



## MicroCoal® Technologies Announces Reorganization of Subsidiary

Vancouver, B.C., Canada – August 18, 2014 – MicroCoal® Technologies Inc. (CSE: MTI) (Frankfurt: OFS.F) (OTC: CFQSF) (“MicroCoal” or the “Company”) announced today the bankruptcy filing of a United States subsidiary, Microcoal Inc. (the “Subsidiary”). The filing was done in the United States Bankruptcy Court in the District of Colorado. The filing is in line with a larger corporate restructuring the Company intends to pursue for various subsidiaries of the Company.

Said Lawrence Siegel, the Company’s Chief Executive Officer, "The Board of Directors has consistently urged management to simplify and reduce the overall corporate framework and overhead, and this action is in line with the direction mandated by the Board."

The Company expects that the filing will have little impact on the Company's overall corporate strategy. The Subsidiary's primary asset is intellectual property, which the Company intends to repurchase during the reorganization. Substantially all of the outstanding debt of the Subsidiary is payable to the Company. The other potential obligations of the Subsidiary are disputed claims relating to litigation with two prior employees.

Remarked Dr. James Young, Chairman of the Board of Directors, "This is among the last of numerous distractions the Company has resolved this year. Once these issues are put to rest, the Company can focus on its core task of commercially exploiting coal de-hydration technology."

On behalf of the Board of Directors,

*"Dr. James Young"*

Chairman of the Board of Directors

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### **FORWARD-LOOKING STATEMENTS**

*This press release may contain certain forward-looking statements that reflect the current views and/or expectations of MicroCoal with respect to its performance, business and future events, including statements regarding growth and future prospects of our business and the impact of the reorganization*

*of MicroCoal Inc. The reader is cautioned that forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other factors which are difficult to predict and that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business and the industry and markets in which the Company operates. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Assumptions underlying the Company's expectations regarding forward looking statements contained in this news release include, among others: that the bankruptcy of MicroCoal Inc. will not materially affect the Company's operating units. Investors are cautioned that all forward-looking statements involve risks and uncertainties including, without limitation, that the bankruptcy of MicroCoal Inc. may impact the Company's operating units or the Company may not repurchase certain intellectual property owned by MicroCoal Inc. These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should not place undue reliance on forward-looking statements, which are qualified in their entirety by this cautionary statement. Except as required by law, the Company does not intend, and undertakes no obligation, to update any forward-looking statements to reflect, in particular, new information or future events. Neither CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of the release.*