

NEWS RELEASE

Chinook Proposes Share Alteration

September 2, 2014

VANCOUVER, BRITISH COLUMBIA, September 2, 2014 | Chinook Tye Industry Limited (the "**Company**") (**NEX-XCX.H**), announces a proposed consolidation and subsequent share split (the "**Share Alteration**") of its class A voting common shares ("**Shares**") in order to eliminate the number of odd-lot shareholdings that have evolved over the years. The Company currently has 3,472,473 Shares outstanding and has a large number of shareholders holding small numbers of its Shares.

The benefits of the proposed Share Alteration include the following:

Liquidity Event for Small Shareholders

Many current shareholders hold small and odd-lot shareholdings in the Company. Due to infrequent and illiquid trading in the Company's Shares, such holders have had no cost effective option to dispose of their Shares. The Share Alteration provides a cost effective liquidity option for small Shareholders to sell their holdings and liquidate their investment without depressing the market price of the Shares, and without payment of brokerage fees that in many cases would represent all or a substantial portion of their sale proceeds.

Reduced Administrative Costs

As a reporting issuer, the Company is required to disseminate to registered and beneficial shareholders interim statements, annual statements and associated continuous disclosure materials. In the case of many small shareholders, the administrative cost associated with providing such services represents a disproportionately large percentage of the total value of their investment. The Company spends a significant amount of money each year printing and mailing materials required by statute, such as annual reports and information circulars, to these small shareholders and serving their accounts through the Company registrar and transfer agent. The effect of the proposed Share Alteration will be to reduce administrative costs associated with maintaining a large shareholder base of odd-lot and small shareholders, by significantly reducing the number of these shareholders.

Accordingly, the Company proposes to undertake the steps outlined below in order to implement the Share Alteration and purchase these small holdings and recognize the benefits outlined above:

- (a) at the effective time (the "**Consolidation Effective Time**") on the date of the consolidation (the "**Consolidation Effective Date**") the Shares of the Company will be consolidated on the basis of one (1) post-consolidated Share for each one-thousand (1,000) pre-consolidated Share (the "**Consolidation**");
- (b) thereupon, any holder of less than one (1) post-consolidated Share will cease to hold Shares and will be entitled to be paid cash consideration equal to that number of pre-consolidation Shares held by the holder multiplied by an amount equal to the average weighted trading price of the Shares for the ten trading days preceding the Consolidation Effective Date, rounded to the nearest whole cent; and

- (c) immediately following the Consolidation Effective Time, the remaining Shares will be split on the basis of one-thousand (1,000) post-split Shares for each one (1) post-consolidated Share.

The result of these steps will be that holders of less than 1,000 Shares will cease to hold Shares and will be entitled to receive cash consideration for their Shares.

Any Shareholder holding less than 1,000 Shares of the Company may, at their sole option, elect to purchase such number of additional Shares, as applicable, in the market through the facilities of the TSX Venture Exchange to achieve a minimum number of 1,000 Shares required to continue to be a holder of Shares, as applicable. Shareholders holding less than 1,000 Shares should consult their own investment advisor in that regard.

Further details concerning the Proposed Alteration will be contained in the management information circular to be mailed to the Company's shareholders in respect of a special and general shareholder's meeting to be held on September 29, 2014.

The proposed Share Alteration is subject to the approval of both the shareholders of the Company and the TSX Venture Exchange.

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This news release contains certain forward-looking statements, including statements regarding the proposed Share Alteration. These statements are subject to a number of risks and uncertainties. Actual results may differ materially from results contemplated by the forward-looking statements. When relying on forward-looking statements to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and should not place undue reliance on such forward-looking statements. The Company does not undertake to update any forward looking statements, oral or written, made by itself or on its behalf, except as required by applicable law.