

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Nov 18, 2016) - [Canada Coal Inc.](#) (the "Company" or "Canada Coal"), (TSX VENTURE:CCK) is pleased to announce that it has signed a non-binding Letter of Intent ("LOI") with Honu Inc., a licensed marijuana grower and producer of marijuana concentrates and edible marijuana products in the State of Washington. 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 does not represent a change of business for the Company. The LOI contains no terms of compensation, and does not contemplate a definitive agreement between the parties.

In November 2012, the Washington State Liquor and Cannabis Board ("WSLCB") passed Initiative 502 ("I-502") pursuant to a vote by the people of the State of Washington. I-502 authorized the WSLCB to regulate and tax recreational marijuana products for persons over twenty-one years of age and thereby created a new industry for the growing, processing and selling of Washington State-regulated recreational marijuana products. A recent WSLCB commissioned report by the Rand organization suggests that there are currently up to 650,000 recreational marijuana users in Washington State, worth approximately USD \$1.25 - \$1.5 Billion in annual sales. [http://www.rand.org/pubs/research\\_reports/RR466.html](http://www.rand.org/pubs/research_reports/RR466.html)

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>

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.

If the due diligence process leads to a definitive agreement, any proposed transaction will be a Change of Business or Reverse Takeover subject to the requirements under Exchange Policy 5.2, including but not limited to full prospectus-level disclosure, shareholder approval and sponsorship requirement. Once a definitive agreement has been signed, a comprehensive press release will be issued.

Any proposed transaction would be subject to a number of conditions, including Exchange acceptance and disinterested Shareholder approval. Any proposed transaction could not close until the required Shareholder approval is obtained. There can be no assurance that a transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in a Management Information Circular and/or Filing Statement to be prepared in connection with a proposed transaction, any information released or received with respect to the Change of Business or Reverse Takeover transaction may not be accurate or complete and should not be relied upon. Trading in the securities of [Canada Coal Inc.](#) should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

On behalf of the Board of Directors

*R. Bruce Duncan*, President and Chief Executive Officer

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

*"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](http://www.sedar.com)).*

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