

**PASQUALE DICAPO ACQUIRES COMMON SHARES OF  
CANADA COAL INC.**

**TORONTO, Canada (October 17, 2012) Mr. Pasquale DiCapo (“DiCapo”)**, 130 King Street West, Suite 2210, Toronto, Ontario M5X 1E4 announces that, on October 12, 2012, he indirectly acquired beneficial ownership and control of 1,000,000 common shares of Canada Coal Inc. (“Canada Coal”). These securities represent approximately 2.3% of the current issued and outstanding common shares of Canada Coal (the “Common Shares”).

Immediately following the transaction noted above, DiCapo owned and controlled: (i) 3,500,000 Common Shares, which are owned by DiCapo directly and indirectly; and (ii) 2,500,000 common share purchase warrants of Canada Coal (the “Warrants”) (each Warrant entitling the holder thereof to acquire one Common Share), which are owned by DiCapo directly. Such securities represent approximately 8.06% of the current issued and outstanding Common Shares (or approximately 13.06% on a partially diluted basis, assuming exercise of the Warrants held by DiCapo only).

In addition, immediately following the transaction noted above, a joint actor of DiCapo (the “Joint Actor”) owned and controlled 1,720,400 broker warrants of Canada Coal (the “Broker Warrants”) (each Broker Warrant entitling the holder thereof to acquire one Common Share). Such securities: (i) represent approximately 3.81% of the current issued and outstanding Common Shares on a partially diluted basis assuming exercise and Broker Warrants held by the Joint Actor only; and (ii) when taken together with the securities owned by DiCapo, represent approximately 8.06% of the current issued and outstanding Common Shares (or approximately 16.2% on a partially diluted basis, assuming exercise of the Warrants and Broker Warrants held by DiCapo and the Joint Actor only).

DiCapo acquired the 1,000,000 Common Shares on October 12, 2012 through the facilities of the TSX Venture Exchange a cost of \$0.029 per share.

The transaction was 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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