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TSX-V TRADING SYMBOL: CEC

**INITIAL PAYMENT MADE TO PURCHASE
COAL PROPERTY ON VANCOUVER ISLAND**

Vancouver, B.C., December 4, 2007 - Compliance Energy Corporation (the “Company”) announces that the Company has made the initial payment to exercise the Purchase Option for 82,000 acres of coal rights (“Assets”) located in the Comox Coal Basin on Vancouver Island. Under the terms of the purchase agreement the Company was required to pay \$2.8 million by November 30, 2007. Under revised terms of the agreement the Company has four payments totaling \$3.0 million over the next twelve months, including a \$600,000 cash payment that was made on November 30, 2007. The balance of \$2.4 million will be due in three payments ending on November 30, 2008 at which time the Assets will be transferred to Compliance.

Included as part of the Purchase Option is the Raven Coal deposit upon which the Company recently completed a positive Preliminary Assessment Report. The report, which is filed on Sedar, concluded that a proposed mine producing 823,000 clean tonnes per year of high volatile metallurgical coal results in a life of mine average profit of \$ 30.62 per clean tonne of coal and a life of mine average annual cash flow of \$20.4 million. The estimated net present value of the project at a constant dollar discount rate of 12% is \$105.6 million. Associated Geosciences Ltd. of Calgary (“AGL”) studied two production cases: one producing 823,000 tonnes of high volatile metallurgical coal per year and another producing 1,440,000 tonnes of thermal coal per year. Based on these studies AGL believes that the Raven Property warrants additional exploration and a feasibility study to form the basis of a production decision. The Company is actively seeking a development partner for the Raven Coal deposit.

AGL’s Preliminary Assessment was prepared by Peter Cain Ph.D., P.Eng. and Alan Craven P.Eng. who are the Independent Qualified Persons for reporting purposes as defined in NI 43-101 Standards of Disclosure for Mineral Projects.

The Preliminary Assessment is preliminary in nature and includes inferred coal resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as coal reserves and there is no certainty that the Preliminary Assessment will be realized. Coal resources that are not coal reserves do not have demonstrated economic viability.

Compliance Energy Corporation’s shares trade on the TSX Venture Exchange under the symbol CEC and investor information is available on the Company’s web page at www.complianceenergy.com.

On behalf of the Board of
COMPLIANCE ENERGY CORPORATION
John Tapics
Chief Executive Officer

Contact Rob Roney, Investor Relations at 250-897-0437 or Rod Shier, CFO at 604-689-0489 for further information.

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Note: This release contains forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results. Readers are referred to the documents, filed by the Company on SEDAR at www.sedar.com, specifically the most recent reports which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements. The Company undertakes no obligation to review or confirm analysts’ expectations or estimates or to release publicly any revisions to any forward-looking statements.