

**PREMIUM BRANDS HOLDINGS CORPORATION ANNOUNCES PLANS TO BUILD  
A SANDWICH PRODUCTION FACILITY IN PHOENIX, AZ**

**VANCOUVER, B.C.**, July 7, 2016. Premium Brands Holdings Corporation (TSX: PBH), a leading producer, marketer and distributor of specialty food products, announced today plans to build a 212,000 square foot, state-of-the-art sandwich assembly facility in Phoenix, AZ. The facility, which is scheduled to open in the second quarter of 2017, will complement the Company's sandwich production facilities in Reno, NV, Columbus, OH, Edmonton, AB and Montreal, QC. In total, once the Phoenix plant is complete, the Company will have approximately 610,000 square feet of state-of-the-art sandwich production capacity.

"The strong growth of our sandwich business in recent years has been driven by several emerging consumer and industry trends that are rapidly gaining momentum," said Mr. George Paleologou, President and CEO. "Our continued investment in the sandwich category will not only help to ensure we maintain our leading role in responding to these trends but will also further enhance our ability to offer large national and international customers with unique product and supply chain solutions," added Mr. Paleologou.

The construction of the Phoenix facility, which is expected to cost US\$29.0 million, will consist of modifying a newly constructed leased facility to allow for the installation of up to 16 high speed sandwich assembly lines. Initially the facility will have six lines with additional lines being added as needed to support its growth.

**ABOUT PREMIUM BRANDS**

Premium Brands owns a broad range of leading specialty food manufacturing and differentiated food distribution businesses with operations in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nevada, Ohio and Washington State. The Company services a diverse base of customers located across North America and its family of brands and businesses include Grimm's, Harvest, McSweeney's, Bread Garden Go, Hygaard, Hempler's, Isernio's, Quality Fast Foods, Direct Plus, Harlan Fairbanks, Creekside Bakehouse, Stuyver's Bakestudio, Centennial Foodservice, B&C Food Distributors, Shahir, Wescadia, Duso's, Maximum Seafood, Ocean Miracle, SK Food Group, OvenPride, Hub City Fisheries, Audrey's, Deli Chef, Piller's, Freybe, Expresco, C&C Packing and Premier Meats.

For further information, please contact George Paleologou, President and CEO or Will Kalutycz, CFO at (604) 656-3100.

[www.premiumbrandsholdings.com](http://www.premiumbrandsholdings.com)

**FORWARD LOOKING STATEMENTS**

This press release contains forward looking statements with respect to the Company, including its business operations, strategy and financial performance and condition. These statements generally can be identified by the use of forward looking words such as "may", "could", "should", "would", "will", "expect", "intend", "plan", "estimate", "project", "anticipate", "believe" or "continue", or the negative thereof or similar variations.

Although management believes that the expectations reflected in such forward looking statements are reasonable and represent the Company's internal expectations and belief as of July 7, 2016, such statements involve unknown risks and uncertainties beyond the Company's control which may cause its actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward looking statements.

Some of the factors that could affect future results and could cause results to differ materially from those expressed in the forward-looking statements contained herein include: (i) changes in the cost of raw materials used in the production of the Company's products; (ii) seasonal and/or weather related fluctuations in the Company's sales; (iii) changes in consumer discretionary spending resulting from changes in economic conditions and/or general consumer confidence levels; (iv) changes in the cost of finished products sourced from third party manufacturers; (v) changes in the Company's relationships with its larger customers; (vi) access to commodity raw materials; (vii) potential liabilities and expenses resulting from defects in the Company's products; (viii) changes in consumer food product preferences; (ix) competition from other food manufacturers and distributors; (x) execution risk associated with the Company's growth and business restructuring initiatives; (xi) risks associated with the Company's business acquisition strategies; (xii) changes in the value of the Canadian dollar relative to the U.S. dollar; (xiii) new government regulations affecting the Company's business and operations; (xiv) the Company's ability to raise the capital needed to fund its growth initiatives; (xv) labor related issues including potential disputes with employees represented by labor unions and labor shortages; (xvi) the loss and/or inability to attract key senior personnel; (xvii) fluctuations in the interest rates associated with the Company's funded debt; (xviii) failure or breach of the Company's information systems; (xix) financial exposure resulting from credit extended to the Company's customers; (xx) the malfunction of critical equipment used in the Company's operations; (xxi) livestock health issues; (xxii) international trade issues; and (xxiii) changes in environmental, health and safety standards. Details on these risk factors as well as other factors can be found in the Company's 2015 MD&A, which is filed electronically through SEDAR and is available online at [www.sedar.com](http://www.sedar.com).

Unless otherwise indicated, the forward looking statements in this document are made as of July 7, 2016 and, except as required by applicable law, will not be publicly updated or revised. This cautionary statement expressly qualifies the forward looking statements in this press release.