



## NEWS RELEASE

March 29, 2012

# COALSPUR INCREASES PORT ALLOCATION AT RIDLEY TERMINALS UP TO 13.5MTPA

### Highlights:

- *Coalspur secures additional throughput allocation with Ridley Terminals for up to 5.0Mtpa*
- *Coalspur has now contracted up to 13.5Mtpa of throughput allocation which satisfies the port requirements for Vista*
- *Excess port capacity expected to be utilized through production enhancements at Vista that are currently underway as part of the ongoing project engineering*

**CALGARY, Alberta: Coalspur Mines Limited (“Coalspur” or “Company”) (ASX: CPL, TSX: CPT)** is pleased to announce that it has reached a second agreement with Ridley Terminals Inc. (“**Ridley Terminals**”) on terms for the shipment of export thermal coal from Coalspur’s Vista Coal Project (“**Vista**”) for an additional 5.0Mtpa. Subject to requisite Government approvals for the addition of a fourth stacker / reclaimer at Ridley Terminals, the second agreement provides for 4.0Mtpa to be supplied from an incremental expansion at Ridley Terminals that will increase capacity from 25.0Mtpa to 30.0Mtpa. This expansion is expected to be approved during 2012. In addition, pursuant to the second agreement, Ridley Terminals has granted Coalspur an option for an additional 1.0Mtpa from the current expansion plan at Ridley Terminals.

This follows an earlier agreement with Ridley Terminals, which was announced in October 2011, which entitles Coalspur to 8.5Mtpa of port allocation and contains similar commercial terms. Coalspur now has committed port allocation of 10.0Mtpa and an option for up to a further 3.5Mtpa which satisfies the port allocation required for Vista and allows for additional throughput.

Commenting on the port agreement with Ridley Terminals, Gene Wusaty, Managing Director and CEO, said “This additional port allocation is a significant achievement for Coalspur as it fully satisfies the port requirements for Vista and allows for production optimization at Vista and future development opportunities. We are confident that a portion of the excess port capacity will be utilized through production enhancements at Vista that are currently underway as part of the ongoing engineering. We believe we are in a unique position amongst coal development companies worldwide with our fully committed port allocation at an existing facility and access to underutilized rail capacity.”

### Ridley Terminals

Ridley Terminals is a Canadian Federal Crown Corporation that is located in Prince Rupert, British Columbia. Ridley Terminals is the most northern deepwater port in North America and has the ability to handle capesize vessels up to 250,000 deadweight tonnage. Currently handling capacity is 12 million tonnes which is undergoing an expansion to 25 million tonnes. The facility is serviced by the Canadian National Railroad and is well positioned to handle coals from a variety of North American origins.

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## **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 provides a large scale, surface mineable, thermal coal project. Vista has the advantage of leveraging off of established first world infrastructure with CN Rail's main line located adjacent to Vista which is substantially underutilised and provides a rail line suitable for the transport of coal to deepwater ports on Canada's west coast. Coalspur has also secured a port allocation agreement with Ridley Terminals Inc. which is essential to the logistics supply chain necessary to export coal from Vista to the growing demand from the Asia Pacific Rim countries, including China, Japan, and Korea.

A feasibility study was completed on Vista in January 2012, which defined a 30 year mine plan with forecast annual production capacity of 11.2Mtpa. Marketable Coal Reserves on Vista are 313Mt from a Recoverable Coal Reserve of approximately 566Mt. Initial development costs for Vista are expected to be ~C\$860 million with an additional ~C\$370 million required to reach full capacity.

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](http://sedar.com).

### **Competent Person / Qualified Person Statements**

The information in this news release that relates to Recoverable Coal Reserves and mining capital costs, is based on information compiled by Mr. David Leslie, who is a Member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta. Mr. Leslie is a full-time employee of Coalspur. Mr. Leslie 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. Leslie 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. 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 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 Report 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 Report 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 option for additional allocation at Ridley Terminals, the utilization of the allocation at Ridley Terminals, the development of Vista, the Company's 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.*