



## ASX ANNOUNCEMENT

November 10, 2010

### VISTA COAL PROJECT RESOURCE INCREASES BY 297.1MT TOTAL COAL RESOURCE INCREASES TO 1.37BT

#### *Highlights:*

- *Coal Resource on the flagship Vista Coal Project increases by 297.1Mt to 1.20Bt (“Project” or “VCP”) ahead of release of Pre-Feasibility Study (“PFS”)*
- *Total Measured & Indicated Resources of Coalspur increased to 1,013.8Mt which represents 74% of total resource*
- *The PFS on the Project is expected to be completed in the next few weeks and this will incorporate the resource upgrade and is expected to show an increased production rate, longer mine life and mining synergies on the Project*
- *The upgraded Coal Resource is shallow, with the primary seams ranging in depth from surface to 255 metres inside the mine design area and with a gentle average dip of 7°*
- *The Vista Project has 20km of continuous low dipping strike and access to an underutilised port and adjacent rail*
- *Resource upgrade based on refined geological reinterpretation of combined VCP geological model and inclusion of the Silkstone seam*

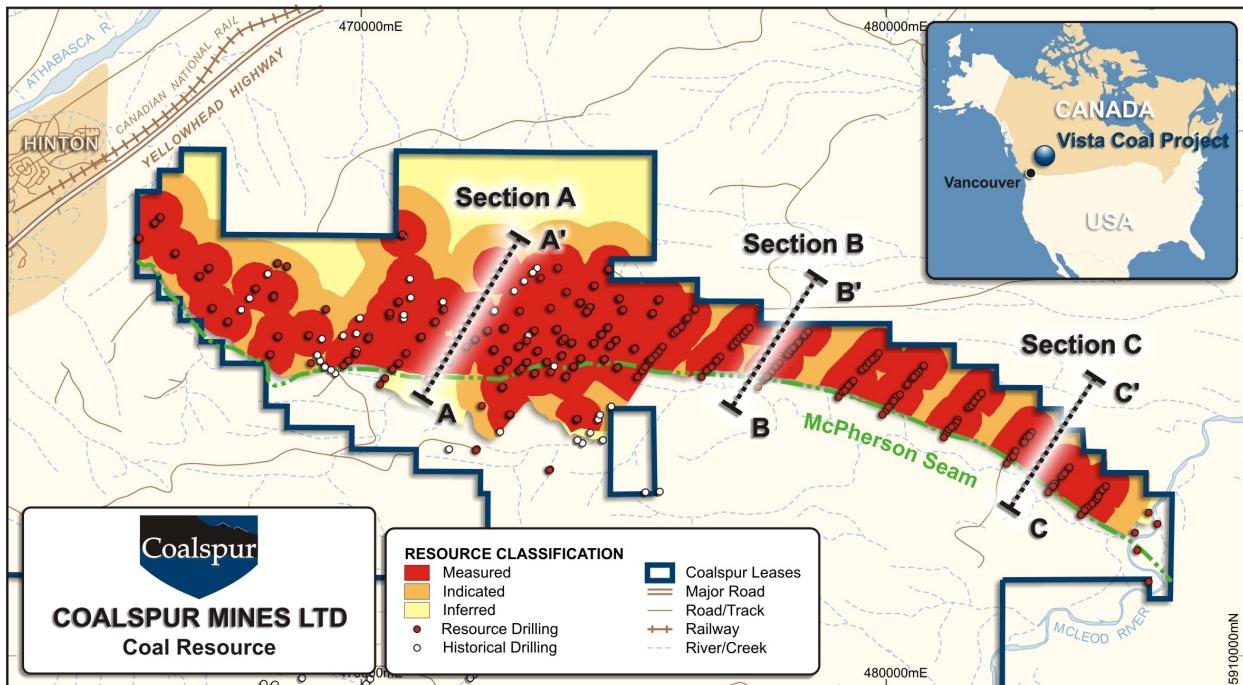
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**PERTH, Western Australia: Coalspur Mines Limited (“Coalspur” or “Company”) (ASX: CPL, TSX: CPT)** is pleased to announce a Coal Resource upgrade of 297.1 million tonnes (“Mt”) on its Vista Coal Project in Alberta, Canada ahead of the release of the Company’s PFS on the Project. This increases the Company’s total Coal Resource to 1.37 billion tonnes (“Bt”).

Commenting on the upgrade of the VCP Coal Resource, Managing Director and CEO, Gene Wusaty said “The upgrade is a further testament to the size and quality of the Vista Coal Project and places the resource base of Coalspur in the top tier of emerging global coal developers. This upgraded resource will be incorporated into the final mine planning being conducted on the Project in the PFS and we are excited about the potential of developing one of the largest export coal project in North America”.

**Table 1: JORC Coal Resources**

	Measured (Mt)	Indicated (Mt)	Measured & Indicated (Mt)	Inferred (Mt)	Measured, Indicated & Inferred (Mt)
Vista Coal Project	588.9	331.6	920.5	282.3	1,202.8
Vista South Coal Project	51.5	41.9	93.3	75.0	168.4
<b>Coalspur Total Resource</b>	<b>640.4</b>	<b>373.5</b>	<b>1,013.8</b>	<b>357.3</b>	<b>1,371.2</b>



**Figure 1: Vista Coal Project Resources**

The VCP Coal Resource upgrade estimate has been based on the following factors:

- addition of recently obtained historical drillhole information into the geological database;
- addition of the Silkstone seam which underlies the McPherson Seam in the central part of the deposit. The Silkstone seam historical drilling indicates 3 coal plies with an aggregate thickness of up to 4.5m;
- reinterpretation and modelling of the merged boundary areas of the Hinton East, Hinton West, Z-Block and McLeod River North leases which now form the VCP; and
- reinterpretation of all coal seam splits and partings.

The Resource Estimate has been completed in accordance with the JORC Code (2004) and National Instrument 43-101 ("NI 43-101").

The Coal Resources of the Company now totals over 1.37Bt of low sulphur, high volatile bituminous, export quality thermal coal with the VCP resource accounting for 1.20Bt and the Vista South Coal Project accounting for 168.3 million tonnes. Further resource drilling programs are currently underway to expand the Coal Resource over the Company's large 32,000 hectare coal lease position in the Hinton region of West Central Alberta.

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## Vista Coal Resource Upgrade

The preparation of the Coal Resource estimate was undertaken by MMTS in accordance with the JORC Code (2004) and NI 43-101. MMTS have 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.

Key points from work conducted by MMTS on the VCP Resource upgrade are as follows:

- The VCP Coal Resource of 1,202.8Mt is comprised of Measured Resources of 588.9Mt, Indicated Resources of 331.6Mt, and Inferred Resources of 282.3Mt;
- The Coal Resource is defined from four coal seams (Val D'or, McLeod, McPherson and Silkstone) that have a cumulative coal thickness of approximately 28m;
- 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 10.11:1 strip ratio pit (modelled using a 20:1 incremental cut-off strip ratio);
- The inclusion into the VCP geological model of 15 rotary and diamond drill holes (totalling 6,580m) previously drilled by various operators between 1981 and 2008, comprising 2 diamond drill holes (totalling 118m) and 13 rotary drill holes (totalling 6,462m);
- 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).

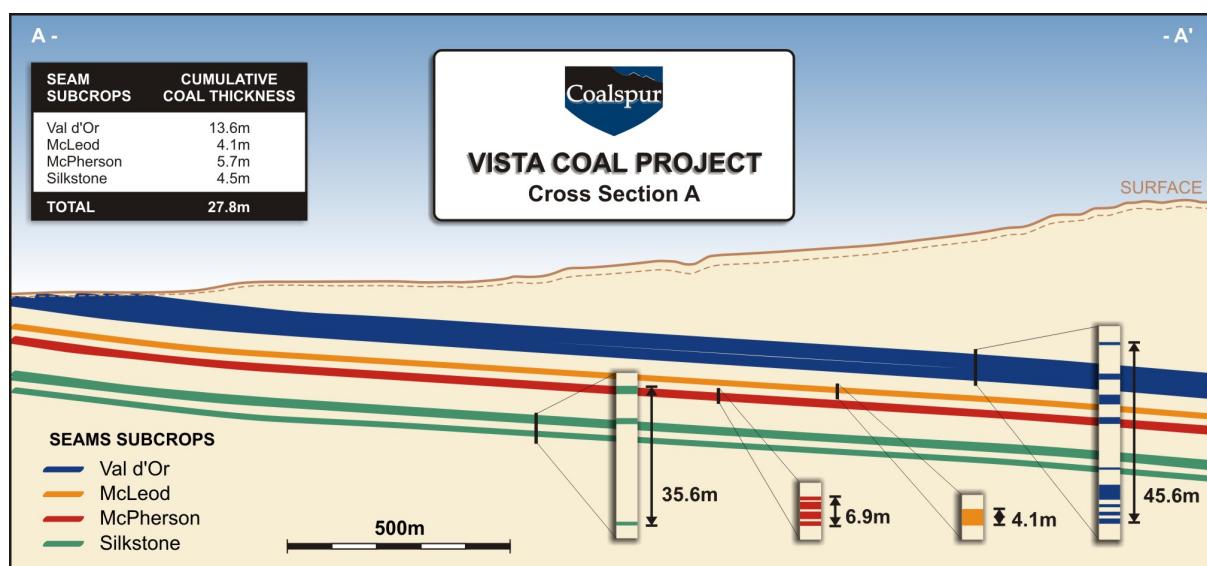


Figure 2: Vista Coal Project Section A-A'

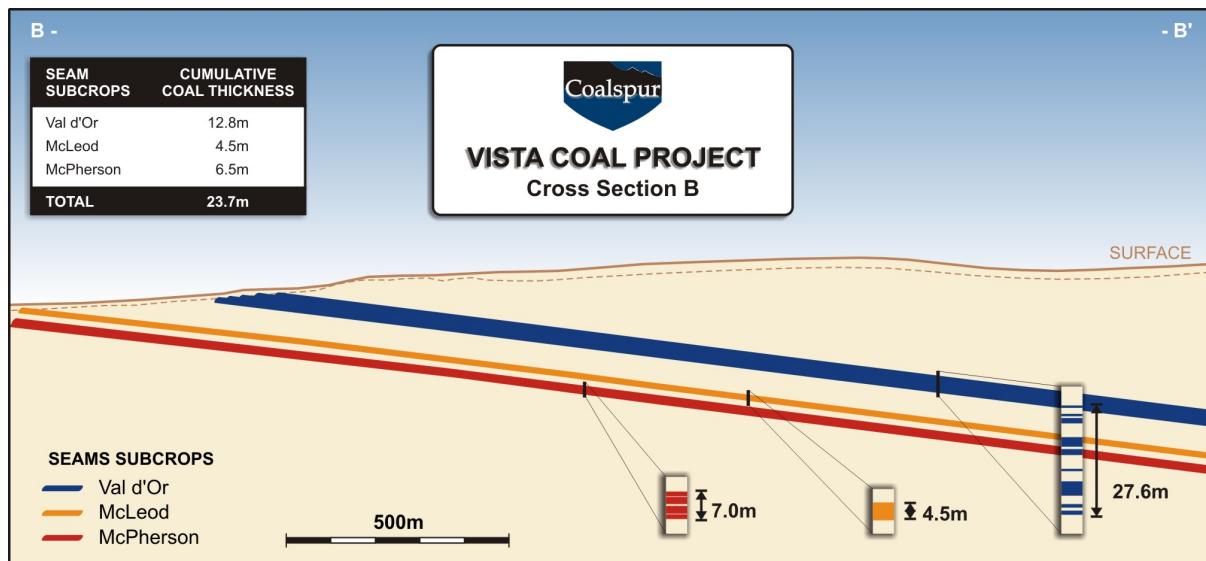


Figure 3: Vista Coal Project Section B-B'

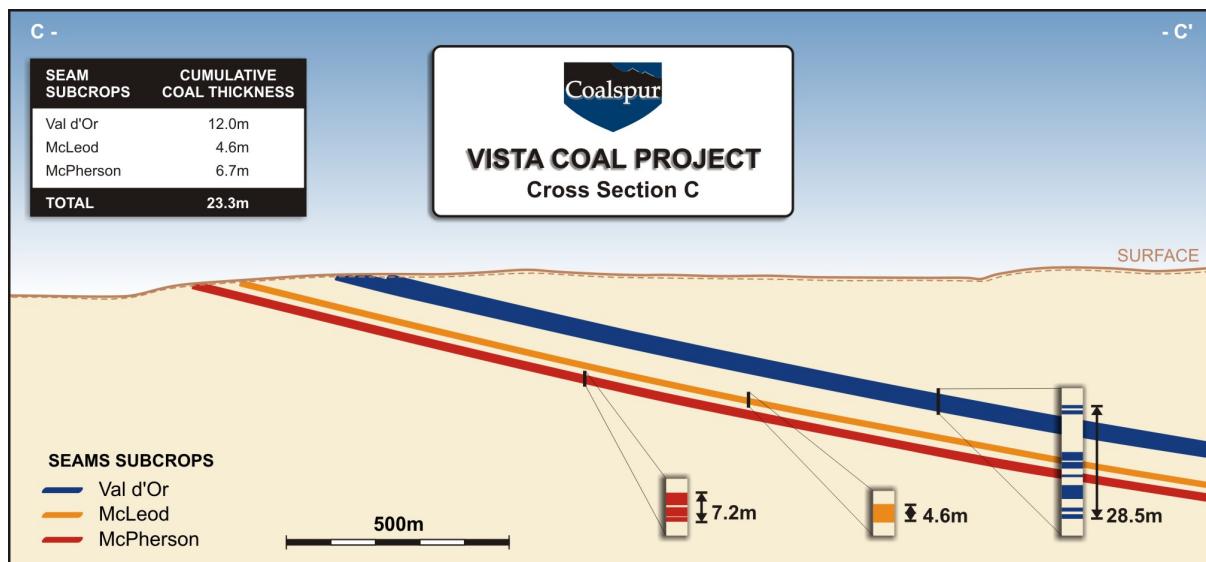


Figure 4: Vista Coal Project Section C-C'

## Coal Quality

Coal quality characteristics are based upon drilling and washability studies completed to date. Expected yields are ~ 54% which produces a low sulphur, 5,800kcal/kg GAR product which is currently in high demand in the Asia Pacific export thermal coal market.

Table 2: Vista Coal Project Clean Coal Quality

Coal Characteristic	Basis	Specification
Moisture	gar	12.0%
Moisture	ad	7.0%
Ash Content	gar	10.5%
Total Sulphur	gar	0.30%
<b>Calorific Value</b>	gar	<b>5,800 kcal/kg</b>
<b>Calorific Value</b>	gad	<b>6,200 kcal/kg</b>

## About Coalspur

Coalspur is a coal exploration and development company with offices in Calgary and Hinton, Alberta, Canada and Perth, Western Australia. The Company has significant coal properties in the Coal Branch Region of west-central Alberta, which are currently the subject of a Pre-Feasibility Study with a goal to develop a major new thermal export coal mine to meet growing energy demands worldwide. 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".

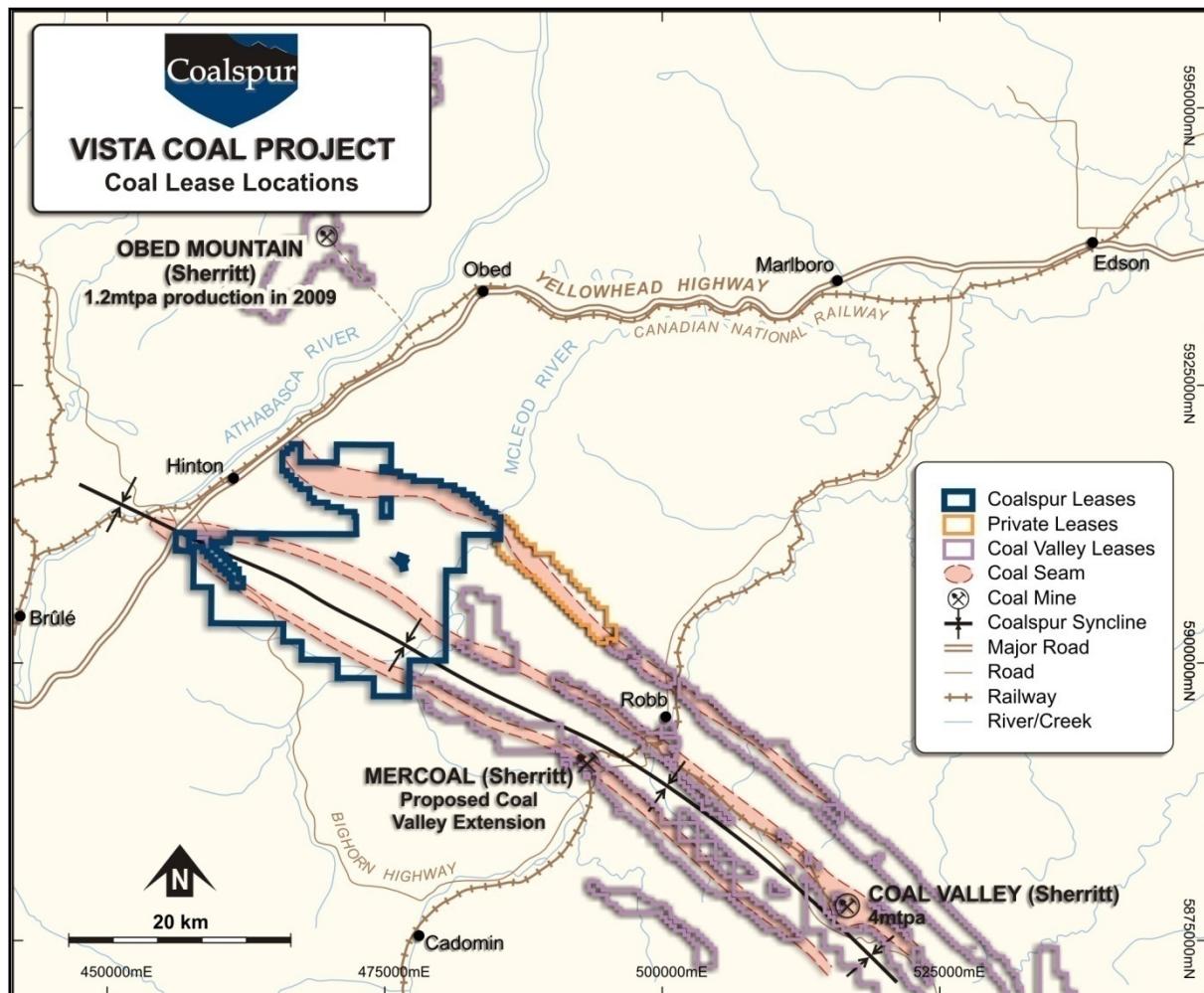


Figure 5: Coalspur Coal Leases

## Competent Person Statement

The information in this report 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 which 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 (The JORC Code). Mr. Morris consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

**Table 3: Additional Drill Holes Added To Database**

Drillhole	UTM-N	UTM-E	Elevation	Length	Cum. Thickness
10-34-51-23	5921999	479940.6	1,292.0	2,397.0	11.6
15-7-51-22	5915976	484643.2	1,199.9	752.0	12.8
CO81-04	5920167	479483.8	1,375.8	737.0	14.5
CO81-05	5920695	475047.9	1,351.4	609.0	12.2
CO81-11	5922212	482615	1,296.8	741.5	13.7
MN92-01	5916760	470725.4	1,265.8	162.0	11.4
MN92-02	5916615	471567.2	1,259.8	134.4	12.9
MN92-04	5916224	472402.1	1,225.4	65.8	13.0
MN92-14C	5916392	471396.3	1,244.1	51.8	4.4
SO83-60	5916724	471557	1,265.8	158.0	8.7
SO83-61	5916408	470806.1	1,256.4	181.0	14.0
SO83-62	5916471	472136.4	1,246.3	114.5	10.6
SO83-70	5916807	470940.9	1,270.4	174.0	8.7
SO83-71	5916480	470806.5	1,264.2	68.6	3.1
SO83-72	5917163	470933	1,278.7	236.2	8.4