

FOR IMMEDIATE RELEASE

CANADA COAL RECEIVES EXCLUSIVITY EXTENSION ON POTENTIAL VALLEYFIELD FERTILIZER TRANSACTION

February 21st, 2018, Vancouver, B.C., Canada – Canada Coal Inc. (the “Company” or “Canada Coal”), (TSX-V: CCK) provides this update in connection with its previously announced (see press release of November 20th, 2017) signing of a non-binding letter of intent (“LOI”) with Potash Ridge Corporation (“PRK”) to potentially purchase, joint venture or otherwise complete such other form of transaction that may be mutually acceptable to the parties. PRK and the Company act at arm’s length.

As was previously announced, the LOI contains no proposed terms for any potential transaction between the two parties. Further, the LOI provided for a 90-day period of exclusivity (ending February 21st, 2018) which has now been extended to April 30th, 2018. The extension continues to allow both parties currently to exchange information and maintain confidentiality as each party seeks to determine whether mutually beneficial business opportunities may exist.

As of the date hereof, the Company reports that it continues to complete its due diligence review of information regarding the targeted assets. In this regard, management of both the Company and PRK are in regular communication and are working cooperatively with each other.

Lastly, as previously reported on January 24th, 2018, the Company completed a private placement of 10 million units (consisting of 10 million common shares and 5 million common share purchase warrants) to raise gross proceeds of \$700,000. Such funding, together with the Company’s existing cash balances of approximately \$1,050,000 now leaves the Company with a cash balance of approximately \$1,750,000. The Company has no debt and has no material liabilities.

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’. 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;
- Partnered with industry leader, Migao Corp., to provide technical oversight, training, operations and maintenance services; and
- 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

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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).*