SPOT COFFEE ANNOUNCES FINAL AGREEMENT WITH PCL, PROVIDES FINANCIAL UPDATE

Toronto, Ontario, February 27th, 2017 – SPOT COFFEE (CANADA) LTD. (TSX-V: SPP) ("SPoT" or the "Company") is pleased to announce that it has reached an agreement with Parisco Cafés LLC ("PCL") whereby PCL will pay to the company, as outlined in its recently delivered Letter of Intent, the one-time franchise fees of USD 150,000 (USD 30,000 per café) and a monthly royalty fee of 5%, as well as an advertising fee of 1.5% of gross revenue generated by the 5 franchise cafes. All advertising fees collected from PCL and other franchisees will be spent on local and regional marketing campaigns.

Under the terms of the franchise agreement, PCL has agreed to cover the full development costs including all the equipment associated with the complete development and build-out of the 5 SPoT franchise cafés. SPoT Coffee will approve and lease all the SPoT franchise café locations and will subsequently enter into, at cost, a sub-lease agreement for these locations with PCL.

The Company anticipates receipt of combined annual revenue from franchise royalty and advertising fees of USD 240,000 in the first year of operation of the 5 SPoT franchise cafés. Based on its experience, the Company believes that this annual revenue will grow within the first 3 years of operation to an optimal annual amount of USD 325,000.

Together with the existing and operating two SPoT corporate cafés in Saratoga Springs and Glens Falls, New York, the 5 PCL franchise SPoT cafés along the Saratoga Springs, New York, and West Hartford, Connecticut corridor will start the build-up of the critical mass of SPoT cafés needed to strengthen the SPoT Coffee brand and expand its footprint in the State of New York and beyond.

About SPoT Coffee

SPoT Coffee trades on the TSX Venture Exchange under the symbol SPP. SPoT designs, builds, operates and franchises community oriented cafés and express cafés in New York State. SPoT's community cafés provide its customers with the highest quality service, signature made-to-order meals and award-winning micro-roasted coffee. Each SPoT café is distinctively designed to suit its local neighbourhood, creating a warm and friendly gathering place for the community. SPoT's commercial business focuses on the sale of roasted coffee beans to food service and grocery chains, business offices and third party resellers such as universities and hospitals.

For Further Information, Please Contact:

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Forward Looking Statements

Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward-looking statements. In particular, forward-looking information in this press release includes, but is not limited to, the potential use of proceeds of the financing that is the subject of this release. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The forward-looking information contained in this news release is expressly qualified by this cautionary statement. Except as required by applicable securities laws, the Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.

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