



Russell Breweries Inc. Announces Redemption of Convertible Debentures

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VANCOUVER, November 2, 2012 - Russell Breweries Inc. (TSX.V: RB) (the "**Company**") announces that on November 5, 2012 (the "**Redemption Date**"), the Company will redeem its convertible debentures (the "**Convertible Debentures**") maturing on November 5, 2012. The aggregate principal amount (the "**Principal Amount**") of the Convertible Debentures currently outstanding is \$531,000.00.

On the Redemption Date, the Company will redeem the whole of the Principal Amount of the Convertible Debentures by issuing fully paid and non-assessable common shares (the "**Common Shares**") in the capital of the Company, at a price equal to \$0.15 per Common Share (the "**Redemption**"). The Company is entitled to redeem the Convertible Debentures without any action required on the part of holders (the "**Holders**") of the Convertible Debentures, including the surrender of any certificates. On the Redemption Date, the Company will allot and issue, as fully paid and non-assessable shares of the Company, an aggregate of 3,540,000 Common Shares to the Holders.

The securities issued pursuant to the Redemption will be subject to a hold period of four months and one day from the date of issue in compliance with applicable securities laws and the rules of the TSX Venture Exchange.

ABOUT THE COMPANY: Russell Breweries Inc. produces premium craft beer in Western Canada with breweries located in British Columbia and Manitoba. All products are held to the highest quality standards, brewed without any preservatives, ensuring that the passion that goes into crafting the beers comes through in the taste. Russell Breweries Inc. is a public company trading on the TSX Venture Exchange under the symbol "RB".

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