

ROYAL COAL SIGNS LETTER OF INTENT TO ACQUIRE METALLURGICAL COAL PROPERTY

Toronto, Ontario – June 28, 2011 – Royal Coal Corp. (“Royal Coal”) (TSX-V: RDA, F: RLC) announced today the execution of a letter of intent to acquire an early-stage development metallurgical coal project in northern Appalachia.

According to the terms of the letter of intent, Royal Coal would acquire coal leases covering a leased area of approximately 1,800 acres within a wider project area of over 46,000 acres. In addition, the vendors agreed to continue to assist Royal Coal both before and after closing in its efforts to acquire additional coal leases within this wider project area.

Based on a report prepared for the current holder of the coal leases by Weir International, Inc. dated August 11, 2010, Royal Coal estimates that the wider project area has a potential to contain between 60 million and 138 million recoverable tons. This estimate of the potential quantity is conceptual in nature, there has been insufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

The subject coal seam is known and has been mined within the region as a metallurgical coal product. The coal seam lies approximately 900 feet below drainage and a site has been identified for surface facilities that has rail access and is located on the river where the coal seam is approximately 600 feet below drainage that can be accessed by a riverside slope that would have either barge or rail options for shipment. The vendor has acquired the initial coal leases at the heart of the coalfield, where the coal seam reaches a maximum height of 5.6 feet and where surface facilities would be located.

The project is located in a very desirable region for coal operations due to closeness to markets, transportation logistics and because experienced labor, mine servicing, and infrastructure are all readily available from this historic coal-mining region. The Company is acquiring the leases under favorable terms and conditions. The leases are 20 year leases with the right to renew for an additional 20 years.

“We are optimistic that our due diligence and development of the project will yield the same metallurgical product that other operators are producing in the region” said Robert Heuler, Chief Executive Officer of Royal Coal. “That metallurgical product is currently selling for \$170 per ton”.

Tom Griffis, Chairman of Royal Coal, commented “This property will be an excellent addition to our portfolio and is in line with our growth strategy aimed at securing additional cost effective opportunities with significant upside potential.”

Royal Coal has commenced a drill program in order to produce a resource estimate that is compliant with NI 43-101 standards. The total purchase price for the new leased area will not exceed US\$7,000,000, payable on the closing of the acquisition, which is expected to occur within three to four months. Royal Coal has provided a non-refundable deposit of US\$100,000 for the exclusive right to complete final due diligence and negotiate a definitive purchase agreement with respect to the new leased area.

The preparation of the information concerning the mineral properties, as described in this news release, has been supervised and approved by John W. Sabo, Mining Engineer - Executive Vice President, Weir International, Inc. Mr. Sabo has 45 years of operating, engineering and consulting experience in the mining and energy industries. He is a mining engineer and is a Qualified Person under National Instrument 43-101.

About Royal Coal

Royal Coal is a coal exploration and production company, headquartered in Toronto, Ontario, Canada with a regional office in Hazard, Kentucky, U.S.A. whose primary business focus is developing producing surface coal mining operations in the Central Appalachian coal producing region of the United States, which includes parts of West Virginia, Virginia, Kentucky, Ohio, and Tennessee.

For further information contact Tom Griffis, Chairman of Royal Coal, at (416) 861-8775, or Richard Buzbuzian, Investor Relations, at (647) 501-3290.

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