



Suite 605 –1166 Alberni Street
Vancouver, BC, V6E 3Z3
P: (604) 685-6375 F: (604) 909-1163
Email: info@canadacarbon.com
Web: www.canadacarbon.com

PERMISSION TO APPEAL GRANTED TO MUNICIPALITY

December 19th, 2018, Vancouver, BC, Canada – Canada Carbon Inc. (the “Company”) (TSX-V:CCB), (FF:U7N1) announces that on December 18th, 2018, Mr. Justice Martin Vauclair of the Quebec Court of Appeal gave permission to the Municipality of Grenville-sur-la-Rouge (“the Municipality”) to appeal the decision rendered by Madam Justice Danielle Turcotte who rejected the Municipality's motion to dismiss the Company’s damage claim as abusive. In granting this permission, Judge Vauclair indicated that he was not commenting on the chances of success of this appeal.

It should be noted that the Turcotte judgment concluded in particular that the damage claim filed by the Company 1) did not appear abusive, 2) nor did it present the characteristics of a SLAPP lawsuit, but rather that 3) the action of the Company is an action in damages of a conservatory nature. The Municipality will therefore have the burden of demonstrating to a bench of 3 judges of the Court of Appeal that the Turcotte judgment is unfounded in fact and in law.

Executive Chairman and CEO R. Bruce Duncan said: "The filing of our action for damages and its subsequent suspension would both safeguard the rights of the Company and also prevent the Municipality from having to defend itself against this action pending the results of other legal proceedings. This approach was considered reasonable in the decision handed down by Madam Justice Turcotte.”

The Company will vigorously contest the Municipality’s position.

CANADA CARBON INC.

“R. Bruce Duncan”
CEO and Director

Contact Information

E-mail inquiries: info@canadacarbon.com

P: (604) 685-6375

F: (604) 909-1163

“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).*