



January 27th, 2017

**GENERATION NEXT FRANCHISE BRANDS CEO EXPECTS NEW ERA OF GROWTH AND EXPANSION
IN A LETTER TO SHAREHOLDERS**

***Company launches new concept in vending robotics, acquires IP Technology and generates
over \$19,000,000 in franchise bookings during 2016***

Dear Generation NEXT (OTCQB: VEND) Shareholders;

The New Year is often a time of inward reflection on the developments of the past year, with ambitious goal setting for the coming year ahead. I am pleased to say that 2016 was a year of game-changing transformation and tremendous progress for the Company. We believe that the last two quarters of 2016 have uniquely positioned the Company and the brand for long-term success.

I would first like to thank all of the shareholders for their continued support of the Company. We greatly appreciate the confidence you place in Generation NEXT's business model, management, and mission. As we move forward, I believe we will continue to capitalize on our momentum and create increased shareholder value especially from our new Reis & Irvy's Froyo Robot concept. For a video of our Froyo Robot in action, please see the following:

Testimonial Video

<https://vimeo.com/160788415>

Our low investment Reis & Irvy's franchise can be purchased for \$160,000. This compares to the average initial franchise investment of \$520,000 across 3,500 brands, according to Brandon Gaille, marketing expert and blog master. Our franchise includes a minimum of four robots, location procurement services, consumable supply distribution and fulfillment from Honey Hill Farms, via U.S foods and Sysco, training at the headquarters of our development partner Lancer Corporation, which also provides logistics support in the form of delivery, installation and technical support as well as marketing initiatives provided in the form of in-store flavor promotions among other initiatives.

We look forward to 2017 and developing more successful relationships with our franchisees, shareholders, partners, and associates.

Significant Achievements in 2016

- Signed an exclusive license deal for the Robofusion technology in February 2016.
- Upgraded the license deal to include exclusive distribution rights for North America in May 2016.
- Booked our first Reis & Irvy's Froyo robot in April 2016.
- Booked our 100th Froyo Robot in July 2016.
- Booked our 250th Froyo Robot in September 2016.
- Booked our 500th Froyo Robot in December 2016.
- Signed an exclusive Development Agreement with Lancer Corporation for the development of the next generation Froyo Robot - <http://finance.yahoo.com/news/generation-next-franchise-brands-appoints-130000749.html>.
- Selected Spaceman USA as our certified Froyo beverage machine supplier - <http://www.spacemanusa.com/>.
- Selected Honey Hill Farms as our premium Froyo and frozen fruit supplier - <http://thehoneyhillfarms.com>.
- Selected Hartfiel Automation as our robotics technology partner - <http://www.hartfiel.com/>.
- Changed our name to Generation NEXT Franchise Brands, which now owns both Fresh Healthy Vending and Reis and Irvy's. representing over of 350 combined franchisees;
- The Company raised \$300,000 in debt capital.
- Acquired Robofusion, Inc. U.S. utility patent number 8,989,893; U.S. design patent number D647,926; and U.S. patent application numbers 20140120235 and 20160242434 in December 2016 - <http://finance.yahoo.com/news/generation-next-franchise-brands-acquires-130000368.html>.
- From April 2016 through December 2016, the Company generated over \$16,500,000 in franchise bookings for our new Froyo Robot (recorded as deferred revenues until Robots are installed) and over \$19 million in total franchise bookings.

Please note that all franchise bookings are recorded as deferred revenues on our consolidated balance sheet, which as of September 30th, 2016 aggregated \$14.6 million. Once the Company commences delivery of the Robots, the deferred revenues will be recognized as actual revenues on a pro-rata basis.

Overview of 2017 Goals and Milestones

We expect 2017 to be a busy year for development of our next generation Froyo Robot, continued sales expansion, both domestically and internationally, and increased corporate operations and location procurement services throughout the U.S.

We plan to continue positioning ourselves as a developer and market leader of robotic vending machine concepts by focusing and delivering upon the following objectives:

GENERATIONNEXT

FRANCHISE BRANDS

- Completing development of our next generation Froyo Robot – The Robot will include a smaller footprint, NSF certification, UL listing, telemetry alerts for temperature fluctuations, proximity sensors for lights and music, a patent-pending self-cleaning dispensing system and a 3G modem for cellular transmission of data.
- Booking our 1,500th Froyo Robot and 500th franchisee.
- Launching our corporate-owned operating model and partnering with a national retail chain.
- Initiating our international Master License program.
- Turning cash flow positive.
- Generating positive reportable net income.
- Increasing the strategic nature of our Company's Board of Directors with industry expertise.
- Seeking up to an additional \$10-\$20 million in investment capital.
- Introducing the market to our next robotic vending concept supported by additional patent applications.

In closing, we believe that we are uniquely positioned for the challenges ahead and look forward to executing on our evolving business model. Again, we thank all of our shareholders for their continued support and look forward to an exciting and prosperous 2017.

Sincerely,

Arthur S. Budman
CEO

For more information on the revolutionary Froyo Robots, visit the Reis & Irvy's website at reisandirvys.com. To learn more about Generation NEXT Franchise Brands or its family of brands, including Reis & Irvy's, Fresh Healthy Vending or 19 Degrees, please visit www.gennextbrands.com or call toll free 888-902-7558.

This information is not intended as an offer to sell, or the solicitation of an offer to buy, a franchise. It is for information purposes only. No Reis & Irvy's franchises will be sold to any resident of any state until the offering has been exempted from the requirements of, or duly registered in and declared effective by, such state and the required FDD (if any) has been delivered to the prospective franchisee before the sale in compliance with applicable law. Currently, the following states in the United States regulate the offer and sale of franchises: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Oregon, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin. If you reside in one of these states, or even if you reside elsewhere, you may have certain rights under applicable franchise laws or regulations.



Generation NEXT Franchise Brands

Generation NEXT Franchise Brands, based in San Diego, California, is a publicly traded company on the OTC Markets trading under the symbol: VEND. Generation NEXT Franchise Brands is parent company to Fresh Healthy Vending LLC, the market's leading healthy-choice vending machine franchise, Reis and Irvy's, Inc., the world's first robotic frozen yogurt vending robot and 19 Degrees, a corporate-focused frozen yogurt kiosk brand. The Company hosts over 350 active franchisees throughout the United States, Canada, Puerto Rico and the Bahamas, and continually looks to partner with like-minded entrepreneurs who share its vision.

Cautionary note on forward-looking statements:

Except for historical information contained in this release, statements may constitute forward-looking statements regarding assumptions, projections, expectations, targets, intentions or beliefs about future events that are based on management's belief, as well as assumptions made by, and information currently available to, management. While the Company believes that expectations are based upon reasonable assumptions, there can be no assurances that goals, results and strategy will be realized. Numerous factors, including risks and uncertainties, terms and availability of financing, may affect actual results and may cause results to differ materially from those expressed in forward-looking statements made by the Company or on its behalf. In addition to statements, which explicitly describe risks and uncertainties, readers are urged to consider statements labeled with such terms as "believes," "belief," "expects," "intends," "feels," "anticipates," "proposes," "proposed," or "plans" to be uncertain and forward-looking. More detailed information on these and additional factors that could affect Generation NEXT's actual results are described in Generation NEXT's filings with the Securities and Exchange Commission, including its most recent Form 10-Q for the quarterly period ended September 30, 2016, and its annual report on Form 10-K for the fiscal year ended June 30, 2016. All forward-looking statements in this news release speak only as of the date of this news release and are based on Generation NEXT's current beliefs and expectations. Generation NEXT undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.