international operations, fluctuating coal prices and currency exchange rates, changes in project parameters, the possibility of project cost overruns or unanticipated costs and expenses, labour disputes and other risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, the business of the companies not being integrated successfully or such integration proving more difficult, time consuming or more costly than expected. Although CanAm has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. CanAm undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by applicable securities laws.