

ASX RELEASE

June 14, 2011

FURTHER RESOURCE UPGRADE ON VISTA COAL PROJECT

Highlights:

- **Coal Resource on the Vista Coal Project (“Vista”) increased by 87.2Mt to 1.29Bt**
- **Total Measured and Indicated Resources of Coalspur increased to 1,078.7Mt of which 710.2Mt is in the Measured Coal Resource category**
- **New drill hole information will be incorporated into the current Bankable Feasibility Study (“BFS”) and revised Coal Reserve estimates**
- **Future drilling on Vista to focus on further definition of the McPherson, Val d’Or and McLeod seams and the delineation of the Silkstone seam on the north eastern section of the deposit**

PERTH, Western Australia: Coalspur Mines Limited (“Coalspur” or “Company”) (ASX: CPL, TSX: CPT) is pleased to announce a Coal Resource upgrade of 87.2 million tonnes (“Mt”) on Vista. This increases the Company’s total Coal Resource to 1.46 billion tonnes (“Bt”).

Commenting on the Coal Resource upgrade on Vista, Managing Director and CEO, Gene Wusaty said “The update provides further confirmation that the resource base at Vista can support the development of one of the largest export coal projects in North America. As the Bankable Feasibility Study progresses we will reassess the reserve potential of each of the coal seams in the Coalspur formation and optimize the productive capacity of Vista.”

Table 1: JORC Coal Resources

	Measured (Mt)	Indicated (Mt)	Measured & Indicated (Mt)	Inferred (Mt)	Measured, Indicated & Inferred (Mt)
Vista Coal Project	658.7	326.7	985.4	304.6	1,290.0
Vista South Coal Project	51.5	41.9	93.3	75.0	168.3
Coalspur Total Resource	710.2	368.6	1,078.7	379.6	1,458.3

The current Coal Reserve estimate for Vista is 260.1Mt and includes mineable coal from the McPherson, Val d’Or and McLeod seams. The Coal Reserve estimate will be reassessed when a revised mine plan is completed as part of the current BFS.

The Coal Resource estimate upgrade on Vista was based on the following factors:

- inclusion of an additional 49 drill holes in the geological model which includes 29 locations drilled by Coalspur (totalling 1,857m) and 20 locations previously drilled by other operators (totalling 1,583m);

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- addition of the Silkstone seam in the south eastern portion of Vista, which underlies the McPherson seam. In the previous Coal Resource estimate the inclusion of the Silkstone seam was limited to the central portion of Vista; and
- increase in the geological boundary area to include the 1,200 hectares of coal leases recently acquired from the Alberta Government.

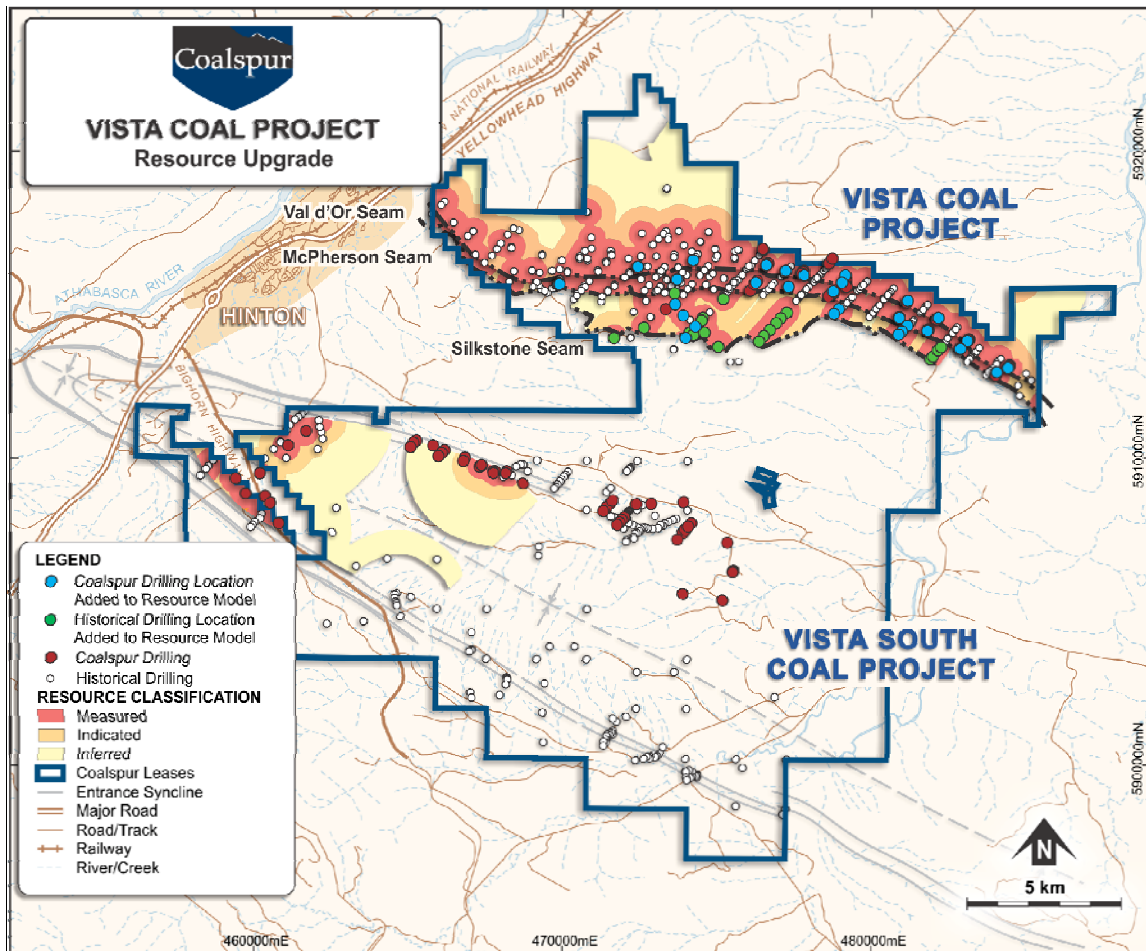


Figure 1: Vista Coal Project Resources

Vista Coal Resource Upgrade

The preparation of the Coal Resource estimate was undertaken by Moose Mountain Technical Services, (“**MMTS**”) in accordance with the JORC Code (2004) and National Instrument 43-101 (“**NI 43-101**”). MMTS has had a long association with coal properties in the Hinton region and are considered to be amongst the most respected coal experts in Western Canada. MMTS has an extensive client base of major coal companies including Teck Cominco, Mitsui, Western Canadian and Anglo Pacific.

Since early 2009, MMTS has prepared numerous independent technical reports for Coalspur in relation to the Vista Coal Project and has been retained to assist in the BFS and the determination of the revised Coal Resource estimate.

The key parameters that MMTS used to conduct the Vista Coal Resource upgrade are as follows:

- The Coal Resource is defined from four coal seams (Val D'or, McLeod, McPherson and Silkstone) that have a cumulative coal thickness of approximately 30m;
- The four coal seams which comprise the Coal Resource have a dip to the northeast ranging from 4° – 15°, which has resulted in the Coal Resource being defined within a 10.28:1 strip ratio pit (modelled using a 20:1 incremental cut-off strip ratio);
- A modelled pit using 45° walls and set up such that only coal within the Company's Leases is mined; and
- A minimum mineable seam thickness of 0.5m and a minimum removable parting thickness of 0.3m (partings less than 0.3m are included with the coal seam).

The Coal Resources of the Company now total approximately 1.46Bt of low sulphur, high volatile bituminous, export quality thermal coal with resources on Vista accounting for 1.29Bt and the Vista South Coal Project ("**Vista South**") accounting for 168.3Mt. Further drilling is planned in the coming months to further delineate the geology of Vista South and to test for extensions to the South East of the deposit.

For additional information, please contact:

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Table 2: Additional Drill Holes Added to Database

Drill hole	UTM-N	UTM-E	Elevation	Length	Cum. Thickness*
CPM10-17A	5915775	479122	1239	164	29
CPM10-50	5915018	473648	1197	79	3
CPM10-51	5914676	473924	1218	79	3
CPM10-52	5913912	473963	1229	104	2
CPM10-56	5914825	478934	1171	61	3
CPM10-57	5913982	480841	1146	73	2
CPM10-58	5914091	480938	1155	73	4
CPM10-60	5914283	481109	1169	92	4
CPE10-06C	5915826	473706	1213	68	11
CPE10-07C	5916448	474232	1236	55	18
CPM10-03C	5915717	476235	1208	55	12
CPM10-05C	5916297	476597	1252	65	17
CPM10-08C	5915587	477316	1213	56	12
CPM10-10C	5916019	477740	1244	49	16
CPM10-15C	5915407	478767	1210	67	11
CPM10-18C	5915832	479168	1240	70	18
CPM10-21C	5914585	480897	1189	57	11
CPM10-23C	5915126	481179	1194	56	15
CPM10-27C	5914175	481834	1169	54	11
CPM10-29C	5914578	482167	1181	59	17
CPM10-33C	5913560	482869	1175	52	7
CPM10-35C	5913850	483145	1187	56	15
CPM10-39aC	5912678	484011	1157	40	7
CPM10-40C	5912937	484413	1158	37	14
CPM10-45Cb	5916106	477218	1245	48	16
CPM10-53C	5914287	474302	1222	41	4
CPM10-55C	5914668	478793	1173	39	5
CPZ10-02C	5915755	469884	1260	51	10
CPZ10-06C	5916242	472434	1228	61	18
AP72-01	5914029	474227	1220	61	5
AP72-02	5914229	474378	1223	70	3
AP72-03A	5914478	474529	1213	70	3
MR81-180	5914823	477234	1192	136	3
MR81-181	5914672	477101	1198	66	4
MR81-182	5914521	476962	1200	65	2

MR81-183	5914295	476760	1223	66	3
MR81-184	5914094	476573	1222	66	2
MR81-185	5913919	476420	1232	150	4
MR81-186	5913762	482295	1150	150	4
MR81-187A	5913668	482189	1137	138	2
MR81-188	5913440	482008	1139	28	2
MR81-190	5913339	481926	1145	65	0
SO82-53	5915497	473686	1197	121	2
SO83-63	5913908	471679	1297	41	2
SO83-64	5914252	472654	1283	91	4
SO83-65	5914087	474608	1216	46	3
SO83-66	5914089	474121	1224	49	2
SO83-67	5913709	475075	1234	32	4
SO83-69	5914569	474553	1210	73	3

**Note: Cumulative thicknesses represent estimated true thicknesses.*

About Coalspur

Coalspur Mines Limited ("Coalspur" or "Company") is a coal exploration and development company with over 33,200 hectares of coal exploration leases located within the Hinton region of Alberta, Canada. Coalspur's flagship coal project is the Vista Coal Project which has the potential to be one of the largest export thermal coal mines in North America.

The Vista Coal Project covers approximately 10,000 hectares and contains over 20km of continuous gently dipping strike length and a Measured and Indicated Coal Resource base of over 800 million tonnes of low sulphur, high volatile bituminous, export quality thermal coal. The Company is currently undertaking a Bankable Feasibility Study on the Vista Coal Project, following a Pre-Feasibility Study ("PFS") completed in December 2010 that defined an initial marketable reserve of over 260 million tonnes on the Vista Coal Project which makes it one of the largest undeveloped export orientated thermal coal projects in North America.

JORC / NI 43-101 Coal Reserves						
	Recoverable Coal Reserve			Marketable Coal Reserve		
	Proven (Mt)	Probable (Mt)	Proven & Probable (Mt)	Proven (Mt)	Probable (Mt)	Proven & Probable (Mt)
Export Product	349.2	79.5	428.7	185.9	42.7	228.7
Domestic Product	66.2	26.8	93.0	22.5	8.9	31.4
Coalspur Total Reserves	415.4	106.3	521.7	208.4	51.6	260.1

The PFS defined a 31 year mine life producing approximately 9.0 million tonnes per annum ("Mtpa") of saleable coal from the processing of approximately 18.0Mtpa of run of mine ("ROM") coal. Initial development costs for the Vista Coal Project are expected to be ~C\$580 million. The Vista Coal Project is able to leverage off already established first world infrastructure, with CN rail facilities located adjacent to the Project that are substantially underutilised and provide a rail track suitable for the transport of coal to deepwater ports with excess capacity that already service the growing demand from the Asian Pacific Rim countries, including China, Japan and Korea.

JORC Coal Resources					
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In addition the Company holds leases directly south of the Vista Coal Project named Vista South. The Vista South Project area covers over 23,000 hectares extends for over 25km on each of the northern and southern limb of the Entrance Syncline which the company believes has the potential to host a significant coal resource. First phase drilling in the area together with existing historical information has allowed the Company to define an initial Measured and Indicated Coal Resource of 93 million tonnes. Further drilling and potential resource upgrades are scheduled during 2011 on Vista South.

Coalspur has offices in Calgary and Hinton in Canada as well as in Australia. The Company's goal is to develop a major new thermal export coal region in Alberta to meet growing energy demands worldwide and in particular of the insatiable Asia Pacific market. 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 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 "Vista Coal Project Prefeasibility Study" dated January 25, 2011 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 is based on information compiled by Mr. Robert J. Morris, who is a Member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta. Mr. Morris is a full-time employee of Moose Mountain Technical Services, who are consultants to Coalspur. Mr. Morris 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. Morris 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 Reserves is based on information compiled by Mr. Robert Fong, who is a Member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta. Mr. Fong is an associate of Moose Mountain Technical Services, who are consultants to Coalspur. Mr. Fong 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. Fong 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 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 Company's permits and approvals, business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, scoping, pre-feasibility, feasibility and other studies, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'expect', 'potential', 'outlook', 'anticipate', 'project', 'target', 'likely', 'believe', 'estimate', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', "evolve" 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. Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to the risk factors set out in the Company's Annual Information Form. This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information.

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.