

*FOR IMMEDIATE RELEASE*

## **Canada Coal Signs Non-Binding LOI with Potash Ridge Corporation for Valleyfield Fertilizer Assets in Quebec**

November 20<sup>th</sup>, 2017, Vancouver, B.C., Canada – Canada Coal Inc. (the “Company” or “Canada Coal”), (TSX-V: CCK) announces that it has signed a non-binding Letter of Intent (“LOI”) with Potash Ridge Corporation (“TSX:PRK”) to potentially purchase, joint venture or otherwise complete such other form of transaction that may be mutually acceptable to the parties for the assets of Valleyfield Fertilizer Corporation, a wholly owned subsidiary of Potash Ridge.

The LOI 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 Company will update the market if and when the relationship with PRK 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 additional requirements pursuant to TSX Venture Exchange policies.

### **About Valleyfield Fertilizer Corporation**

Valleyfield Fertilizer Corporation (“Valleyfield”) was incorporated in July 2015 as a Quebec registered company under the name Société D’engrais de Valleyfield Inc.

Valleyfield intends to build a fertilizer manufacturing facility in Salaberry-de-Valleyfield, Quebec to produce 40,000 tonnes per year of potassium sulphate, also referred to as ‘SOP’ (sulphate of potash). The location, west of Montreal on the St. Lawrence River, provides excellent rail, road, and seaway access in a jurisdiction which is attracting many synergistic industrial companies. SOP is regarded as a reliable low-chloride fertilizer that provides two key nutrients, potassium and sulphur, essential for the life cycle of high value, chloride-intolerant crops including most fruits, vegetables and nuts. This differs from the more well-known potash or potassium chloride fertilizer, which is best suited for corn and grain crops.

Valleyfield has:

- Secured a fixed price EPC (engineering, procurement and construction) contract with SNC-Lavalin for the construction of Valleyfield;
- Obtained a letter of intent with a leading integrated agricultural organization for up to 25% of the annual production of SOP to serve Eastern Canada;
- Signed an off-take and funding arrangement with Jones-Hamilton Co., a leading U.S.-based chemicals company, whereby Jones-Hamilton will fund the hydrochloric acid equipment for Valleyfield and exclusively sell 100% of the hydrochloric acid production from Valleyfield for 10 years;
- Signed a five-year contract with a major North American chemical company for 100% of Valleyfield's sulphuric acid requirements;



- Engaged Montreal-based Novopro Projects Inc. to act as lead Owner's Engineer to advance the project through final engineering and construction completion.

On behalf of the Board of Directors

**“R. Bruce Duncan”**

President and Chief Executive Officer

**Phone:** 1-604-685-6375

**Website:** [www.canadacoal.com](http://www.canadacoal.com)

**E-mail:** [info@canadacoal.com](mailto:info@canadacoal.com)

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**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)).*

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