



FOR IMMEDIATE RELEASE

CANADA COAL PROVIDES UPDATE ON LOI WITH HONU INC.

December 8th, 2016, Vancouver, B.C., Canada – Canada Coal Inc. (the “Company” or “Canada Coal”), (TSX-V: CCK) Further to the Company's news release dated November 18th, 2016, Canada Coal wishes to confirm the terms and status of its non-binding letter of intent (the "LOI") with Honu Inc. The agreement with Honu is non-binding and contains no proposed terms or compensation for any potential transaction between the two parties. The LOI provides for a 90-day period of exclusivity, which will allow both parties to exchange information and maintain confidentiality as each party seeks to determine whether mutually beneficial business opportunities may exist. The LOI would not meet the definition of a COB Agreement or an RTO Agreement, as those terms are defined in TSX Venture Exchange policies. The Company will update the market if and when the relationship with Honu advances to anything more material, or if the LOI terminates (whether by mutual agreement or upon the expiry of the 90-day term). Should any specific transaction be agreed to among the parties, the issuer may be subject to a further trading halt, and additional requirements pursuant to TSX Venture Exchange policies.

About Honu Inc.

Honu was incorporated in 2013, and began commercial sales in the spring of 2015. Honu is the Hawaiian name for the green sea turtle, which represents longevity, peace, good luck, humility, and “the spirit within” to the Hawaiian people. These principles have been adopted and are held sacred by Honu Inc. and its production team. The company operates a 23,000-square foot indoor grow and operates a processing facility with an additional 21,000-square feet of operation. Honu produces flower, oil, concentrates and award winning edibles.

Honu is a Tier 3 licensed cannabis grower and processor in Washington State. It employs state of the art growing, curing and extractive technology to ensure that only the highest quality standardized cannabis products are marketed under its award winning Purple Turtle brand.

Honu Inc. began legally selling cannabis products into the Washington market in April 2015. In 2016, Honu was honoured as having the “Best Cannabis Brand Design 2016” in an online poll published by the Marijuana Business Association (MJBA). In the same year, its Coconut Snowballs were chosen as the best sweet edible recreational cannabis product. For more information about the company’s business, please refer to the Honu website at: <http://www.honu-inc.com>

On behalf of the Board of Directors

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“Neither 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 news release contains forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. Investors are cautioned that these forward looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected. These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. All of the forward-looking statements made in this press release are qualified by these cautionary statements and by those made in our filings with SEDAR in Canada (available at www.sedar.com).*