FORM 51-102F3
Material Change Report

1. **Name and Address of Company:**

   Cobalt Coal Ltd. ("**Cobalt**")
   2000, 840 - 7th Avenue S.W.
   Calgary, AB T2P 3G2

2. **Date of Material Change(s):**

   March 29, 2012

3. **News Release:**

   A news release relating to the material change described herein was released through the facilities of Marketwire on April 16, 2012.

4. **Summary of Material Change(s):**

   Cobalt Coal Ltd. is pleased to announce that it has closed the first tranche of its previously announced non-brokered private placement (the "**Offering**"). Cobalt issued $300,000 principal amount of unsecured, convertible, redeemable debentures which bear interest at a rate of 12% per annum payable upon maturity (the "**Debentures**") at a price of $1.00 per $1.00 principal amount of Debenture for gross proceeds of $300,000.

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

   5.1 Full Description of Material Change

   Please see the press release attached as Schedule "A" hereto.

   5.2 Disclosure for Restructuring Transactions

   Not applicable.

6. **Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102 *Continuous Disclosure Obligations*:**

   Not applicable

7. **Omitted Information:**

   Not applicable

8. **Executive Officer Knowledgeable of Material Change:**

   Robert Gillies
   Chief Financial Officer
   Cobalt Coal Ltd.
   (403) 538-8455

9. **Date of Report:**

   April 16, 2012

SCHEDULE "A"

NEWS RELEASE

Cobalt Coal Ltd. Announces the Closing of First Tranche of Private Placement of Convertible Debentures

April 16, 2012 - CALGARY, AB – Cobalt Coal Ltd. (formerly Cobalt Coal Corp.) (TSX-V: CCF) ("**Cobalt**" or the "**Corporation**") is pleased to announce that it has closed the first tranche of its previously announced non-brokered private placement (the "**Offering**"). Cobalt issued $300,000 principal amount of unsecured, convertible, redeemable debentures which bear interest at a rate of 12% per annum payable upon maturity (the "**Debentures**") at a price of $1.00 per $1.00 principal amount of Debenture for gross proceeds of $300,000.

The Debentures will mature 24 months from the date of issuance and are convertible, by either the holder or the Corporation, into units (the "**Units**") of the Corporation at a conversion rate of $0.15 principal amount of Debenture per Unit. Each Unit will be comprised of one common share in the capital of Cobalt and one common share purchase warrant (a "**Warrant**"). Each Warrant is subject to vesting conditions and will entitle the holder to acquire one common share at $0.20 per share of Cobalt for a period of two (2) years from the closing of the Offering.

As previously stated, the Corporation intends to use the proceeds from the Offering to fund general working capital purposes, for the payment of expenses related to the proposed acquisitions of Cobalt, as previously announced on March 8, 2012, and for the payment of expenses related to the Offering.

Pursuant to applicable securities laws, all securities issued pursuant to the Offering will be subject to four month hold period expiring on July 30, 2012.

About Cobalt

Cobalt is a publicly traded coal exploration and production company headquartered in Calgary, Alberta, Canada with a regional office in Welch, West Virginia, USA. Cobalt was created to capitalize on the growth opportunities that exist in the metallurgical coal mining industry.

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

For more information, please contact:

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The securities of Cobalt being offered have not been, nor will be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to,

or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.

READER ADVISORY

Statements in this news release may contain forward-looking information including the use of proceeds from the Offering. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Corporation. These risks include, but are not limited to, the risks associated with the coal mining industry, commodity prices and exchange rate changes. Industry related risks could include, but are not limited to, operational risks in exploration, development and production, delays or changes in plans, risks associated to the uncertainty of reserve estimates, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. The reader is cautioned not to place undue reliance on this forward-looking information.