



For Immediate Release

Jones Soda Co. Announces \$2.3 Million Financing; Equity Line Facility Closes

Seattle, Washington – January 31, 2011 – Jones Soda Co. (NASDAQ: JSDA), a leader in the premium soda category and known for its unique branding and innovative marketing, today announced that on or about February 1, 2011, it expects to close the sale of 1,596,773 shares of its common stock to Glengrove Small Cap Value, Ltd. (Glengrove) for gross proceeds of approximately \$2.3 million, or approximately \$1.41 per share.

Prior to the current draw down, Jones Soda sold an aggregate of 3,632,120 shares under the equity financing facility, for which the company received aggregate gross proceeds of approximately \$4.1 million. With the closing of the current draw down, which is subject to satisfaction of customary closing conditions, Jones Soda will have issued the maximum aggregate number of shares available for sale under the equity financing facility and, accordingly, the facility by its terms automatically will terminate. Jones Soda intends to use the net proceeds from the planned sale for targeted funding of new marketing programs, to secure and grow larger distributor and national retail accounts, and for working capital and other general corporate purposes.

“We are pleased to have completed the use of our equity line facility,” stated Bill Meissner, Jones Soda’s Chief Executive Officer. “This financing tool will terminate with us having raised total capital of nearly \$6.4 million. The facility was an important financing option, allowing us to raise the capital we need to go forward through 2011 and support strategic growth which we believe will result in a significant benefit to our shareholders.”

The securities described above will be sold by Jones Soda pursuant to a registration statement previously filed and declared effective by the Securities and Exchange Commission.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any jurisdiction in which an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

About Jones Soda Co.

Headquartered in Seattle, Washington, Jones Soda Co.[®] markets and distributes premium beverages under the Jones Soda, Jones Pure Cane Soda[®], and WhoopAss Energy Drink[®] brands and sells through its distribution network in markets primarily across North America. A leader in the premium soda category, Jones is known for its variety of flavors and innovative labeling technique that incorporates always-changing photos sent in from its consumers. Jones Soda is sold through traditional beverage retailers. For more information, visit www.jonessoda.com or www.myjones.com.

Forward - Looking Statements Disclosure

Certain statements in this press release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding Jones Soda's expected settlement of the sale and purchase of Jones Soda's common stock, Jones Soda's receipt of net proceeds resulting therefrom, the anticipated use of such net proceeds, Jones Soda's anticipated capital requirements and Jones Soda's marketing, national retail and distribution growth strategies. These forward-looking statements are based on the opinions and estimates of management based on current information and are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in such forward-looking statements. Factors that could affect Jones Soda's actual results include, among others, Jones Soda's inability to satisfy applicable closing conditions under the committed financing facility; Glengrove's failure to comply with its obligations to purchase the shares of common stock; Jones Soda's inability to achieve levels of revenue and cost reductions that are adequate to support its capital and operating requirements in order to continue as a going concern; Jones Soda's inability to generate sufficient cash flow from operations, or to obtain funds through additional financing or other strategic alternatives, to support its business plan; the impact of the global economic crisis, which has continued to have a greater than expected impact on Jones Soda's business; Jones Soda's inability to increase points of distribution for its products or to successfully innovate new products and product extensions; Jones Soda's inability to establish distribution arrangements with distributors, retailers or national retail accounts; Jones Soda's inability to maintain relationships with its co-packers; Jones Soda's inability to maintain a consistent and cost-effective supply of raw materials; Jones Soda's inability to receive returns on its trade spending and slotting fee expenditures; Jones Soda's inability to maintain brand image and product quality; Jones Soda's inability to protect its intellectual property; the impact of current and future litigation; Jones Soda's inability to develop new products to satisfy customer preferences; the impact of intense competition from other beverage suppliers; and risks and uncertainties described in Jones Soda's current and periodic reports filed with the Securities and Exchange Commission, including its most recent annual report on Form 10-K and quarterly reports on Form 10-Q. Readers are cautioned not to place undue reliance upon these forward-looking statements, which speak only as to the date of this release. Except as required

by law, Jones Soda undertakes no obligation to update any forward-looking or other statements in this press release, whether as a result of new information, future events or otherwise.

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