****

**NEWS RELEASE**

**Laguna Blends Inc. Announces Share Consolidation and**

**Additional Loan of $100,000**

**KELOWNA, BC – January 04, 2016 – Laguna Blends Inc. (CSE: LAG) (Frankfurt** LB6.F) **(**GNRSF OTC**) (the “Company” or “Laguna**”) announces a consolidation of its share capital on the basis of 2.5 pre-consolidation common shares for 1 post-consolidation common share (the “**Consolidation**”). The Company’s common shares are planned to begin trading on a post-Consolidated basis on the Canadian Securities Exchange on January 8, 2016 under the new CUSIP number 507195204.

Currently, a total of 45,648,511 common shares in the capital of the Company are issued and outstanding. Accordingly, if the Consolidation is put into effect, a total of 18,529,404 common shares in the capital of the Company would be issued and outstanding following the Consolidation, assuming there are no other changes in the issued capital of the Company. There are currently an unlimited number of authorized common shares without par value. No fractional shares will be issued. Any fraction of a share will be rounded down or up to the nearest whole number of common shares.

The Consolidation is being proposed in order to allow the Company greater flexibility in future financings. The Company's name and symbol will not be changing.

The reverse stock split is a key step in our growth strategy," said Stuart Gray, President, Chief Executive Officer. " We believe that the share consolidation offers a number of advantages including the opportunity to increase Laguna Blends visibility in the broader investment community and with institutional investors."

Registered shareholders will be required to exchange their share certificates representing pre-Consolidation common shares for a Direct Registration Advice ("DRA")representing consolidated common shares. Registered shareholders will be sent a transmittal letter from the Company’s transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**"), as soon as practicable after the effective date of the Consolidation. The letter of transmittal will contain instructions on how certificate(s) representing pre-Consolidation shares may be surrendered to the Transfer Agent. The Transfer Agent will forward to each registered shareholder who has provided the required documents and followed the proper procedures, a DRA representing the number of post-Consolidated common shares to which the shareholder is entitled. Until surrendered, each share certificate representing pre-Consolidation common shares of the Company will be deemed, for all purposes, to represent the number of whole post-Consolidation common shares to which the holder is entitled as a result of the Consolidation. The Consolidation was approved by the Board of Directors of the Company.

The Company also announces it has obtained a loan from Kathy Gray, the spouse of Stuart Gray, the Company’s President, Chief Executive Officer, Chief Financial Officer and a director of the Company, in the principal amount of $100,000, which bears interest at a rate of 10% per annum (the “**Loan**”). The Company has agreed to pay the lender a lending fee of 5% of the principal amount of the Loan, which is payable on demand by the lender. The Loan is secured by the assets of the Company. Cumulative loan totals from Stuart Gray and his spouse have totaled $500,000.

**About Laguna Blends Inc.**
The Company's business is focused on the nutritional health benefits derived from hemp. Laguna is a network marketing company that intends to generate retail sales through independent affiliates. Affiliates utilize tools and technology that enable them to build an international business from their own home or while travelling. The first products to be launched are functional beverage products that provide high levels of protein and/or nutrition.

Laguna’s products are made from high quality hemp protein. Some of the current products are, “Caffe” an instant, “just add water” hot coffee beverage that contains both whey and hemp protein. In addition, the Company plans to market a product called Pro369. This unique single serving "on-the-go" hemp protein is served cold and comes in 4 delicious flavors. Pro369 is water soluble and can be directly mixed in water or added to milk, almond milk or coconut milk. Pro369 can be blended in a shake or smoothie. The Company intends to sell its products through its independent affiliates in the USA and Canada and anticipates launching its business in early 2016.

**ON BEHALF OF THE BOARD**
“Stuart Gray”

President, Chief Executive Officer,
Chief Financial Officer and Director

**FOR INVESTOR RELATIONS INFORMATION PLEASE CONTACT:**
Glenn Shand and Associates, LLC
Glenn Shand – Consultant
1-602-284-3840
ir@lagunablends.com

**Forward-Looking Information:**

*This news release contains "forward-looking information" within the meaning of applicable securities laws relating to statements regarding the Company's business, products and future plans including, without limitation, statements regarding use of proceeds, the expected launch date for the Company’s business, its product offerings and plans for sales and marketing. Although the Company believes that the expectations reflected in the forward looking information are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned to not place undue reliance on forward-looking information. Such forward looking statements are subject to risks and uncertainties that may cause actual results, performance and developments to differ materially from those contemplated by these statements depending on, among other things, the risks that the Company's products and plan will vary from those stated in this news release and the Company may not be able to carry out its business plans as expected. Except as required by law, the Company expressly disclaims any obligation, and does not intend, to update any forward looking statements or forward-looking information in this news release. The statements in this news release are made as of the date of this release.*