



RUSSELL BREWERIES INC. SHAREHOLDERS APPROVE ASSET SALE TRANSACTIONS

FOR IMMEDIATE RELEASE

VANCOUVER, Canada – November 28, 2016 - Russell Breweries Inc. (TSX-V:RB) ("**Russell**" or the "**Company**") is pleased to announce that at the annual general and special meeting of Russell shareholders held today (the "**Meeting**"), shareholders of the Company approved the sale to separate purchasers of substantially all of the assets related to its two operating businesses as previously announced on October 7, 2016 (the "**Asset Sales**").

The sale of all of the property and assets used or utilized by the Company in its business of producing beers in Manitoba under the name "Fort Garry Brewing Company" was approved by 99% of the Russell shareholders who voted at the Meeting and is expected to close on or about November 30, 2016. The sale of all of the property and assets used or utilized by the Company in its business of producing beers in British Columbia under the name "Russell Brewing Company" was approved by 99% of the Russell shareholders who voted at the Meeting and is expected to close in December 2016. The closing of each of the Asset Sales is subject to a number of customary closing conditions, including receipt of final approval of the TSX Venture Exchange.

In addition, in connection with the Asset Sales, at the Meeting the Russell shareholders approved the distribution of the remaining assets of the Company, following the payment of all liabilities, by way of reduction of stated capital, the voluntary dissolution of the Company in accordance with the *Business Corporations Act* (British Columbia) and the delisting of the Common shares of the Company from the TSX Venture Exchange or the NEX Board, as more particularly described in the Management Information Circular dated October 26, 2016 related to the Meeting.

The annual general meeting items of business considered at the Meeting and a resolution re-approving the Company's stock option plan were also approved.

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About Russell Breweries Inc.

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 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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Forward Looking Statements

This release includes certain statements that, to the extent they are not statements of historical fact, constitute forward-looking information and forward-looking statements which reflect the current view of Russell with respect to the Company's objectives, plans, goals, strategies, future growth, results of operations, financial and operating performance and business prospects and opportunities.

Wherever used, the words "may", "will", "anticipate", "intend", "expect", "estimate", "plan", "believe" and similar expressions identify forward-looking statements and forward-looking information. Forward-looking statements and forward-looking information should not be read as guarantees of future events, performance or results, and will not necessarily be accurate indications of whether, or the times at which, such events, performance or results will be achieved. All of the statements and information in this release containing forward-looking statements or forward-looking information are qualified by these cautionary statements. These forward-looking statements and information include statements regarding the completion of the Asset Sales, the terms of the Asset Sales, including the purchase price to be received, the release or distribution to shareholders of any amounts to be received from the Asset Sales, and the receipt of all the necessary approvals to complete the Asset Sales.

*Forward-looking statements and forward-looking information are based on information available at the time they are made, underlying estimates and assumptions made by management and management's good faith belief with respect to future events, performance and results, and are subject to inherent risks and uncertainties surrounding future expectations generally. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements and forward-looking information contained in this release. Such risks and uncertainties include, but are not limited to the ability of the Company to satisfy the conditions to the Asset Sales pursuant to the asset purchase agreement the ("**Fort Garry Sale Agreement**") entered into among the Company, its wholly-owned subsidiary Fort Garry Brewing Company Ltd. ("**FGBC**") and Fort Garry Brewing Company LP (the "**Fort Garry Purchaser**") and the asset purchase agreement (the "**Russell Brewing Sale Agreement**") entered into among the Company, FGBC and 1083256 B.C. Ltd. (the "**Russell Brewing Purchaser**"), receipt of all necessary approvals to complete the Asset Sales including receipt TSX Venture Exchange approval, any working capital adjustments to the purchase price for the Asset Sales pursuant to the Fort Garry Sale Agreement and the Russell Brewing Sale Agreement, any indemnification claims by the Fort Garry Purchaser and the Russell Brewing Purchaser, any delay in payment or inability to by the Fort Garry Purchaser or the Russell Brewing Purchaser of the purchase price for the assets, the estimated expenses to complete the Asset Sales, the timing and amount of the distribution to shareholders, including payment of all expenses and liabilities of the Company, competition with its main competitors in the Canadian brewing industry, government regulation of the Company's business, state of the public markets, global economic conditions, the exposure to commodity price risk with respect to agricultural and*

other raw materials used to produce the Company's products, dependence of key personnel, hazards and liability risks faced by all brewers, competitors developing beers of the same or similar tastes and qualities to the Company's beers the seasonal nature of the alcoholic beverage industry, changes in customer demand, preferences and attitudes, and the ability to protect the intellectual property rights of the Company, among other things.

Russell cautions readers that this list of factors is not exhaustive and that should certain risks or uncertainties materialize, or should underlying estimates or assumptions prove incorrect, actual events, performance and results may vary significantly from those expected. There can be no assurance that the actual results, performance, events or activities anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. Readers are urged to consider these factors carefully in evaluating forward-looking information and forward-looking statements and are cautioned not to place undue reliance on any forward-looking information or forward-looking statements.

The forward-looking statements and forward-looking information are made as of the date hereof, and the Company disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements and forward-looking information contained herein to reflect future results, events or developments. You should also carefully consider the matters discussed under "Risk Factors" in the Company's management's discussion and analysis filed on SEDAR at www.sedar.com.