



NEWS RELEASE

XINERGY LTD. PROVIDES OUTLOOK FOR 2011/2012 PRODUCTION & SALES

KNOXVILLE, TENNESSEE, Monday, December 6, 2010 – Xinergy Ltd., ("Xinergy" or "the Company") a Central Appalachian producer of high quality coal, today releases outlook for 2011 & 2012.

Jon Nix, Chairman and CEO of Xinergy, commented, "We are pleased to provide our shareholders and other interested parties with our initial production and sales outlook for calendar years 2011 and 2012. We expect a strong year in 2011 with production on our existing properties ranging from 2.8 to 3.0 million tons with contracted sales of 1,348,000 tons or 48-54% of forecasted production at an average sales price of \$98.16/ton. As market conditions continue to improve, we see 2012 as a banner year with increased production in the 3.5 to 4.0 million range on our existing projects alone. Xinergy currently has 146,000 tons contracted at US\$115.10 per ton in 2012.

Additionally, we are currently in the final stages of due diligence on our previously announced WV Metallurgical deal with closing anticipated in early 2011. Once closed, all details regarding total acquisition costs, planned capital expenditures, production forecast, quality and sales will be released.

The outlook contained above represents forecasts of production and sales, which indicate a range of possible outcomes and are provided to assist investors with the development of future earnings estimates. While Xinergy believes that these forecasts represent the best estimate of management as to future events, actual events will differ from these forecasts, and such differences could be material. These forecasts are subject to risks identified under "forward-looking statements" below.

About Xinergy Ltd.

Headquartered in Knoxville, Tennessee, Xinergy Ltd., through its wholly owned subsidiary, Xinergy Corp. is engaged in coal mining in eastern Kentucky and West Virginia. Currently, Xinergy sells high quality coal to electric utilities and industrial companies throughout the south-eastern United States. For more information, please visit www.xinergyltd.com.



Forward-Looking Information

This release contains “forward-looking information” that includes information relating to future events and future financial and operating performance, including management’s assessment of Xinergy’s future outlook, forecasts of production and sales, market conditions, and the closing of the previously announced WV Metallurgical deal. Forward-looking information should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by which, that performance or those results will be achieved. Forward-looking information is based on information available at the time it is made and/or management’s good faith belief as of that time with respect to future events, and such information is subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking information. Important factors that could cause these differences include but are not limited to: changes in contracted sales, the business of the Company may suffer as a result of uncertainty surrounding the WV Metallurgical deal; the Company may be adversely affected by other economic, business, and/or competitive factors; the worldwide demand for coal; the price of coal; the price of alternative fuel sources; the supply of coal and other competitive factors; the costs to mine and transport coal; the ability to obtain new mining permits; the costs of reclamation of previously mined properties; the risks of expanding coal production; the ability to bring new mines on line on schedule; industry competition; the Company’s ability to continue to execute its growth strategies; and general economic conditions. These and other risks are more fully described in the Company’s filings with the Canadian Securities Administrators, including its Annual Information Form, available on SEDAR at www.sedar.com. You should not put undue reliance on any forward-looking information. We assume no obligation to update forward-looking information to reflect actual results, changes in assumptions or changes in other factors affecting forward looking information, except to the extent required by applicable securities laws. If we do update one or more forward-looking information, no inference should be drawn that we will make additional updates with respect to those or other forward-looking information.

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