FOR IMMEDIATE RELEASE

Targeted Microwave Solutions Announces Stock Option Grant

Vancouver, British Columbia, Canada – January 6, 2017 – Targeted Microwave Solutions Inc. (TSXV:TMS; OTCQX:TGTMF; FRA:A2ACNT) ("**TMS**" or the "**Company**") announced today that it has granted options to purchase 2,183,000 common shares of the Company (the "**Options**"), exercisable on or before January 5, 2022, with an exercise price of $0.33 per share, to certain directors and officers of the Company, pursuant to the Company's long-term performance incentive plan (the "**Plan**"). The granting of such Options is subject to regulatory approvals and, in the case of certain of the Options, shareholder approval at the next annual general meeting of the Company in respect of an increase in the maximum number of shares that may be reserved for issuance under the Plan.

On behalf of the Board of Directors,
"Dr. James Young"
Chief Executive Officer and Chairman

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About Targeted Microwave Solutions Inc.

Targeted Microwave Solutions Inc. is a clean technology company that designs and builds large scale microwave reactors to dry and process industrial materials. The technology is more efficient, requires significantly lower capital expenditures and is more environmentally friendly than traditional fossil fuel-based drying technologies. TMS' reactors are designed to be fully automated, require less maintenance, occupy a much smaller footprint and dry more product in less time than conventional counterparts.

The Company's R&D and commercial demonstration plant in King William, Virginia is strategically located near several major industrial clay and biofuel manufactures. The marketing and testing facility in Shanghai, China collects and analyzes material samples from nearby coal power plants and coal mines. The Company is a reporting issuer in Canada and is listed on the following stock exchanges:
| TSX-V: TMS | FRA: A2ACNT | OTCQX: TGTMF |

For further information, please visit www.tmsenergy.com or review the Company's public disclosure filing on www.sedar.com.

FORWARD-LOOKING STATEMENTS

This news release contains certain statements which are, or may be deemed to be "forward-looking statements". Forward-looking statements are statements that address or discuss activities, events or developments that we expect or anticipate may occur in the future. Forward-looking statements consist of statements that are not purely historical. When used in this news release, words such as "estimates", "expects", "plans", "anticipates", "projects", "will", "believes", "intends", "should", "could", "may" and other similar terminology are intended to identify such forward-looking statements. Forward-looking statements reflect the then-current expectations, beliefs, assumptions, estimates and forecasts of our management. Because forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors which are difficult to predict, our actual results, performance or achievements and the actual results or performance of the industries and markets in which we operate and intend to operate may be materially different from those anticipated in our forward-looking statements. Forward-looking statements involve significant uncertainties and risks, should not be read as a guarantee of future performance or results and will not necessarily be an accurate indication of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in our forward-looking statements, including such matters described in our public filings available on SEDAR at www.sedar.com. Accordingly, readers should exercise caution in relying upon our forward-looking statements and we undertake no obligation to publicly revise such statements to reflect subsequent events or circumstances, except as required by law.

Neither the 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.