

NEWS RELEASE
January 30, 2012

VISTA BANKABLE FEASIBILITY STUDY PROVIDES BLUEPRINT FOR THE LARGEST EXPORT THERMAL COAL MINE IN NORTH AMERICA

Highlights:

- *Annual marketable coal production capacity of 11.2Mtpa, after ramp-up to full production, and a 30 year mine life on Vista at a 9.2:1 clean coal strip ratio*
- *Mine gate cash costs of C\$27.3/t in the initial 10 years of production and C\$34.4/t over life of mine*
- *Average Free-on-Board cash costs of C\$61.0/t in the initial 10 years of production and C\$68.1/t over life of mine*
- *Total development costs of C\$1,234 million required to reach full production capacity of 11.2Mtpa*
- *Utilizing free cash flow generated in the first phase of development reduces estimated peak funding to reach full capacity to C\$894 million*
- *Projected initial 10 year average annual operating cashflows (EBITDA) of C\$421Mpa and LOM average annual operating cashflows of C\$587Mpa*
- *After-tax NPV of C\$2.1 billion on Vista (at an 8% discount rate) using Wood Mackenzie long term thermal export coal price forecast*

CALGARY, Alberta: Coalspur Mines Limited (“Coalspur” or “Company”) (ASX: CPL, TSX: CPT) is pleased to announce the completion of a Bankable Feasibility Study¹ (“BFS”) on the Company’s flagship Vista Coal Project (“Vista”). The BFS follows a Pre-Feasibility Study (“PFS”) which was completed in December 2010 and is the final major technical study that will be completed prior to the start of construction on Vista. The BFS was undertaken by Snowden Mining Industry Consultants Inc. and a number of internationally recognized coal industry engineering firms. The BFS defined a 30 year mine life producing approximately 11.2 million tonnes per annum (“Mtpa”) of marketable clean coal from the processing of approximately 20.4Mtpa of run of mine (“ROM”) coal on Vista, after ramp-up to full production.

Commenting on the completion of the BFS, Managing Director and CEO, Gene Wusaty said “The positive results of the BFS confirm Vista’s potential as a first class export thermal coal project. The BFS includes a very detailed evaluation of Vista’s productive potential and a comprehensive assessment of the capital costs required to develop the mine. The growing demand for thermal coal in the Asian Pacific economies continues to support the underlying fundamentals required to proceed with the development of Vista. Vista is expected to also generate significant value for the Hinton region through job creation and infrastructure expansion. Following completion of the BFS Coalspur will now proceed to submit the final first phase regulatory applications and commence detailed engineering on Vista. These initiatives are expected to be completed in early 2013 with construction to immediately follow.”

¹A Bankable Feasibility Study is a comprehensive analysis of a project’s economics (+/- 15% precision) and is used by the banking industry for financing purposes.

CANADA

Suite 880 550 11th Ave SW
Calgary AB T2R 1M7

Telephone: +1 403 261 9997
Facsimile: +1 403 767 6378

AUSTRALIA

Level 1 28 Ord Street
West Perth WA 6005

Telephone: +61 8 6555 2945
Facsimile: +61 8 6210 1153

Coalspur Mines Limited
ABN: 73 003 041 594

TSX Code: CPT
ASX Code: CPL

Mr Wusaty further stated “With the completion of the BFS, the secured port allocation at Ridley Terminals and an MOU with CN Rail, Coalspur has been elevated into the top-tier of global export thermal coal developers. With an existing, high-quality logistics supply chain in place and compelling project economics, Coalspur is expected to become a strategic supplier of export thermal coal in the next few years which will enable our shareholders to capitalize on strong coal market dynamics.”

With the completion of the BFS, Coalspur will now focus on completing several initiatives that are expected to enhance the economics of the Vista Project and ensure that the timeline to production remains on schedule. These include evaluating the utilization of contractors for pre-strip and initial years of mining to reduce capital costs on mobile equipment on Vista, progressing project financing discussions with potential off-take partners, initiating detailed engineering on the Vista mine design, and submitting the final regulatory applications required to begin construction.

A summary of the key results from the BFS are summarized below in Table 1. The results are split into the first three decades of operations and include production metrics, operating costs and operating cash flows.

Table 1: Bankable Feasibility Study Production and Operating Cost Summary			
Mine Schedule	Years 1 – 10	Years 1 – 20	Years 1 – 30
Production Summary			
ROM Coal Production			
Val d’Or and McPherson Seams (Mt)	143.8	316.7	474.5
McLeod Seam (Mt)	24.7	55.8	90.3
Total ROM Coal Production (Mt)	168.5	372.6	564.8
Clean Coal Production			
Val d’Or and McPherson Seams (Mt)	82.6	182.8	274.0
McLeod Seam (Mt)	10.7	24.0	38.4
Total Clean Coal Production (Mt)	93.3	206.7	312.3
Strip Ratio			
ROM Strip Ratio	3.9:1	4.9:1	5.1:1
Clean Coal Strip Ratio	7.0:1	8.9:1	9.2:1
Operating Cost Summary			
Mine Gate Cost (C\$/t)	27.34	32.24	34.37
Rail & Port Costs (C\$/t)	33.69	33.69	33.69
Total Average Cash Operating Costs (C\$/t)	61.03	65.93	68.06
Average Annual Operating Cash Flows (C\$M)	420.7	537.2	587.4

For additional information, please contact:

Gene Wusaty

Managing Director and CEO

Telephone: +1 403 975 7901

Bankable Feasibility Study Key Results

Annual marketable coal production at full capacity of 11.2Mtpa and a 30 year mine life

- Annual marketable coal production, at full capacity, on Vista increased by 24% from the PFS to 11.2Mtpa
- The production increase is a result of an enhanced mine plan, improved clean coal yield and optimized infrastructure design
- The production forecast assumes the process plant will run at an average of 6,800 plant operating hours or at 78% net effective utilization over the life of mine

Proven and Probable Marketable Coal Reserve of 313Mt

- Engineering work completed as part of the BFS defined a Proven and Probable Marketable Coal Reserve of 313Mt from a Recoverable Coal Reserve of 566Mt
- The increase in Coal Reserves from the PFS is attributable to a larger pit limit, clean coal yield improvement and a refined mining and coal recovery plan
- The BFS mine schedule results in an initial 10 year clean coal strip ratio of 7.0:1 and LOM clean coal strip ratio of 9.2:1

Table 2: JORC / NI 43-101 Compliant Coal Reserves

Coal Seam	Recoverable Coal Reserve			Marketable Coal Reserve		
	Proven (Mt)	Probable (Mt)	Proven & Probable (Mt)	Proven (Mt)	Probable (Mt)	Proven & Probable (Mt)
Val d'Or and McPherson	429.3	45.9	475.2	248.5	26.5	275.0
McLeod	74.4	16.0	90.3	31.5	6.9	38.4
Coalspur Total Reserves	503.7	61.8	565.5	280.0	33.3	313.4

Note: Coal Reserve estimates effective December 13, 2011

Coal Quality

- Additional coal quality analysis was completed as part of the BFS. This resulted in a substantial increase in the overall clean coal yield to 55%, up from the previous estimate of 50% as outlined in the PFS
- The coal quality analysis included further testwork on the McLeod seam and confirmed its suitability for export thermal markets – this seam was previously thought suitable only for domestic market
- The coal quality analysis was thorough and supervised by a leading industry specialist. Testwork included a three tonne bulk sample, over 1,200 raw coal data points encompassing all regional areas in Vista and washability testing, clean coal analysis and attrition testing

Table 3: Life of Mine Clean Coal Yield Summary

Seam Clean Coal Yield	Bankable Feasibility Study	Pre-Feasibility Study
Val d'Or and McPherson Combined	57.7%	53.3%
McLeod	42.5%	33.8%
All Seams Combined	55.3%	49.8%
Clean Coal Product Split		
Val d'Or and McPherson Combined	87.7%	87.9%
McLeod	12.3%	12.1%

Competitive Economics

- Vista has the potential to achieve mine gate cash costs in the initial 10 years of production of C\$27.3/t and LOM costs of C\$34.4/t
- Free-on-board (“**FOB**”) cash costs of C\$61.0/t in the initial 10 years of production and C\$68.1/t over LOM
- Projected first phase development costs of C\$864 million and an incremental C\$370 million to reach full capacity of 11.2Mtpa in the second phase
- Utilizing free cash flow generated in the first phase of development reduces the estimated peak funding to reach full capacity to C\$894 million
- Incorporating forecast coal prices from Wood Mackenzie and a Canadian dollar to US dollar exchange rate of 0.94 resulted in an after-tax net present value (“**NPV**”) of C\$2,115 million
- Projected initial 10 year average annual operating cashflows (EBITDA) of C\$421 million per annum (“**Mpa**”) and LOM average annual operating cashflows of C\$587Mpa

Rail & Port

- Coalspur has progressed the transportation logistics required to export its high quality thermal coal to the Asian Pacific Rim countries, namely China, Japan and Korea
- Coalspur secured a landmark throughput agreement with Ridley Terminals Inc. (“**Ridley Terminals**”) for up to 8.5Mtpa of port allocation for up to 21 years
- The Company has executed a memorandum of understanding (“**MOU**”) with Canadian National Railway (“**CN Rail**”) under which they will develop a high-quality logistics supply chain from Vista to deep water ports on Canada’s west coast, including Ridley Terminals
- Coalspur will work to secure additional port capacity and negotiate a definitive transportation agreement with CN Rail over the coming year

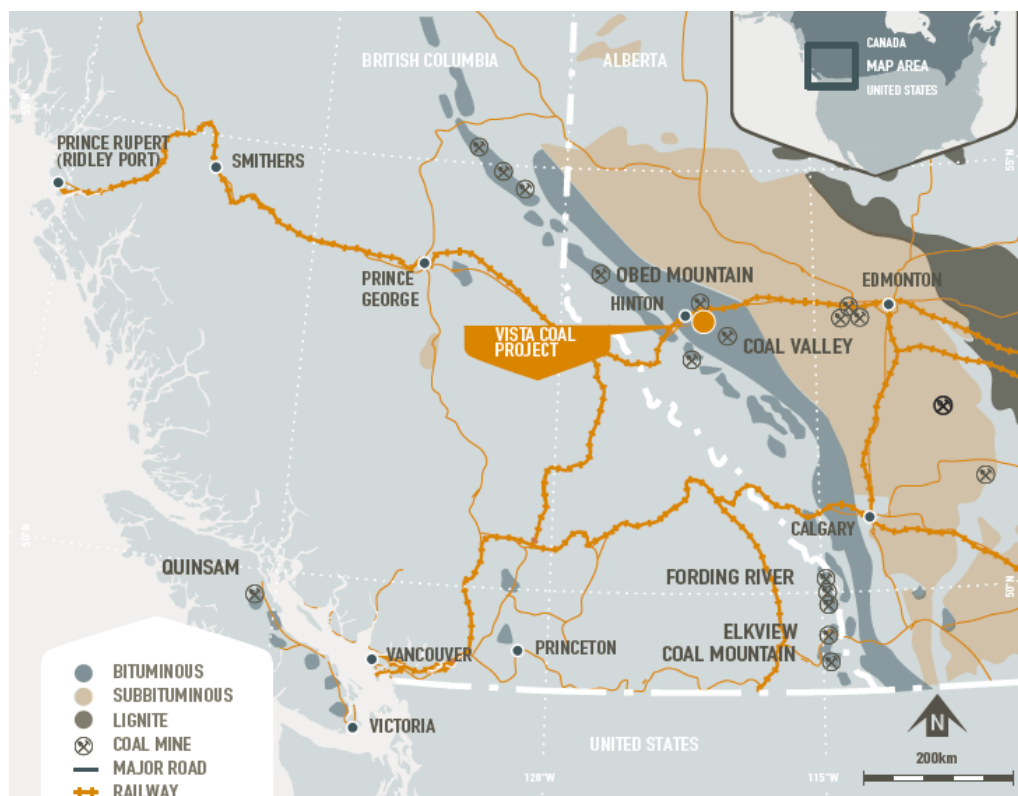


Figure 1: Vista Coal Project Location

Development Plan

- The development of the mine is planned in two phases to enable the Company to utilize the mine permit it received in May 2011 which covers the eastern half of Vista
- This phased approach enables Coalspur to improve development timelines and reduce the upfront capital required before achieving significant operating cashflows
- The first phase of Vista is planned to produce 5.0Mtpa with first production scheduled for early 2015
- Development of the first phase will include infrastructure components which will be capable of handling the additional production volumes from the second phase
- The second phase is scheduled to begin construction in 2015 and reach full capacity of 11.2Mtpa of marketable coal production in 2018

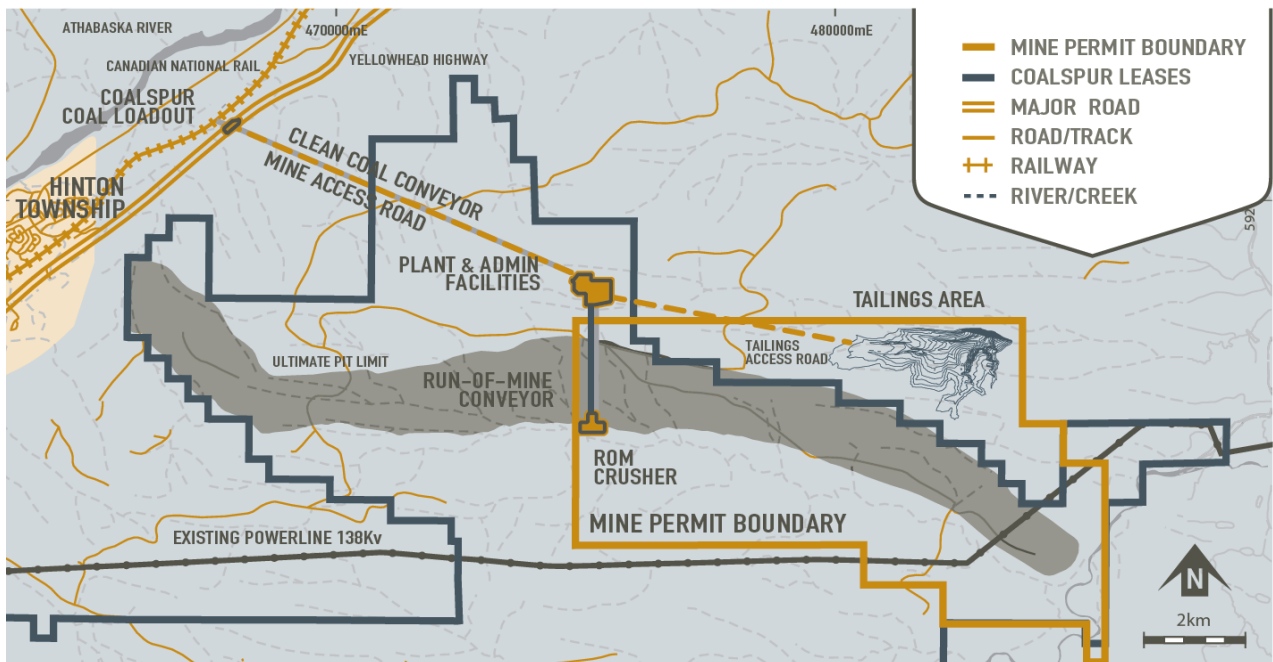


Figure 2: Vista Coal Project Mine Infrastructure

Operating Costs

The average mine gate operating costs are C\$27.3/t over the first 10 years of production and C\$34.4/t over LOM. Operating costs increase over time as the strip ratios and haul distances increase over the life of the mine. Mine gate costs are defined as the operating costs included in the mining process and include overburden & clean coal mining, coal handling & processing, and general & administrative costs.

The transportation costs represent the port allocation secured at Ridley Terminals and preliminary discussions with CN Rail. The average transportation charges are estimated to be consistent at C\$33.69/t over the life of the mine. The transportation costs have increased from the PFS due to increased costs for port allocation at Ridley Terminals.

The cash costs (excluding royalties) for various operating periods are summarized in Table 4.

Mine Schedule	Years 1 – 10 (C\$/t)	Years 1 – 20 (C\$/t)	Years 1 – 30 (C\$/t)
Coal & Waste Mining	21.98	27.00	29.10
Coal Handling & Processing	4.33	4.27	4.29
General & Administrative	1.03	0.97	0.98
Rail & Port	33.69	33.69	33.69
Total Average Cash Operating Cash Cost per Saleable Clean Tonne	61.03	65.93	68.06

The Alberta royalty system is comprised of a two tiered system with the first tier being a mine mouth royalty payable on 1% of mine mouth revenues from commencement of production. The second tier is a 13% royalty payable on mine mouth revenues, less allowable operating and sustaining capital costs, which is only payable after the initial capital expenditure has been repaid.

Capital Costs

Capital costs for the first phase of production are estimated at C\$864 million. These costs include all mining equipment, infrastructure and indirect costs required to handle the production volumes of 5.0Mtpa in the first phase and includes construction of infrastructure such as conveyors, coal loadout, processed fines area and ancillary buildings capable of handling the maximum production rates achieved in the second phase of development. Additional capital costs of C\$370 million are estimated to reach full production capacity of 11.2Mtpa. These capital costs include additional ROM coal handling equipment, a second process plant module and additional mining equipment.

During the first phase Vista is estimated to generate free cash flow which will be utilized to fund additional development costs required to reach full capacity and reduce the total net funding required. Furthermore, the Company is undertaking various initiatives to further reduce the capital required to develop and enhance the economics of Vista. These initiatives include evaluating the utilization of contractors for pre-strip and initial years of mining to reduce capital costs on mobile equipment and progressing project financing discussions with potential off-take partners. The utilization of mining contractors has the potential to substantially reduce the estimated C\$400 million for mobile equipment. Funds received from off-take partners would be used to fund development costs on Vista and further reduce project funding.

A summary of the capital costs are shown in Table 5.

Table 5: Bankable Feasibility Study Capital Cost Summary		
Item	Development Capital to First Production (C\$M)	Incremental Development Capital to Full Capacity (C\$M)
Site Development	48.3	4.5
Mining	209.1	224.3
Processing and Process Facilities	154.0	69.9
Processed Fines Storage Area	37.9	6.9
Load Out	102.7	-
Ancillary	28.3	5.7
Utilities	52.0	1.2
Construction Indirects	78.6	16.2
EPCM	43.9	18.2
Owners Costs	22.5	4.4
Contingency	86.2	19.0
Total Phase Capital Costs	863.5	370.3
Total Capital Costs to Full Capacity		1,233.8
Less: First Phase Projected Cash Flows		340.2
Peak Funding Required to Full Capacity		893.6

Coal Reserves and Resources

The Coal Reserve and Coal Resource estimates were prepared by independent consultants and are reported in accordance with the JORC Code (2004) and National Instrument 43-101 (“**NI 43-101**”). The Marketable Coal Reserve was determined as part of the mine planning portion of the BFS and is estimated to be 313Mt. This represents a 20% increase in the Marketable Coal Reserves over the 260Mt estimated in the PFS. The increased Marketable Coal Reserves are attributable to a larger pit limit, clean coal yield improvement and a refined mining and coal recovery plan.

Table 6: JORC / NI 43-101 Compliant Coal Reserves						
Coal Seam	Recoverable Coal Reserve			Marketable Coal Reserve		
	Proven (Mt)	Probable (Mt)	Proven & Probable (Mt)	Proven (Mt)	Probable (Mt)	Proven & Probable (Mt)
Val d’Or and McPherson	429.3	45.9	475.2	248.5	26.5	275.0
McLeod	74.4	16.0	90.3	31.5	6.9	38.4
Coalspur Total Reserves	503.7	61.8	565.5	280.0	33.3	313.4

Note: Coal Reserve estimates effective December 13, 2011

The Coal Resource estimate is based on the considerable drilling and exploration activities undertaken by Coalspur in 2010 and 2011 and also by Manalta Coal and Esso Resources in the 1980’s and 1990’s and prepared by respected Canadian independent technical consultants. The results are reported in accordance with the JORC Code (2004) and NI 43-101. The reported Coal Resource is inclusive of any Coal Resource converted to Coal Reserve. A small portion of the stated Coal Reserve (less than 1%) lies outside Coalspur’s lease boundary but within the mine permit area and are not included in the reported Coal Resource.

Table 7: JORC / NI 43-101 Coal Resources

	Measured (Mt)	Indicated (Mt)	Measured & Indicated (Mt)	Inferred (Mt)
Vista Coal Project	688.0	342.9	1,030.9	290.7
Vista South Coal Project	51.5	41.9	93.3	75.0
Coalspur Total Resources	739.5	384.8	1,124.2	365.7

Note: Vista Coal Project Coal Resource estimates effective January 26, 2012 and Vista South Coal Project Coal Resource estimates effective December 15, 2010

Coal Quality

As part of the BFS Coalspur completed additional comprehensive coal quality testing and analysis which finalized coal quality specifications and determined the clean coal yield on Vista. The quality testing demonstrated a substantial 11% improvement in the life of mine clean coal yield to 55% from 50%, as estimated in the PFS, and the identification of two separate coal products: Val d'Or and McPherson seams combined and McLeod seam, both now suitable for export markets.

The coal quality testing was carried out under the supervision of internationally recognized coal industry consultant Robert Leach. The program included extensive testing of data derived from 66 core holes and a three tonne bulk sample which was completed by Coalspur in September 2010. The core holes represent data from all regional areas of Vista and were completed by Coalspur and previous operators. Test work performed included raw coal testing for washing, drying, handling, and settling pond design as well as combustion testing on the clean coal product.

The key parameters that were used to conduct the coal quality testing are as follows:

- 1,200 raw coal entries encompassing all regional areas in Vista;
- Detailed washability reporting yield, ash and calorific value by density on 300 working sections;
- Detailed clean coal analysis on 200 working section simulated product samples; and
- 200 attrition tests (drop shatter and wet tumble) on both coal and stone samples to support washplant design studies.

The coal quality results confirmed that Vista will produce a high quality bituminous, low ash, low sulphur thermal coal. The primary product, which constitutes 88% of the Marketable Coal Reserve, is comprised of the Val d'Or and McPherson seams. The secondary product consists of the McLeod seam. The analysis resulted in a combined clean coal yield from the Val d'Or and McPherson seams of 57.7% at an average calorific value of 5,767Kcal/kg gross as received ("gar") basis (dense medium cutpoint 1.55 case). The McLeod seam averaged 42.5% yield at 5,410Kcal/kg gar basis (dense medium cutpoint 1.55 case).

Table 8: Bankable Feasibility Study Coal Quality Summary

Coal Characteristic	Val d'Or and McPherson Seams	McLeod Seam
Calorific Value kcal/kg (gar)	5,700 – 5,800	5,300 – 5,450
Total Moisture %	11.5 – 12.5	11.5 – 12.5
Ash Content % (gar)	9 – 11	14 – 16
Volatile Matter % (ad)	32 – 35	30 – 33
HGI (ad)	38 – 42	38 – 41
Total Sulphur % (ad)	0.30 – 0.40	0.30 – 0.40

Mining Method

Vista contains 22km of continuous, gently dipping coal seams which sub-crop near surface. This geological setting is amenable to low cost dragline and large truck and shovel mining methods. During the production ramp up stage large trucks and shovels will be utilized for waste stripping and coal mining and as production reaches full capacity large scale draglines will be introduced.

The clean coal strip ratio for first 10 years of production is 7.0:1 with a LOM clean coal strip ratio of 9.2:1. This represents an improvement from the PFS due to increased clean coal yields and an enhanced mining method.

Mine Schedule	Years 1 – 10	Years 1 – 20	Years 1 – 30
Waste Mined (Mbcm)	657.4	1,840.0	2,880.0
ROM Coal Production (Mt)	168.5	372.6	564.8
Clean Coal Production (Mt)	93.3	206.7	312.3
ROM Strip Ratio	3.9:1	4.9:1	5.1:1
Clean Coal Strip Ratio	7.0:1	8.9:1	9.2:1

Marston Canada Ltd. was responsible for the mine design and LOM plan for the BFS. Marston has extensive experience in successfully integrating draglines with large complex truck-shovel surface mining operations. The mine plan includes three mineable coal seams; Val d’Or, McLeod and McPherson. One saleable product will be comprised of the Val d’Or and McPherson seams combined and the second saleable product will consist of the McLeod seam.

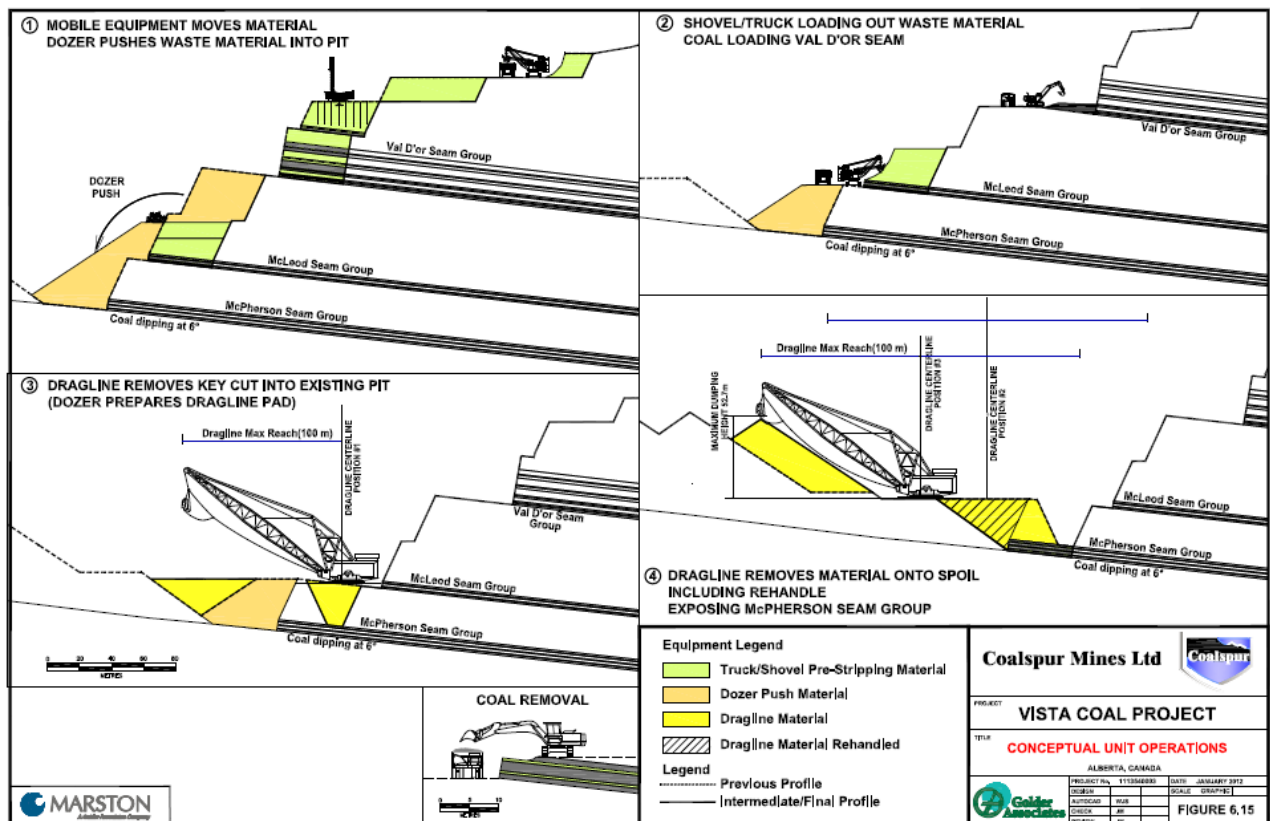


Figure 3: Vista Coal Project Mining Method

Manpower for the first phase will be approximately 400 and at full capacity manpower is estimated to grow to over 900. Manpower includes process plant, G&A, mine operations, mine maintenance, technical and senior management staff. Manpower estimates are based on the mine operating on two 12 hour shifts per day, seven days per week. The mine is scheduled to operate 355 days per year with allowances for statutory holidays and potential weather delays.

The mining fleet will comprise of draglines and truck/shovel combinations. The major equipment utilized over the life of the mine includes two 61m³ capacity draglines, 57m³ electric cable shovels, 177 and 363 tonne haul trucks and 350mm blast-hole drills. The mining approach is with 15m benches along the strike of the coal. In the first 20 years of production, waste dumps are located within an average 4.5km one-way haul distance with backfilling of the pit used where possible to reduce haul distances, and the average coal haul is within 5.0km. Coalspur will continue to investigate opportunities to reduce haul distances to minimize operating costs. After extraction, the ROM coal will be trucked to a crusher station from where it will be conveyed to the coal process plant to undergo beneficiation to meet final product specifications.

The BFS assumes that Coalspur is the owner/operator of all mining equipment. The Company is currently contemplating the utilization of a contractor to complete the waste mining to reduce capital requirements for mobile equipment. This strategy will be evaluated in the coming months as the Company prepares to commence construction on Vista.

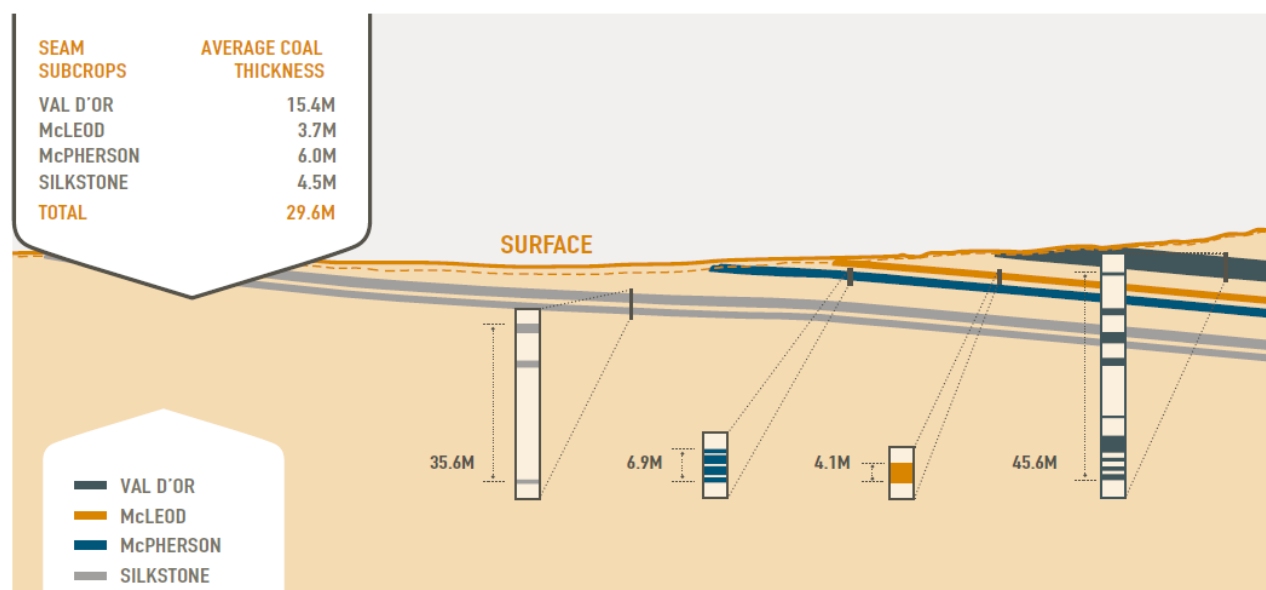


Figure 4: Vista Coal Project Typical Cross Section

Coal Processing and Handling

The raw coal handling area consists of two sub-areas, the ROM coal area, and the coarse coal handling area. ROM coal will be delivered from the mine and dumped into the twin dump ROM bin which has a capacity of 800 tonnes of ROM coal. ROM coal will be fed into a nominal 3,500 tonnes per hour (“tph”) apron feeder and a low speed twin roll primary sizer which is capable of handling sizes up to 1.2 x 1.2 x 2.0 m. The sized coal (350 mm nominal) will then be transferred to the coarse coal handling area.

The coarse coal handling area will consist of a low speed twin roll secondary sizer to further crush the coal (125 mm nominal). The coal will then be sent to twin tertiary sizers to further reduce the coal (50mm nominal) before transporting it into the coal processing plant.

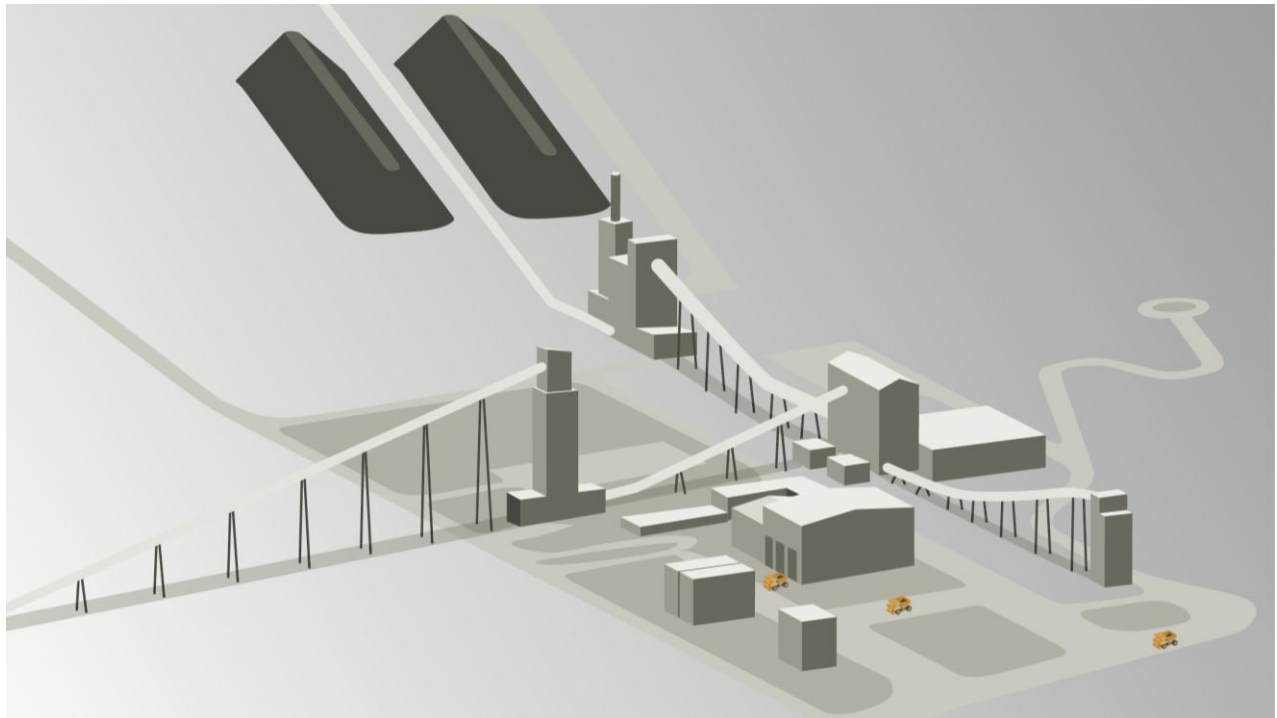


Figure 5: Vista Coal Project First Phase Processing Plant and Infrastructure Layout

The coal processing plant consists of two identical 1,500tph modules which have been designed for an average 55% yield on 20.4Mtpa ROM production utilizing 6,800 actual operating hours or at 78% net effective utilization.

Each plant module consists of three cleaning circuits. The nominal -50mm+2mm particles will be washed in large diameter dense medium cyclones with operating cut-point densities in the range of 1.40 to 1.70. Any coarse coal product will be dewatered in basket centrifuges.

Fine coal (nominally -2mm+0.2mm) will be washed in a combination of hindered bed separators (-2mm+0.2mm) and spirals (-0.75mm+0.2mm). The Company is evaluating options to decrease the wash window to 0.1mm for increased coal specifications. Dewatering of the fine coal products will occur in a combination of fine coal and screen bowl centrifuges.

Ultrafines (-0.2mm) will be rejected to waste unbeneficiated due to high ash content. Ultrafines will be thickened in a processed fines thickener with underflow pumped to a processed fines storage area.

Table 10: Bankable Feasibility Processing Plant Summary

	Clean Coal Production (Mtpa)	Average Clean Coal Yield	Run of Mine Production (Mtpa)	% of Run of Mine Tonnes	Annual Plant Operating Hours	Net Effective Utilization
Seam						
Val d’Or and McPherson	9.9	57.7%	17.1	84%	5,674	64%
McLeod	1.4	42.5%	3.3	16%	1,156	13%
BFS Total	11.2	55.3%	20.4	100%	6,830	78%
PFS Total	9.0	49.8%	18.0	-	7,438	85%

Two identical thermal dryers will be installed to reduce the surface moisture of the clean coal product prior to transportation by rail to the port. To reduce product moisture and increase calorific value, all -16mm product will be dried in a thermal dryer.

A clean coal storage and reclaim facility is located west of the preparation plant and is approximately 450m long x 171m wide. The area will consist of two linear stockpiles of 150,000 tonnes each for a total live storage of 300,000 tonnes to allow for effective management of the preparation plant and train load out facilities.

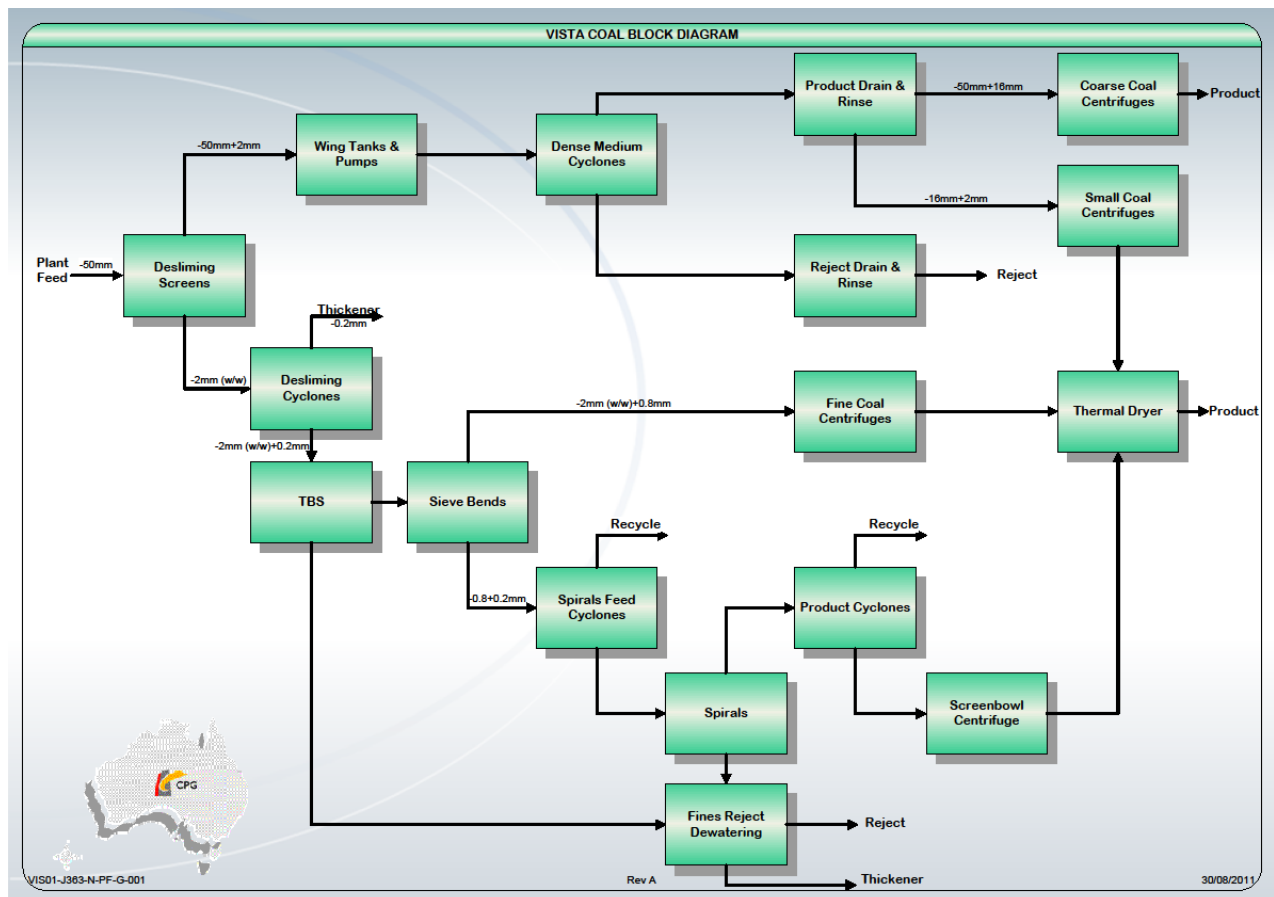


Figure 6: Vista Coal Project Preparation Plant Flowsheet

The clean coal is directed to the train load out system 7.4km away via an overland conveyor and load out conveyor. The train load out facility will be installed above the rail spur adjacent to CN Rail’s main line. At 11.2Mtpa of marketable coal production the load out facility will handle an average of 1.6 trains per day with each train designed to handle up to 175 cars with a potential train capacity of 19,250t. The capacity of the train load out facility is 3,500mtp and the expected direct loading time is approximately 5 hours.

Rail & Port

During the completion of the BFS Coalspur substantially completed the transportation logistics required to transport coal from Vista to Asian Pacific Rim markets. Coalspur executed an MOU with CN Rail which outlines the transportation of coal from Vista to deepwater ports on Canada's west coast. The MOU establishes the framework for an agreement that will accommodate Coalspur's plan to commence coal production in 2015 at a rate of approximately 2.3Mtpa before rising to 11.2 Mtpa in 2018. Coalspur has also secured a throughput agreement with Ridley Terminals. The agreement entitles Coalspur up to 6.0Mtpa of port allocation with an option for an additional 2.5Mtpa and has been structured to reflect the expected production profile of Vista. The port agreement has a 14 year term that commences in 2015 and includes an option to extend the term for an additional seven years.

CN Rail will transport the coal to Ridley Terminals in Prince Rupert, British Columbia which is approximately 1,200km from the mine site. The return cycle time for CN Rail from Vista to Ridley Terminals is approximately 5 days. Once the coal has been transported to Ridley Terminals it will be loaded onto cape size vessels for export to customers. The vessel sailing time from Ridley Terminals to Japan is approximately 11 days.

Coalspur will continue to evaluate additional port allocation opportunities and negotiate a definitive transportation agreement with CN Rail to secure the required capacity to transport all of the production from Vista to international markets.

Regulatory Process

The development of Vista is planned in two phases to enable the Company to utilize a mine permit it received in May 2011. This mine permit covers the eastern half of Vista, as shown in Figure 2 above, and will be the site of the first phase of development. First phase production is scheduled to begin in early 2015 and will have capacity to produce 5.0Mtpa of marketable coal. Following receipt of the regulatory approvals for the first phase Coalspur will initiate the approval process for the second phase of development which will bring Vista to its full capacity of 11.2Mtpa. This phased approach enables Coalspur to improve development timelines and reduce the upfront capital required before achieving significant operating cashflows.

Coalspur has made substantial progress on the regulatory applications required to begin construction on the first phase. The regulatory process includes public consultation, technical studies and applications to amend the mine permit and processing plant approval and obtain a mine licence and environmental approvals.

In November 2011 Coalspur hosted its third open house for the residents of Hinton and Yellowhead County which was well received and no new issues were identified from the discussions. During the open house the Company provided the attendees with an update on the development of Vista and allowed them to ask questions and provide feedback. Coalspur will continue to conduct additional open house sessions and other meetings throughout the regulatory process.

During the design component of the BFS, Coalspur optimized the locations for several components of the mine infrastructure on Vista. These changes to the project plan require approval from the Energy Resources Conservation Board in order to amend the existing mine permit and coal processing plant approval, which were granted to Coalspur in May 2011. The changes to the project plan include the coal processing plant location, rail loadout facility, clean coal storage facility, main road access and overland conveyor structure route and the increase in the clean coal production rate in the first phase to 5.0 Mtpa.

The Company is required to submit mine license and environmental impact assessment applications for approval before it can begin construction on Vista. The mine license application outlines the detailed mine plan, which was completed as part of the BFS, including water

management and reclamation components. The environmental impact assessment incorporates detailed baseline environmental data and will include the analysis and assessment of the environmental effects of proposed mining and construction activities. Coalspur is progressing these applications and remains on track to submit them during the quarter ending March 31, 2012. The Company expects to receive all regulatory approvals needed to commence construction in the quarter ending March 31, 2013.

BFS Consortium

The BFS was managed by Snowden Mining Industry Consultants (“**Snowden**”) and completed by a number of internationally recognized consultants engaged by the Company.

Table 11: Bankable Feasibility Study Consultants

Consultant	Responsibility
Snowden Mining Industry Consultants Inc., a subsidiary of Downer EDI Limited	Overall Project Manager
Marston Canada Ltd.	Mine Engineering
CPG Resources – QCC Pty Ltd, a subsidiary of Downer EDI Limited	Processing Plant / Thermal Dryer
CWA Engineers Inc.	Infrastructure Design
Klohn Crippen Berger Ltd.	Geotechnical

Snowden – Overall Project Manager

Snowden was selected to act as the overall project manager on the BFS given their proven track record in providing clients with the information and solutions necessary to optimize their investment in the resources sector. Snowden was responsible for the overall project management, financial analysis and creation of the NI 43-101 compliant BFS documentation. Snowden has 24 years of international experience in providing consulting services, technology solutions and technical training to the mining and related sectors. In the last four years Snowden has completed feasibility studies on three large scale coal projects located in South Africa, Mozambique and New Zealand. Throughout their involvement in the BFS Snowden utilized a select project management team comprised of Canadian based geologists and mine engineers who have experience designing and managing open pit coal mines in both North and South America.

Marston Canada Ltd. (“Marston”) – Mine Engineering

Marston is a full-service international geological and mining consulting firm that brings over 30 years of corporate experience in geologic and mine modelling, design, engineering and management experience. Marston brings relevant recent experience in successfully integrating draglines with large complex truck-shovel operations. Their worldwide experience and includes projects in North America, Australia and South Africa. Marston was responsible for the mining engineering aspects of the BFS as well as support for the mine license application.

CPG Resources – QCC Pty Ltd (“QCC”), a subsidiary of Downer EDI Limited – Processing Plant and Thermal Dryer Design

QCC participated in the BFS on the basis of their diligence and expertise that they demonstrated during the work they performed on the PFS. QCC’s responsibilities in the BFS included the assurance that the clean coal products will meet the required specifications of future customers. QCC worked closely with CWA on all of the material handling and infrastructure aspects of the BFS. QCC has had significant involvement with a large number of operational and feasibility studies for other coal deposits in Australia, New Zealand, South Africa, Indonesia, Bangladesh, China, Mongolia and Russia.

CWA Engineers Inc. (“CWA”) – Infrastructure Design

CWA is a consulting engineering and project management firm with a track record of successfully delivering multi-discipline engineering projects in Canada. CWA’s expertise includes feasibility studies and full service project and construction management. CWA has recent engineering and construction experience in the coal fields of northeast British Columbia and brings significant Canadian cold weather experience. CWA was responsible for all infrastructure design and the raw and clean coal handling, stockpiling, reclaim systems and provided input to all of the QCC designs.

Klohn Crippen Berger Ltd. (“KCB”) – Geotechnical

KCB has 30 years of experience in coal mining projects in Western Canada and has established offices in Calgary and Edmonton, Alberta. KCB was responsible for all geotechnical aspects of the BFS, including foundation design for infrastructure, the processing facility, and waste rock disposal sites, as well as dragline stability and open-pit highwall design and monitoring criteria. KCB was also responsible for pit wall and footwall dewatering design, process water supply, storage and recycle design, site water management design, and a sustainable water management plan for mine closure.

For further information on the Bankable Feasibility Study please refer to the technical report on the Vista Coal Project titled “Coalspur Mines Limited: Feasibility Study of the Vista Coal Project, Hinton, Alberta” dated January 26, 2012 which is available on the Company’s website at Coalspur.com and on SEDAR at sedar.com.

Table 12: Clean Coal Specifications

		Combined Val d'Or and McPherson Seams	McLeod Seam
Total Moisture %		11.5 – 12.5	11.5 – 12.5
Ash %	gar	9 – 11	14 – 16
Calorific Value Kcal/Kg	gar	5,700 – 5,800	5,300 – 5,450
Calorific Value Kcal/kg	daf	7,400 – 7,500	7,450 – 7,550
Proximates			
Air Dried Moisture %	ad	6 – 7	6 – 7
Ash %	ad	10 – 12	15 – 17
Volatile Matter %	ad	32 – 35	30 – 33
Volatile Matter %	daf	39 – 42	39 – 42
Total Sulphur %	ad	0.30 – 0.40	0.30 – 0.40
Ash Fusion Reducing			
Initial Deformation Temp °C	d	1,210 – 1,260	1,210 – 1,260
Flow Temp °C	d	1,440 – 1,480	1,440 – 1,480
Ultimates			
Carbon %	daf	77 – 79	77 – 79
Hydrogen %	daf	4.8 – 5.2	4.8 – 5.2
Nitrogen %	daf	1.05 – 1.15	1.05 – 1.15
Sulphur %	daf	0.35 – 0.45	0.35 – 0.45
Oxygen %	daf	14 – 15.5	14 – 15.5
HGI	ad	38 – 42	38 – 41
Ash Chemistry (Oxides in Ash %)			
Silicon	d	55 – 62	60 – 76
Aluminium	d	18 – 21	18 – 21
Iron	d	4 – 6	2 – 5
Calcium	d	6 – 8	4 – 6
Sodium	d	1.8 – 2.2	1.8 – 2.2

ad – air dry basis

d – dry basis

daf – dry, ash free basis

gar – gross as received basis

About Coalspur

Coalspur Mines Limited ("Coalspur" or "Company") is a coal exploration and development company with approximately 40,600 hectares of coal leases located within the Hinton region of Alberta, Canada. Coalspur's flagship coal project is the Vista Coal Project ("Vista") which has the potential to be the largest export thermal coal mine in Canada.

Vista covers approximately 10,000 hectares and contains over 20km of continuous gently dipping strike length and a Measured and Indicated Coal Resource base of 985 million tonnes of low sulphur, high volatile bituminous, export quality thermal coal. Vista is able to leverage off already established first world infrastructure, with CN Rail facilities located adjacent to Vista that are substantially underutilised and provide a rail track suitable for the transport of coal to deepwater ports that already service the growing demand from the Asian Pacific Rim countries, including China, Japan and Korea.

Coalspur has offices in Calgary and Hinton in Canada as well as in Australia. The Company is dual listed on the Toronto Stock Exchange ("TSX") under the symbol "CPT" and on the Australian Securities Exchange ("ASX") under the symbol "CPL".

Regulatory Disclosures

For further information regarding the Vista Coal Project and Vista South Coal Project, including a description of Coalspur's quality assurance program, quality control measures, the geology, samples collected and testing procedures in respect of the projects, please refer to the technical report on the Vista Coal Project titled "Coalspur Mines Limited: Feasibility Study of the Vista Coal Project, Hinton, Alberta" dated January 26, 2012 and the technical report on the Vista South Project titled "Resource Estimate for the Vista South Coal Property" dated December 15, 2010, which are compliant with National Instrument 43-101 – "Standards of Disclosure for Mineral Projects" ("NI 43-101") and are available for review on SEDAR at sedar.com.

Competent Person / Qualified Person Statements

The information in this news release that relates to Coal Resources on the Vista Coal Project, mining engineering, Recoverable Coal Reserves, mining capital costs and mining operating costs is based on information compiled by Mr. Jim McQuaid, who is a Member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta. Mr. McQuaid is a full-time employee of Marston Canada Ltd., who are consultants to Coalspur. Mr. McQuaid has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a "Competent Person" as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("**JORC Code**"), and a "Qualified Person" under NI 43-101. Mr. McQuaid has approved and consents to the inclusion of such information in this news release in the form and context in which it appears.

The information in this news release that relates to coal quality and process yield estimates to derive Marketable Coal Reserves is based on information compiled by Mr. Robert Leach, who is a Member of AusIMM. Mr. Leach is a full-time employee of Bob Leach Pty Ltd, and is a consultant to Coalspur. Mr. Leach has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a "Competent Person" as defined in the 2004 Edition of the JORC Code, and a "Qualified Person" under NI 43-101. Mr. Leach consents to the inclusion of such information in this news release in the form and context in which it appears.

The information in this news release that relates to operating costs and capital costs related to coal crushing, coal handling, and infrastructure is based on information compiled by Mr. Mark Malacek, who is a Member of the Association of Professional Engineers and Geoscientists of British Columbia. Mr. Malacek is a full-time employee of CWA Engineers Inc., who are consultants to Coalspur. Mr. Malacek has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a "Competent Person" as defined in the 2004 Edition of the JORC Code, and a "Qualified Person" under NI 43-101. Mr. Malacek consents to the inclusion of such information in this news release in the form and context in which it appears.

The information in this news release that relates to economic financial analysis is based on information compiled by Mr. Paul Franklin, who is a Member of the Association of Professional Engineers and Geoscientists of Saskatchewan. Mr. Franklin is a full-time employee of Snowden Mining Industry Consultants Inc., who are consultants to Coalspur. Mr. Franklin has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a "Competent Person" as defined in the 2004 Edition of the JORC Code, and a "Qualified Person" under NI 43-101. Mr. Franklin has approved and consents to the inclusion of such information in this news release in the form and context in which it appears.

The information in this news release that relates to coal crushing, handling, processing and thermal drying is based on information compiled by Mr. Gordon Mudryk, who is a Member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta. Mr. Mudryk is a full-time employee of Coalspur. Mr. Mudryk has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a "Competent Person" as defined in the 2004 Edition of the JORC Code, and a "Qualified Person" under NI 43-101. Mr. Mudryk has approved and consents to the inclusion of such information in this news release in the form and context in which it appears.

The information in this news release that relates to Coal Resources on Vista South is based on information compiled by Mr. John Innis, who is a Member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta. Mr. Innis is a full-time employee of Coalspur. Mr. Innis has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a "Competent Person" as defined in the 2004 Edition of the JORC Code, and a "Qualified Person" under NI 43-101. Mr. Innis has approved and consents to the inclusion of such information in this news release in the form and context in which it appears.

All other scientific and technical information in this news release is based on information compiled by Mr. Eugene Wusaty, who is a Member of the Association of Professional Engineers and Geoscientists of Alberta. Mr. Wusaty is a full-time employee of Coalspur. Mr. Wusaty has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a "Competent Person" as defined in the JORC Code, and a "Qualified Person" under NI 43-101. Mr. Wusaty has approved and consents to the inclusion of such information in this news release in the form and context in which it appears.

Forward Looking Statements

This news release contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the development of Vista, the Company's Pre-Feasibility Study and Bankable Feasibility Study, the mine plan, drilling programs, time lines and completion dates, permits and approvals, business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, studies, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'will', 'expect', 'potential', 'outlook', 'anticipate', 'project', 'target', 'likely', 'believe', 'estimate', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'plan', 'forecast', "evolve" or variations of such terms and similar expressions. Persons reading this news release are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Such factors include, without limitation, inherent uncertainties and risks associated with mineral exploration; uncertainties related to the availability of future financing necessary to undertake activities on the Company's properties; uncertainties related to general economic conditions; uncertainties related to global financial conditions; risks related to the integration of businesses and assets acquired by the Company; risks associated with the Company having no history of earnings or production revenue; uncertainties related to the possible recalculation of, or reduction in, the Company's mineral reserves and resources; uncertainties related to the outcome of studies to be undertaken by the Company; uncertainties relating to fluctuations in coal price; the risk that the Company's title to its properties could be challenged; risks related to the Company's ability to attract and retain qualified personnel; uncertainties related to the requirement for ministerial approval for a change of control of the Company; risks relating to consultation with the public and aboriginal groups; uncertainties related to the competitiveness of the mineral resource industry; risks associated with the Company being subject to government regulation, including changes in regulation; risks associated with the Company being subject to environmental laws and regulations, including a change in regulation; risks associated with the Company's need for governmental licenses, permits and approvals; uninsured risks and hazards; risks associated with fluctuations in foreign exchange rates; risks related to default by joint venture parties, contractors and agents; inherent risks associated with litigation; risks associated with potential conflicts of interest; risks related to effecting service of process on directors resident in foreign countries; uncertainties related to the Company's limited operating history; risks related to the Company's lack of a dividend history; risks relating to short term investments; and uncertainties related to fluctuations in the Company's share price. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

In making the forward-looking statements the Company has applied several material assumptions which may prove to be incorrect, including, but not limited to, (1) that all required third party approvals will be obtained for the development, construction and production of its properties, (2) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment or otherwise; (3) permitting, development and expansion proceeding on a basis consistent with the Company's current expectations; (4) currency exchange rates being approximately consistent with current levels; (5) certain price assumptions for coal; (6) production forecasts meeting expectations; (7) the accuracy of the Company's current mineral resource and reserve estimates; (8) labour and materials costs increasing on a basis consistent with the Company's current expectations; (9) that any additional required financing will be available on reasonable terms; and (10) assumptions made and judgments used in engineering and geological interpretation.

There can be no assurance that forward looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking statements.

The Company disclaims any intent or obligation to update or revise any forward-looking statements whether as a result of new information, estimates or options, future events or results or otherwise, unless required to do so by law.