

Form 51-102F3
MATERIAL CHANGE REPORT

1. **Name and address of the Company.**

ROYAL COAL CORP. (the "Company" or "Royal Coal")
70 York Street, Suite 1410
Toronto, ON M5J 1S9

2. **Date of Material Change.**

May 17, 2012

3. **News Release.**

A press release disclosing the material change was released on May 17, 2012, through the facilities of Marketwire.

4. **Summary of Material Change.**

The Company announced that it has received notice from the TSX Venture Exchange ("TSXV") confirming that the TSXV has suspended trading in the Company's securities as a result of a cease trade order issued after the Company failed to file audited annual financial statements for the year ended December 31, 2011 (the "Cease Trade Order"). Reinstatement to trading can occur only when the Cease Trade Order is revoked and the TSXV has concluded its reinstatement review to ensure the Company has satisfactorily complied with TSXV listing requirements.

If the Company does not complete its reinstatement and is unable to meet the continued listing requirements of the TSXV by August 1, 2012, the TSXV will automatically transfer the securities of the Company to the NEX board of the TSXV.

The material change is fully described in the Company's press release which is attached as Schedule "A" and is incorporated herein.

5. **Full Description of Material Change.**

A full description of the material change is contained under Item 4.

6. **Reliance on subsection 7.1(2) or (3) of National Instrument 51-102.**

The report is not being filed on a confidential basis.

7. **Omitted Information.**

No significant facts have been omitted from this Material Change Report.

8. **Executive Officer.**

Thomas Griffis, Chairman.

9. **Date of Report.**

This report is dated at Toronto, this 17th day of May, 2012.

ROYAL COAL CORP.

Per: "Tom Griffis"
Thomas Griffis, Chairman



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Schedule A

ROYAL COAL ANNOUNCES TRADING SUSPENSION

TORONTO, ONTARIO, May 17, 2012 (Marketwire) -- Royal Coal Corp. ("Royal Coal" or the "Company") (TSX VENTURE:RDA) (FRANKFURT:RLC) announces that it has received notice from the TSX Venture Exchange ("TSXV") confirming that the TSXV has suspended trading in the Company's securities as a result of a cease trade order issued after the Company failed to file audited annual financial statements for the year ended December 31, 2011 (the "Cease Trade Order"). Reinstatement to trading can occur only when the Cease Trade Order is revoked and the TSXV has concluded its reinstatement review to ensure the Company has satisfactorily complied with TSXV listing requirements.

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For further information contact Tom Griffis, Chairman of Royal Coal, at (416) 861-8775.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.