



ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE: 20 APRIL 2010

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## PLACEMENT TO STRATEGIC INVESTOR TO RAISE \$30 MILLION

*The Board of Coalspur Mines Limited (“Coalspur” or “Company”) is pleased to announce that it will make a placement to the Highland Park Group (“Highland Park”) who will become a strategic investor in the Company. The placement will significantly strengthen the Company’s financial position as well as provide access to Highland Park’s substantial resource management skills and also greatly assist in lifting the Company’s profile in North American markets. Funds from the placement will enable the Company to accelerate the development of its Hinton Coal Project (“Project”) based in Alberta, Canada and pursue related new business development opportunities.*

*The key investors in Highland Park (“Highland Park Investors”) include the original founders and former executives of Toronto based LionOre Mining International Limited (“LionOre”). LionOre was acquired in 2007 for US\$6.3 billion by Norilsk Nickel. The Highland Park Investors have successfully invested in and supported the development of Mantra Resources Limited (ASX:MRU; TSX:MRL) (“Mantra”) and Mirabela Nickel Limited (ASX:MBN; TSX:MNB) (“Mirabela”). Since the making of these investments, each of these companies has greatly advanced their projects and seen a significant increase in their market capitalisations.*

*The Board is delighted to have Highland Park as a strategic investor and has invited Mr Colin Steyn, previously CEO of LionOre, to join the Board of Coalspur. Mr Steyn was a Director of LionOre from 1998 and was appointed President and Chief Executive Officer in 1999. Prior to this, Mr Steyn was Executive Director in charge of metallurgical operations in Zimbabwe for Rio Tinto. Mr Steyn holds an MBA from Cranfield University, UK and is currently a Director of Mantra and Mirabela. Other Highland Park Investors will also provide advice on strategic issues and growth opportunities and Highland Park and or its nominees will ultimately have an approximate 18% interest in the Company (on a fully diluted basis).*

*The placement will involve an equity issue of 60.0 million shares at \$0.50 each to Highland Park and or its nominees to raise a total of \$30.0 million. The shares will be issued in two tranches as follows:*

- 1. Subject to shareholder approval, the first tranche will consist of 45.0 million shares and 22.5 million free attaching listed options on a one for two basis (on the same terms as existing listed options) to raise \$22.5 million on issue; and*
- 2. Subject to the necessary approvals, at Highland Park’s election for the purposes of Coalspur funding future business development opportunities, the second tranche will consist of a further 15.0 million shares and 15.0 million free attaching unlisted options on a one for one basis (each exercisable at \$0.70 on or before 31 December 2012) to raise an additional \$7.5 million on issue.*

*Commenting on the transaction, Mr Gene Wusaty, Managing Director and CEO of Coalspur, said: “We are extremely pleased to have attracted a strategic investor of Highland Park’s calibre. They have a proven track record in assisting the development and financing of mines and will provide us with a significantly enhanced profile in Canada and other Northern Hemisphere markets. Their marketing and investor relation activities will be invaluable to us ahead of a probable Coalspur TSX listing later this year.”*

*“Funds raised from the placement will put us in a strong financial position and allow Coalspur to expedite development of its existing Canadian coal assets and provide us with the ability to pursue related coal acquisitions. We also gain the demonstrated marketing and development expertise of Mr Colin Steyn, who will join our Board, and the other Highland Park investors. Importantly, the Company has been able to secure Highland Park as a strategic investor while maintaining 100% of the off-take and marketing rights of our projects.”*

*Coalspur is an emerging coal exploration and development company with offices in Canada and Australia and recently completed a positive Scoping Study which confirms the economic viability of the Company’s Project located in the eastern foothills of the Rocky Mountains in Alberta, Canada. The Company is currently completing Coal Resource estimates on its recently acquired Coalspur Project leases with the aim of incorporating them into a larger consolidated new mine plan, following which the Company plans to commence feasibility studies.*

*Further details regarding the transaction will be included in a Notice of General Meeting to be sent to shareholders shortly.*

*Enquiries:*

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