



RUSSELL BREWERIES INC. COMPLETES SALE OF RUSSELL BREWING COMPANY BUSINESS

FOR IMMEDIATE RELEASE

VANCOUVER, Canada – December 17, 2016 - Russell Breweries Inc. (TSX-V:RB) (“**Russell**” or the “**Company**”) is pleased to announce that the previously announced 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” has been completed. This sale was approved by the shareholders of Russell at a shareholders meeting held on November 28, 2016 and additional details of the sale can be found in the management information circular of Russell dated October 26, 2016.

It is anticipated that the Common shares of the Company will now be transferred to the NEX board of the TSX Venture Exchange.

Contact:

For more information, please contact:
Benjamin Li Yu | Director
Office: 604.599.1190
benjamin.yu@russellbeer.com

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.

THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT AUTHORIZED FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.

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 transfer of the Common shares the Company to the NEX board of the TSX Venture Exchange.

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 TSX Venture Exchange's decision to transfer the Common shares the Company to the NEX board.

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.