

**PASQUALE DICAPO ACQUIRES SECURITIES OF  
CANADA COAL INC.**

**TORONTO, Canada (March 1, 2012) Mr. Pasquale DiCapo (“DiCapo”)**, 130 King Street West, Suite 2210, Toronto, Ontario M5X 1E4 announces that, on February 29, 2012, he indirectly acquired beneficial ownership of 2,500,000 common shares of Canada Coal Inc. (“Canada Coal”) and 2,500,000 common share purchase warrants of Canada Coal (the “Warrants”) (each Warrant entitling the holder thereof to acquire one common share of Canada Coal). These securities represent approximately 5.75% of the current issued and outstanding common shares of Canada Coal (the “Common Shares”) (or approximately 10.88% on a partially diluted basis, assuming exercise of the Warrants only).

In addition, on February 29, 2012, a joint actor of DiCapo acquired ownership and control of 1,720,400 broker warrants of Canada Coal (the “Broker Warrants”) (each Broker Warrant entitling the holder thereof to acquire one Common Share), which (i) represent approximately 3.81% on a partially diluted basis, assuming exercise of the Broker Warrants only; and (ii) when taken together with the securities acquired by DiCapo, represent approximately 5.75% of the current issued and outstanding Common Shares (or approximately 14.1% on a partially diluted basis, assuming exercise of the Warrants and Broker Warrants only).

DiCapo and his joint actor acquired the Common Shares, Warrants and Broker Warrants pursuant to a merger between Canada Coal and Mercury Capital Ltd. that occurred on February 23, 2012.

These transactions were made for investment purposes and DiCapo and his joint actor may from time to time acquire additional securities of Canada Coal, dispose of some or all of the existing or additional securities of Canada Coal they hold or will hold, or may continue to hold their current positions depending on market conditions or any other relevant factor.

To obtain a copy of the report filed pursuant to applicable securities regulations in connection with the foregoing, please contact:

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