



For Immediate Release

## **BIG ROCK BREWERY INC. ANNOUNCES 2016 FINANCIAL RESULTS AND DATE OF ANNUAL MEETING**

March 2, 2017 Calgary, Alberta—Big Rock Brewery Inc. (TSX: BR) (“Big Rock” or the “Corporation”) today announced its financial results for the three months and year ended December 30, 2016.

“During 2016, Big Rock increased volumes and gross profit, even in our principal Alberta market, where recessionary economic conditions have lingered,” said Interim CEO Barbara Feit. “As well, we focused on building brand awareness in Ontario, in anticipation of the opening of our Etobicoke brewery in September 2016 and our Toronto Liberty Commons brewpub restaurant in January 2017. With these new facilities, as well as our breweries in Calgary and Vancouver, we are building brand awareness in all regions where Big Rock products are available.”

### **Financial Highlights**

For the year ended December 30, 2016, compared to 2015, the Corporation:

- increased sales volumes by 10%, from 181,857 hectolitres (“hl”) to 199,454 hl;
- increased cash from operating activities by 68% from \$2,103 thousand to \$3,543 thousand;
- increased net revenue by 9%, from \$39,582 thousand to \$43,126 thousand;
- reduced operating loss from \$1,012 thousand to \$266 thousand; and
- reduced net loss from \$1,075 thousand to \$453 thousand.

For the three months ended December 30, 2016, compared to the fourth quarter of 2015, the Corporation:

- increased sales volumes by 8%, from 43,450 hl to 46,993 hl;
- reduced the cash used in operating activities by 38% from \$68 thousand to \$42 thousand;
- increased net revenue by 8%, from \$9,662 thousand to \$10,439 thousand;
- incurred an operating loss of \$152 thousand compared to operating income of \$1 thousand; and
- incurred a net loss of \$218 thousand compared to \$54 thousand.

### **Operating Highlights**

In Alberta, average margins have been compressed due to economic pressures that have contributed to an increase in sales of value-priced offerings, including Big Rock’s private label beers and Alberta Genuine Draft lager. In addition, there continues to be significant competitive activity in the Alberta market, where the growth in the number of products listed has been outpacing the growth in overall sales volumes.

Sales for 2016 include a full twelve months of operations from the combined brewery and brewpub in Vancouver BC, Big Rock Urban, which commenced commercial operations in April 2015, and three months of operations from Big Rock’s Ontario brewery, which began producing beer at the end of September 2016. Big Rock Urban serves on-premise consumers in Vancouver and provides distribution for Big Rock’s products throughout BC. The Ontario brewery, which contributed to securing new listings at the Liquor

Control Board of Ontario and grocery stores, is expected to provide distribution for Big Rock's products throughout Ontario. The Liberty Commons brewpub and restaurant began serving on-premise consumers in downtown Toronto in January 2017, so it did not contribute to 2016 revenue.

2016 also included the creation of a refreshed update of the Corporation's packaging and logo. The new packaging highlights the brand and distinctive quality of Big Rock products with a strategy to maintain loyal supporters and build on brand awareness. "We are proud of our 30-year legacy as one of Canada's founding craft brewers and the fact that all aspects of Big Rock's products - from the fresh, all-natural beer and cider inside the package, to the artwork, the detail in the labels and the choice of brand names on the outside - serve to consistently illustrate our quality and flavour-rich style to consumers," said Ms. Feit. With the arrival of Big Rock's new brewing facilities in Ontario, Big Rock first launched the new packaging in late 2016 in the Ontario market, with a rolling launch for the remainder of Canada in January 2017.

## Summary of Results

<i>\$ thousands (except hl, per hl and per share amounts)</i>	Three months ended December 30, 2016		Year ended December 30, 2016	
Sales volumes (hl)	46,993	43,450	199,454	181,857
Net revenue	10,439	9,662	43,126	39,582
Operating profit (loss)	(152)	1	(266)	(1,012)
Net income (loss)	(218)	(54)	(453)	(1,075)
Net income (loss) per share	(0.03)	(0.01)	(0.07)	(0.016)
\$ per hl				
Net revenue	222.14	222.35	216.22	217.66
Cost of sales	136.11	121.82	111.50	110.28

## Additional Information

The Financial Statements and Management's Discussion and Analysis dated March 2, 2017 can be viewed on Big Rock's website at [www.bigrockbeer.com](http://www.bigrockbeer.com) and on SEDAR at [sedar.com](http://sedar.com) under Big Rock Brewery Inc.

Big Rock is also pleased to announced that the Annual Meeting of Big Rock shareholders will be held on May 11, 2017 at 2:00 pm (Calgary time) at the Big Rock Brewery, 5555 – 76 Ave S.E., Calgary, Alberta. In accordance with Big Rock's notice by-law, the board of directors has set 5:00 pm (Calgary time) on March 24, 2016 as the deadline for receiving any nominations.

## Forward-Looking Information

Certain statements contained in this news release constitute forward-looking statements. These statements relate to future events or Big Rock's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "plans", "expects", "intends" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Big Rock believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this News Release not be unduly relied upon by investors as actual

results may vary materially from such forward-looking statements. These statements speak only as of the date of this News Release and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this News Release contains forward-looking statements pertaining to the following:

- the expected ability of the Ontario brewpub to expand distribution of the Corporation's products in Ontario; and
- the success of new packaging and logo in the future.

With respect to the forward-looking statements listed above and contained in this News Release, management has made assumptions regarding, among other things:

- the Ontario brewery will enable increased distribution of the Corporation's volumes in Ontario; and
- new packaging introduced will result in incremental sales volumes.

Some of the risks which could affect future results and could cause results to differ materially from those expressed in the forward-looking information and statements contained herein include, but are not limited to:

- the inability to secure additional listings and distribution channels for sale of its products in Ontario; and
- the inability to generate additional demand or brand loyalty through packaging and logo redesign.

Readers are cautioned that the foregoing list of assumptions and risk factors is not exhaustive. The forward-looking information and statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking information and statements included in this News Release are made as of the date hereof and Big Rock does not undertake any obligation to publicly update such forward-looking information and statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.

## **About Big Rock Brewery Inc.**

Big Rock Brewery Inc. produces premium, all-natural craft beers. Big Rock has a broad family of permanent ales and lagers, the Rock Creek Cider® series of craft ciders and an ongoing selection of seasonal and cutting-edge, small-batch brews. Big Rock brews in Calgary, Alberta, Vancouver, British Columbia, and Toronto, Ontario.

For more information on Big Rock Brewery visit [bigrockbeer.com](http://bigrockbeer.com)

**For further information, please contact:**

Barbara Feit, Interim Chief Executive Officer, or Tracie Noble, Interim Chief Financial Officer:

Phone: (403) 720 3239

Fax: (403) 720 3641

[investors@bigrockbeer.com](mailto:investors@bigrockbeer.com)