

Form 51-102F3
Material Change Report

Item 1. Name and Address of Company

Russell Breweries Inc. (“Russell” or the “Company”)
202 - 13018 80th Avenue
Surrey, B.C. V3W 3A8

Item 2. Date of Material Change

June 17, 2014

Item 3. News Release

The news release announcing the material change was issued at Vancouver, BC on June 18, 2014, and was disseminated via Marketwired and filed on SEDAR.

Item 4. Summary of Material Change

Russell announced that it has completed the final tranche of its non-brokered private placement (the “Private Placement”) of common shares of the Company (the “Shares”) previously announced on March 20, 2014.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

Russell announced that it has completed the final tranche of Private Placement of Shares previously announced on March 20, 2014. Under the final tranche of the Private Placement, the Company issued and sold 1,250,000 Shares for gross proceeds of \$75,000.00.

The Shares issued pursuant to the Private Placement are subject to a hold period of four months and one day from the closing date.

Forward-Looking Information

This release includes certain statements that are deemed “forward looking statements”. All statements in this release, other than statements of historical facts, that address events or developments that the Company expects to occur, are forward-looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur. Although the Company believes the expectations expressed in such forward looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward looking statements. Factors that could cause the actual results to differ materially from those in forward looking statements include: the use of the proceeds of the Private Placement and future performance of the Company. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward looking statements. Forward looking

statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

Item 7. Omitted Information

Not Applicable.

Item 8. Executive Officer

The following Director and Senior Officer of the Company is available to answer questions regarding this report:

Benjamin Li Yu
Director and Interim CEO
604-812-8723

Item 9. Date of Report

Dated at Vancouver, BC, this 18th day of June, 2014.