



Grande Cache Coal Corporation

Suite 1610, 800 – 5th Avenue SW, Calgary, Alberta T2P 3T6
Tel: 403.543.7070 Fax: 403.543.7092 www.gccoal.com

February 24, 2010

Ms. Tara Zeller
Manager, Economic Development & Tourism
Town of Grande Cache
Box 300
Grande Cache, AB T0E 0Y0

Dear Tara,

Re: Economic Development Profile – Grande Cache Coal Corporation

Grande Cache Coal Corporation (GCC), an Alberta based company, was formed in 2000 for the purpose of reactivating coal mining in the Grande Cache area. In May 2004, GCC became a publicly traded company whose common shares are listed on the Toronto Stock Exchange, under the symbol "GCE". The Company's experienced team of coal professionals has developed a sustainable, long-term mining operation to produce premium, low volatile, metallurgical coking coal for export to the world steel industry. Coal production started in August 2004 and sales commenced in October 2004.

GCC has over 22,000 hectares of coal leases in the Grande Cache area with both underground and surface mining operations, each contributing about 50% of the saleable production over the next several years.

The Company holds No. 12 Lease, No. 7 Lease, No. 8 Lease and No. 16 Lease, which comprise the principal mineral properties forming the Project. No. 12 Lease, No. 8 Lease and No. 16 Lease cover the coal reserves to be mined from three surface mines designated No. 12S B2 Pit, No. 8 Pit and No. 16 East Pit. No. 7 Lease covers the coal reserve being mined at the No. 7 - 4 Underground Operation. The No. 12 Lease includes the coal reserve to be mined from the development of an underground mine designated as No. 12 South B2 Underground Operation. This underground operation is presently under regulatory review, with operations scheduled to begin in 2010.

GCC currently employs in excess of 500 employees and has plans to expand operations to meet the global demand for metallurgical coal. It is expected that there will be a steady increase in

produced tonnage over the foreseeable future and, to this end, an additional mining shovel and eight new 240 ton haul trucks have been purchased for commissioning in fiscal 2010.

Fiscal 2011 coal sales are projected at 2 – 2.2 million tonnes with average sales prices yet to be determined. GCC's quarterly and annual reports can be reviewed at www.gccoal.com

I trust the enclosed will satisfy the requirements for this quarter. Please contact me should you require any clarification.

Sincerely,
Grande Cache Coal Corporation



Tim Riordon, P. Eng.
VP, Mining