

FOR IMMEDIATE RELEASE

Salida Funds Acquires Securities of Royal Coal Corp.

TORONTO – May 11, 2011 – Salida Capital LP (“Salida”) announces certain investment funds and accounts managed by it (collectively, the “Funds”) acquired 19,200,000 special warrants (“Special Warrants”) of Royal Coal Corp. (“Royal”) by way of a private placement at a price of \$0.25 per Special Warrant. Upon issuance of a receipt for a final prospectus of Royal by the applicable securities regulatory authorities on April 11, 2011, each Special Warrant was deemed to have been automatically exercised (“Deemed Exercise”) into one unit (a “Unit”) of Royal without payment of any additional consideration. Each Unit consisted of one common share of Royal (a “Common Share”) and one-half of one Common Share purchase warrant of Royal (each whole warrant a “Warrant”). Each Warrant entitles the holder to acquire one Common Share at a price of \$0.335 per Common Share until February 23, 2013.

As a result of the Deemed Exercise of the Special Warrants, Salida, on behalf of the Funds, acquired 19,200,000 Common Shares and 9,600,000 Warrants on April 11, 2011. 147,000 Common Shares were subsequently disposed of by Salida, on behalf of the Funds, in the open market. As at May 9, 2011, the Funds beneficially owned, and Salida exercised control and direction over, an aggregate of 19,053,000 Common Shares and 9,600,000 Warrants, representing approximately 11.41% of the outstanding Common Shares, calculated on a partially diluted basis based on the number of outstanding Common Shares of 241,619,495 as reported by Royal in its Management’s Discussion and Analysis dated April 27, 2011.

The Units were acquired for investment purposes. Salida, on behalf of the Funds, may from time to time acquire additional securities of Royal and/or dispose of such securities as they may deem appropriate.

This news release has been disseminated in accordance with the early warning requirements under National Instrument 62-103.

About Salida Capital LP:

Salida is one of Canada’s leading natural resource investment management firms with key sectors of focus being precious metals, base metals, agriculture and energy. Salida takes an active, opportunistic management style when investing in private, small, mid and large cap resource companies. Salida has been recognized globally through numerous awards and accreditations for delivering industry leading products and performance.

For further information:
Salida Capital LP
Toll free: 1-877-674-2187
www.salidacapital.com.