



RUSSELL BREWERIES INC. ANNOUNCES PURCHASE OF 68,000 CLASS A EXCHANGEABLE NON-VOTING PREFERRED SHARES IN THE CAPITAL OF RUSSELL BREWING COMPANY LTD.

FOR IMMEDIATE RELEASE

VANCOUVER, Canada - April 4, 2013 - Russell Breweries Inc. (TSX.V: RB) (the "**Company**") announces that, pursuant to an exchange agreement (the "**Exchange Agreement**") dated for reference as of March 31, 2008, between the Company, Russell Brewing Company Ltd. ("**Subco**"), and holders (the "**Investors**") of Class A Exchangeable Non-Voting Preferred Shares (the "**Exchangeable Shares**") in the capital of Subco, the Company has exercised its right (the "**Exchange Right**") to purchase the Exchangeable Shares from the Investors. The Company is entitled to exercise the Exchange Right and purchase the Exchangeable Shares without any further action required on the part of the Investors.

As per the exchange ratio stipulated in the Exchange Agreement, each Exchangeable Share is exchangeable for 22.67 common shares (the "**Common Shares**") in the capital of the Company. The Company has issued, as fully paid and non-assessable shares of the Company, an aggregate of 1,541,560 Common Shares to the Investors, in order to purchase an aggregate of 68,000 Exchangeable Shares held by the Investors (the "**Exchange**"). Certificates registered in the names of the Investors, representing the aggregate number of Common Shares deliverable by the Company in payment for the Exchangeable Shares, have been couriered to the Investors.

The 68,000 Exchangeable Shares were issued to Investors pursuant to a brokered private placement (the "**Private Placement**") announced on March 5th, 2008, at a price of \$10.00 per Exchangeable Share, for gross proceeds of \$680,000. The Private Placement was offered in connection with the Province of British Columbia's Equity Capital Program (the "**Program**"). Residents of British Columbia investing in a company registered under the Program were eligible for a tax credit of up to 30% of their investment.

ABOUT THE COMPANY: Russell Breweries Inc. is a leading Western Canadian brewer. It brews, markets, sells and distributes a diverse portfolio of award-winning beers that are produced by its wholly-owned regional breweries: Russell Brewing Company in British Columbia and Fort Garry Brewing Company in Manitoba. Both breweries are dedicated to producing high-quality, flavourful ales and lagers. Russell Breweries Inc. is publicly listed on the TSX Venture Exchange (TSX.V: RB).

Neither the 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.

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