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TSX-V TRADING SYMBOL: CEC

COMPLIANCE ENERGY CLOSES FIRST TRANCHE OF PRIVATE PLACEMENTS

Vancouver, B.C., March 11, 2011 - Compliance Energy Corporation (“Compliance” or the “Company”) is pleased to report that it has closed the non-flow through portion of the private placements announced in the Company’s news release of March 10, 2011, raising gross proceeds of \$2,250,150.

Private Placements of Common Shares

The Company has completed a non-brokered private placement of 6,429,000 common shares at a price of \$0.35 per share, to raise aggregate gross proceeds of \$2,250,000 (the “Non-Flow-Through Financing”). The Company issued 5,000,000 common shares to Prophecy Resource Corporation and 1,429,000 common shares to institutional investors. The proceeds from the Non-Flow-Through Financing will be utilized to fund the continued development of Raven Underground Coal Project and for general working capital purposes.

In connection with the Non-Flow-Through Financing, the Company paid Mackie Research Capital Corporation (“Mackie”) a cash finder’s fee equal to 7% of the gross proceeds raised from the issuances to the institutional investors, and issued Mackie finder’s options, exercisable for a period of two years to acquire such number of units (“Finder’s Units”) as is equal to 7% of the number of shares issued to the institutional investors at a price of \$0.40 per Finder’s Unit. Each Finder’s Unit will consist of one common share of the Company and one half of one common share purchase warrant, with each whole warrant being exercisable for a period of two years to acquire an additional share of the Company, at an exercise price of \$0.60 in the first year and at an exercise price of \$0.75 in the second year. No finder’s fees were paid on the Prophecy Resource Corporation portion of the private placement.

All securities issued in connection with the Non-Flow-Through Financing will be subject to a hold period pursuant to applicable securities laws which will expire four months and one day after the closing of the Non-Flow-Through Financing. The Prophecy Resource Corporation portion of the private placement is also subject to a 12-month contractual hold period.

Private Placement of Flow-Through Units

The Company expects to close the planned private placement of flow-through units on March 14, 2011. For more details on the private placement of flow-through units, please see the Company’s news release dated March 10, 2011.

About Prophecy Resource Corporation

Prophecy Resource Corporation is an internationally diversified company engaged in developing energy, nickel and platinum group metals projects. The company controls over 1.4 billion tons of open-pittable thermal coal in Mongolia (839 Mt Measured, 579 Mt Indicated). Prophecy’s Ulaan Ovoo coal mine is fully commissioned. In Canada Prophecy owns Wellgreen PGM Project in Yukon, Lynn Lake Nickel Sulphide Project in Manitoba, and a 10% equity stake in Victory Nickel. On February 17, 2011, Prophecy Agreed to sell its PGM Nickel assets to Pacific Coast Nickel Corp. for 450 million Pacific Nickel shares. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

About Compliance Energy Corporation

Compliance Energy Corporation is a mining exploration and development company. Our primary holding is our interest in over 75,000 acres of coal and mineral rights on Vancouver Island, British Columbia, where we are focused on developing the Raven Underground Coal Project of which we hold a 60% interest. The remaining 40% is owned by I-Comox Coal Inc., a subsidiary of Itochu Corporation of Japan and by LG International Investments (Canada) Limited, a subsidiary of LG International Corp. of Korea.

The Company also owns a number of exploration properties on Vancouver Island, BC which are 100% owned by the Company, some subject to certain royalty requirements. Our shares trade on the TSX Venture Exchange under the symbol CEC and investor information is available on our web site at www.complianceenergy.com.

On behalf of the Board of

COMPLIANCE ENERGY CORPORATION

Jim Defer
Chief Financial Officer

Contact Greg Werbowski, Investor Relations at 604-689-0489 ext 244 for further information.

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

FORWARD LOOKING STATEMENTS

This release contains “forward-looking statements” within the meaning of applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as the whole or partial closing of the flow-through unit financing, the future expenditures of the proceeds raised in the financings, future mineral exploration activities, future business strategy, competitive strengths, goals, expansion, growth of the Company’s businesses, operations, plans and with respect to exploration results, the timing and success of exploration activities generally, permitting time lines, government regulation of exploration and mining operations, environmental risks, title disputes or claims, limitations on insurance coverage, timing and possible outcome of any pending litigation and timing and results of future resource estimates or future economic studies.

Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “planning”, “planned”, “expects” or “looking forward”, “does not expect”, “continues”, “scheduled”, “estimates”, “forecasts”, “intends”, “potential”, “anticipates”, “does not anticipate”, or “belief”, or describes a “goal”, or variation of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements are based on a number of material factors and assumptions, including the receipt of necessary regulatory approvals, investor interest in the flow-through unit financing, that counterparties to material agreements will duly perform their obligations thereunder, the results of drilling and exploration activities, that contracted parties provide goods and/or services on the agreed timeframes, that equipment necessary for exploration is available as scheduled and does not incur unforeseen break downs, that no labour shortages or delays are incurred, that plant and equipment function as specified, that no unusual geological or technical problems occur, and that laboratory and other related services are available and perform as contracted. Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the interpretation and actual results of current exploration activities; changes in project parameters as plans continue to be refined; future prices of minerals; possible variations in grade or recovery rates; failure of equipment or processes to operate as anticipated; the failure of contracted parties to perform; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration, as well as those factors disclosed in the company's publicly filed documents. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.