

FOR IMMEDIATE RELEASE

## CANADA COAL ANNOUNCES PROPOSED CONSOLIDATION

May 2<sup>nd</sup>, 2017, Vancouver, B.C., Canada – Canada Coal Inc. (the “Company” or “Canada Coal”), (TSX-V: CCK) announces that shareholders of the Company (“Shareholders”) will be asked to consider, and, if thought appropriate, approve a special resolution authorizing the Company to consolidate its issued and outstanding common shares (the “Common Shares”) on the basis of one (1) post-consolidation Common Share for every four (4) pre-consolidation Common Shares (the “Consolidation”), along with other items of business to be presented at the Company’s annual and special meeting of Shareholders to be held on Tuesday, May 30<sup>th</sup>, 2017 in Toronto, Ontario (the “Meeting”).

The board of directors of the Company (the “Board”) has concluded that the Consolidation would be in the best interests of the Shareholders as part of its overall marketing and restructuring efforts to attract new project opportunities for the shareholders of Canada Coal.

There are currently 43,449,750 Common Shares issued and outstanding. Upon the Consolidation becoming effective, it is expected there will be approximately 10,862,437 post-consolidation Common Shares issued and outstanding on a non-diluted basis. The Company also has outstanding options to purchase up to 2,700,000 Common Shares, equal to 675,000 Common Shares on a post-consolidation basis. The Company does not intend to change its name in connection with the proposed Consolidation.

To be adopted, the resolution authorizing the Consolidation (the “Consolidation Resolution”) must be passed by the affirmative vote of at least 66 2/3% of the votes cast by Shareholders at the Meeting. The Consolidation is also subject to the approval of the TSX Venture Exchange. The Consolidation Resolution will also give the Board the authority to determine not to implement the Consolidation at any time after the Meeting and after receipt of necessary regulatory approvals, but prior to the issuance of the certificate of amendment, without further action on the part of Shareholders.

For more information on the proposed Consolidation and other matters to be considered at the Meeting, Shareholders are encouraged to refer to the Company’s management information circular dated April 28<sup>th</sup>, 2017 (the “Circular”), which is available on the Company’s issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com).

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***Neither the TSX Venture Exchange nor its Regulation Service 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](http://www.sedar.com)).*