



BiG ROCK
BREWERY

Annual Meeting of Shareholders

May 10, 2018



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Agenda

- Welcome remarks
 - Wayne Arsenault – CEO
- Formal meeting
 - Call to order
 - Receive annual statements & auditor's report
 - Fix number of directors to be elected at seven
 - Election of directors
 - Appointment of auditors
 - Other matters
- Management's presentation
 - Wayne Arsenault – CEO
 - Barbara Feit – CFO



Formal Meeting

Chairman – Michael Kohut

- Call to order
- Receive annual statements & auditor's report
 - Copies are available in the lobby
- Election of directors
 - Michael Kohut – Chairman – Director since March 7, 2008
 - Kathleen McNally-Leitch – Vice Chair – Director since August 27, 1996
 - Robert G. Peters – Director since July 25, 2001
 - James Riddell – Director since April 28, 2006
 - P. Donnell Noone – Director since May 14, 2015
 - Stephen J. Giblin – Director Nominee
 - Alanna McDonald – Director Nominee
- Appointment of auditors
 - Ernst & Young, LLP
- Other matters
- Termination



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Annual Meeting of Shareholders Management Presentation



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Cautionary Statement

Caution Regarding Forward-Looking Statements

Certain statements contained in this presentation 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 information are not facts, but only expectations as to future events and generally can be identified by the use of statements that include words or phrases such as, "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "likely", "may", "project", "predict", "propose", "potential", "might", "plan", "seek", "should", "targeting", "will", 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 presentation should 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 presentation and are expressly qualified, in their entirety, by this cautionary statement. In particular, this presentation contains forward-looking statements pertaining to the supply and demand of Big Rock's products, the impact of recent changes in Alberta mark-up rates, expectations as to increased profitability, and any further changes in the future. With respect to the forward-looking statements listed above and contained in this presentation, management has made assumptions regarding, among other things, that volumes in the current fiscal year will remain constant or will increase, input costs for brewing and packaging materials will remain constant or will not significantly increase or decrease, there will be no material change to the regulatory environment in which Big Rock operates, there will be no supply issues with Big Rock's vendors, and the success of the Corporation's ongoing discussions with the Alberta Government with respect to the mark-up and grant program will continue. 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 continue to reduce the net mark-up rate in Alberta, and the inability to continue to grow demand for Big Rock's products. 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.

Caution Regarding Non-GAAP Financial Measures

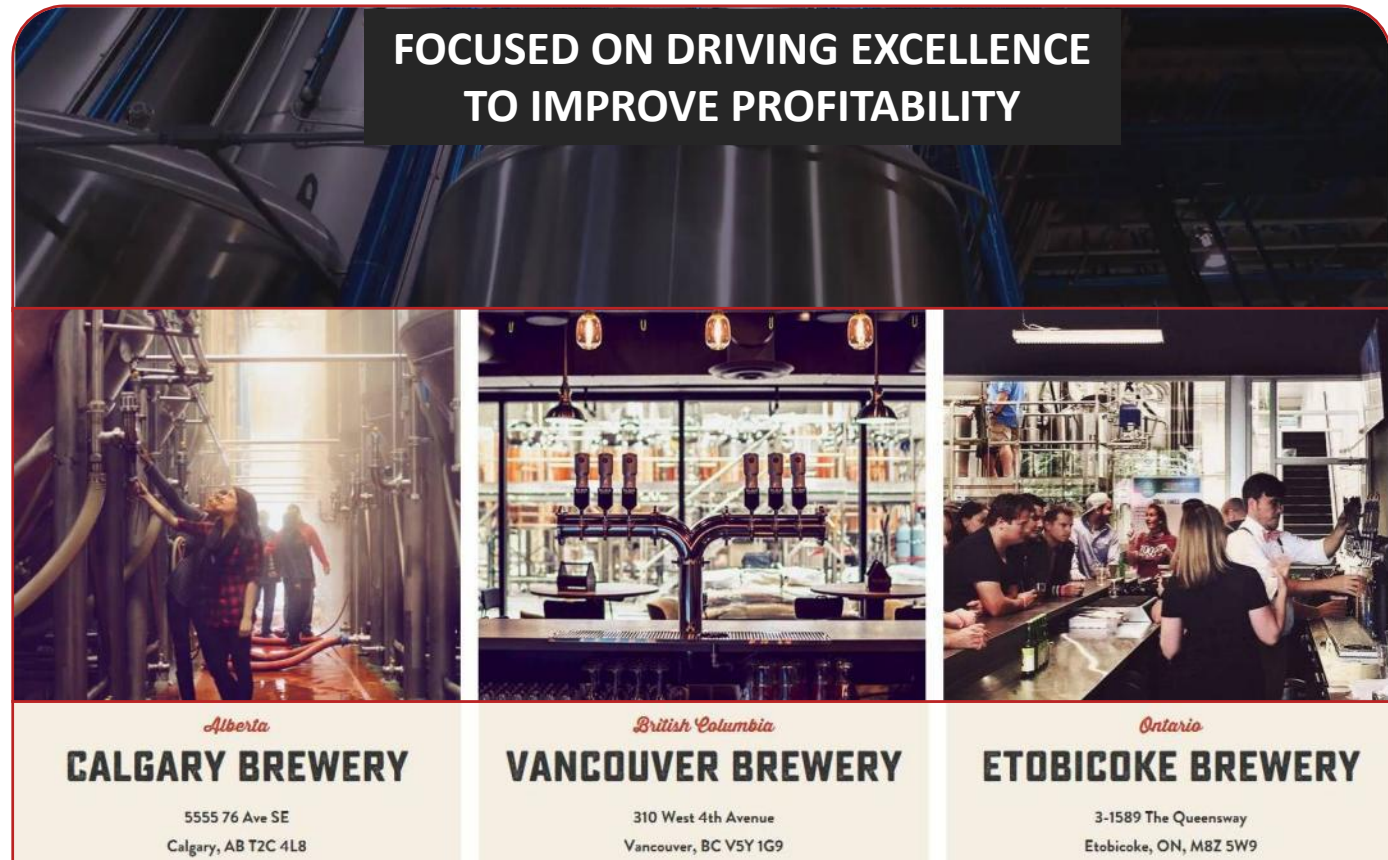
These slides and the accompanying verbal presentation reference non-GAAP financial measures, including "total capitalization", "net debt", "net debt to total capitalization ratio", "earnings before interest, taxes, depreciation and amortization ("EBITDA") to net debt", and "EBITDA to interest, debt repayments and dividends ("fixed charges")". These are non-GAAP financial measures and should not be considered as an alternative to net income, operating income, or any other measure of financial performance calculated and presented in accordance with GAAP. These non-GAAP measures have inherent limitations and therefore undue reliance should not be placed on them. Total capitalization is calculated by adding shareholders' equity, total debt and cash balances. EBITDA is calculated by adding back to net income, interest, income taxes and depreciation and amortization. EBITDA to net debt is calculated by dividing EBITDA by net debt (debt minus cash) and EBITDA to fixed charges is calculated by dividing the combined interest, debt repayments and dividend amounts by EBITDA. Management uses these ratios to evaluate the Corporation's operating results. **For additional commentary and a full reconciliation of non-GAAP financial measures to their most comparable GAAP measures, please refer to <http://bigrockbeer.com/connect/investors> (2017 Financial Results – 2017 4th Quarter Report and 2018 Financial Results – 2018 1st Quarter Report) .**

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Big Rock Today

- Focused on driving excellence to improve profitability
- Multi-province footprint
 - Alberta
 - Ontario
 - British Columbia
- Consumer-driven
 - Building brand awareness
 - Acting on consumer feedback
- Positioned for profitable growth
- Product innovation and industry leadership



Key Accomplishments

- 2017
 - New President & CEO
 - Reduced debt
 - Improved Alberta net markup rate
 - Closed sale of undeveloped land in Calgary
 - Rebranding and packaging redesign
- Q1 2018
 - Better margins and profitability
 - BC Brewery Joint venture



BC Brewery Joint venture

- April 19 agreement with Fireweed Brewing Corporation
 - Operates as Tree Brewing Co – brands include Hop Head IPA, Dukes Cider, Shaftebury
 - Privately owned – 22 years in business
 - Currently based in Kelowna BC
- Fireweed Brewing will operate the Vancouver brewery
- Production of Fireweed products for Alberta will be under contract
- Brewery renovations
 - New canning line
 - Expand brewing capacity to 26,000 hl with new vessels
- Primarily financed by Fireweed
- Agreement is effective May 31.



Focused on Improving Profitability

- Increase profit margins
 - Lower materials prices
 - Manage production costs
 - Improve product mix
- Increase brewery utilization
 - BC joint venture
 - Contract brewing
- 90 day process improvement cycles
 - Improving processes and execution capabilities
 - 1/3 of organization engaged
 - Nearing end of first cycle

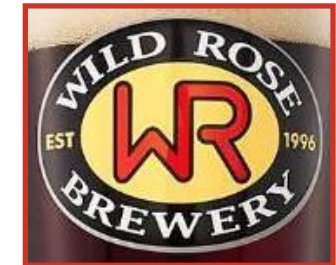


Positioned for Profitable Growth

| | Hectolitres | % of Production |
|--------------------------|-------------|-----------------|
| 2017 production (hl) | 209,420 | |
| Spare capacity (hl) | 43,380 | |
| Current capacity (hl) | 252,800 | 120.71% |
| Potential additions (hl) | 191,200 | |
| Potential capacity (hl) | 444,000 | 212.01% |
| Cap Ex required (\$000s) | \$ 4,070 | |
| Incremental cost per hl | \$ 21.29 | |

Key Challenges

- Government policy
- The continued flight to lower priced beer – particularly in Alberta
- Sustained, intense competition



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Product Innovation and Industry Leadership

- Launched many new products in 2017
- Seasonal products
- Barrel-aged beer
- New permanent brands
 - Pilsner, Rhinestone Cowboy
- Nano and pilot breweries
 - Lambic Kriek and others
- 2018 will be focused on core Big Rock brands



Seasonal



Barrel Aged

EDGY

BRAVE

BUILDING AN

ED **DACIOUS**
BRAND

CONFIDENT

TRAILBLAZER

**BELIEF IN
OURSELVES**



**THEY WANT THE EXPLORATION
AND FLAVOURS OF CRAFT BEER.**

**THEY WANT THE CONSISTENCY
AND COMFORT OF BIG BEER.**

**THE BEST OF BIG BEER,
AND THE BEST OF CRAFT BEER.**

**THEY WANT TO MIGRATE
TO CRAFT, BUT THEY NEED
SOME HELP.**

**ED'S BEST FRIENDS:
TASTE SEEKERS**

ED'S MISSION: CRAFT FOR ALL

LEADER, NOT A FOLLOWER

ADVENTUROUS

**WHAT DRIVES ED:
PIONEERING SPIRIT**

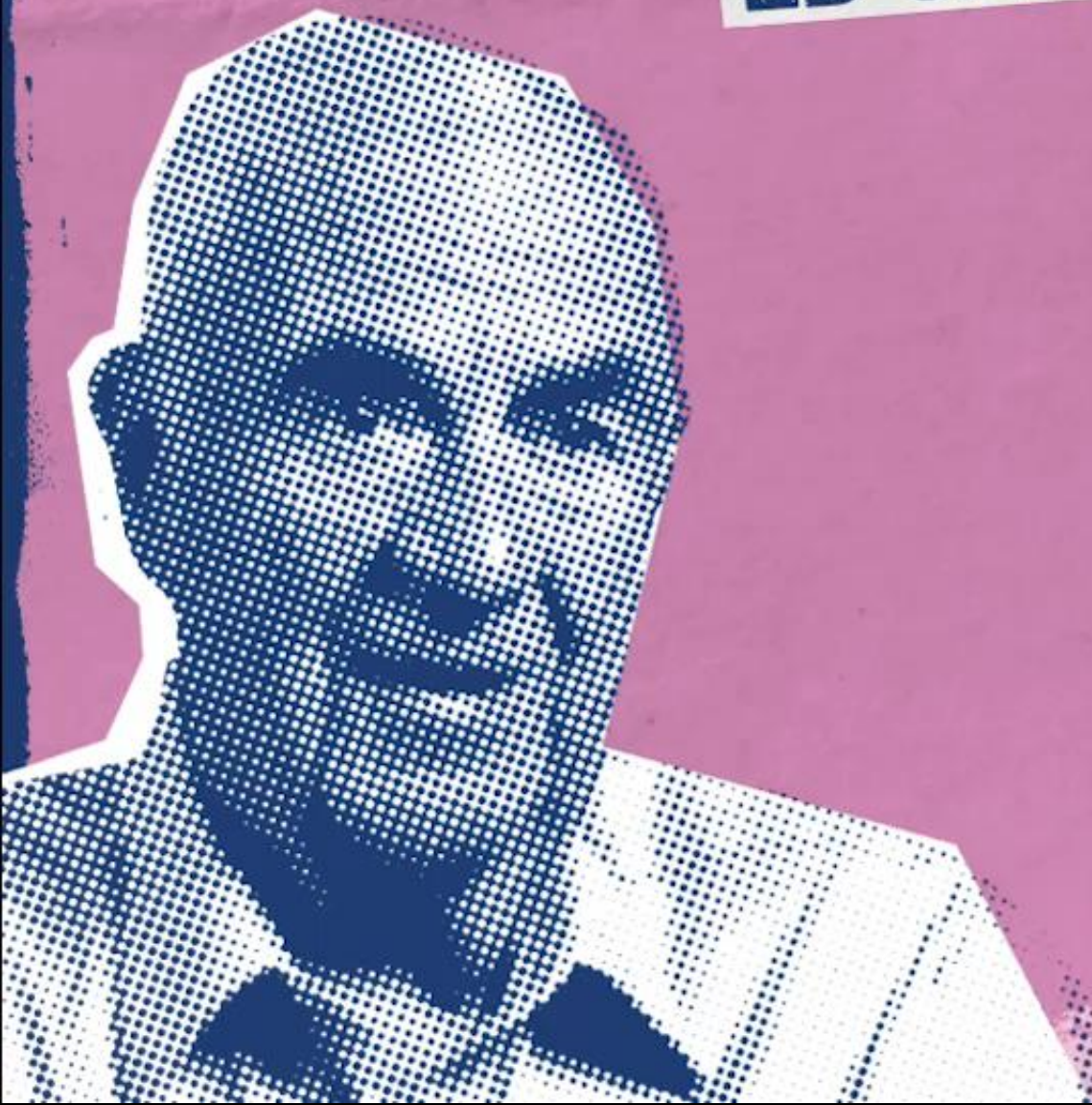
RISK-TAKER

TENACIOUS

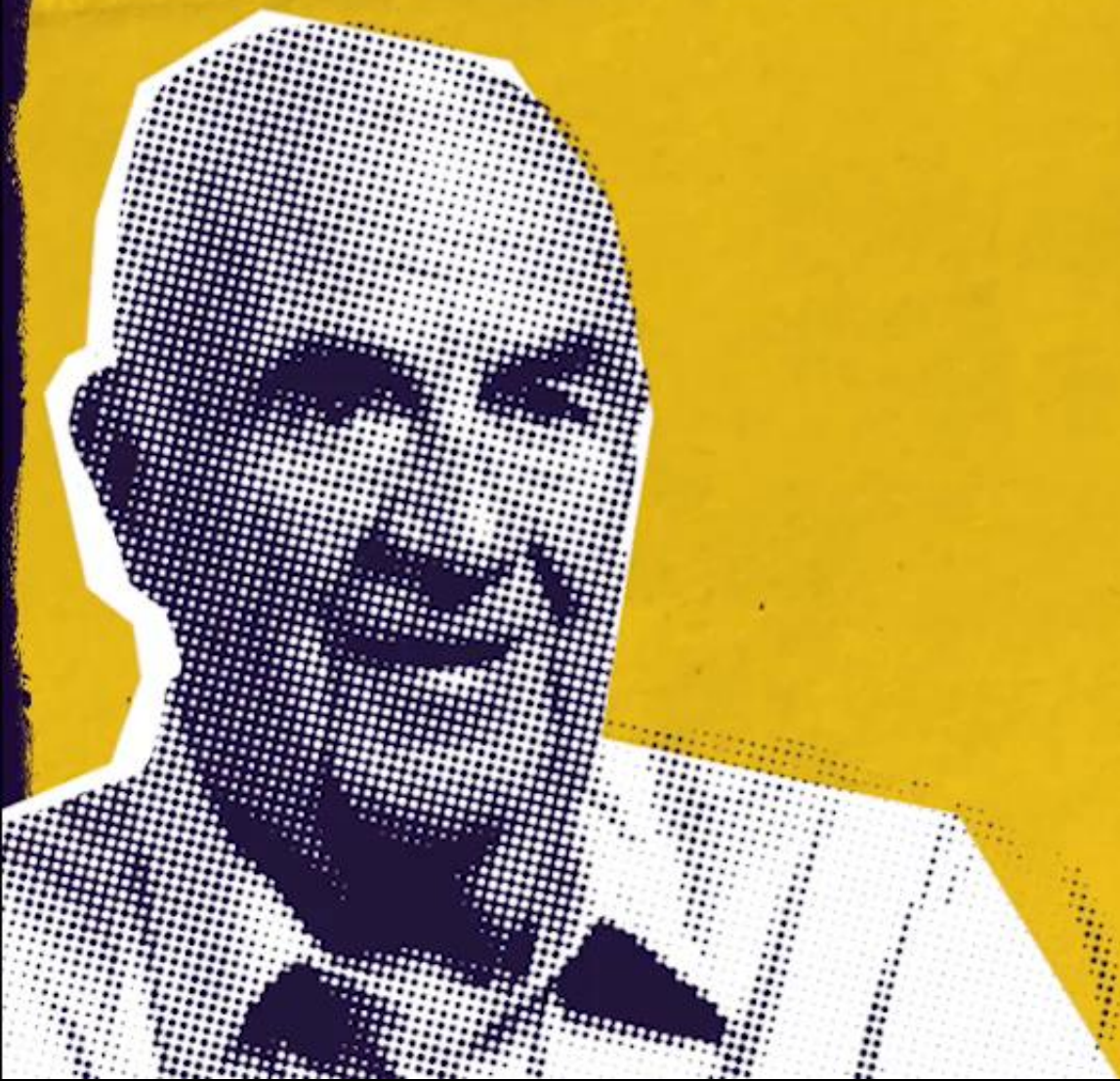
CONFIDENCE

ED SAID:

ED SAID:

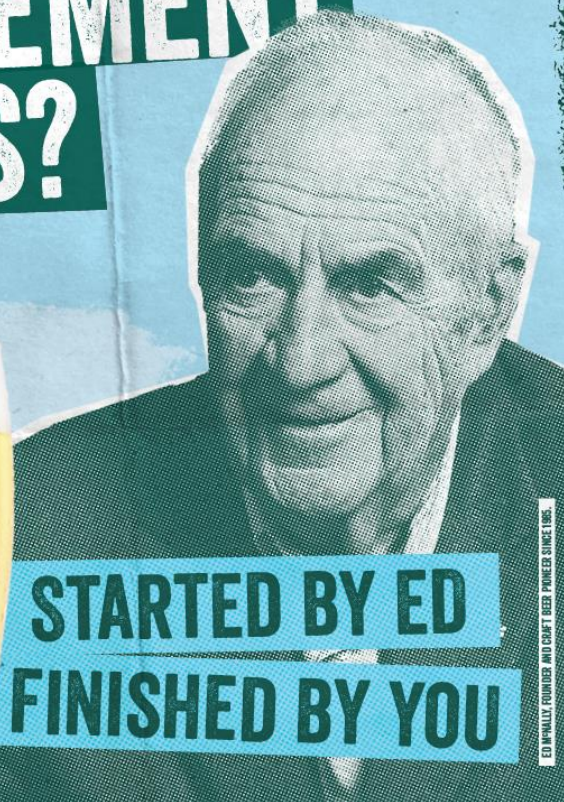


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ED SAID:

I STARTED MY
BREWERY AT 65.
WHAT ARE YOUR
RETIREMENT
PLANS?

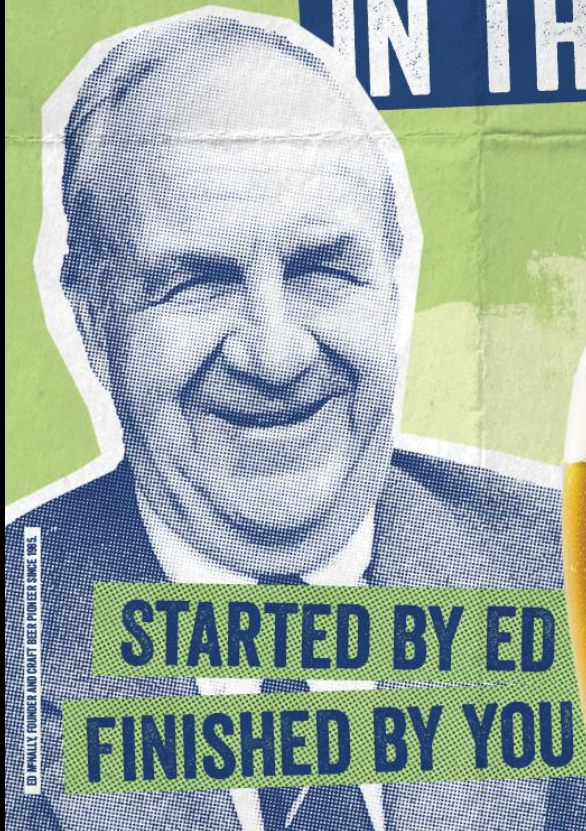


STARTED BY ED
FINISHED BY YOU

ED MCWHALLY, FOUNDER AND CRAFT BEER PIONEER SINCE 1985.

ED SAID:

TOUGH DAY?
TRY STARTING A
CRAFT BREWERY
IN THE '80s.



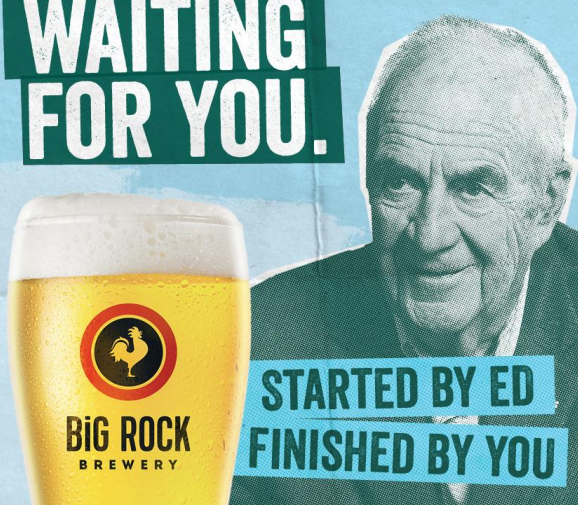
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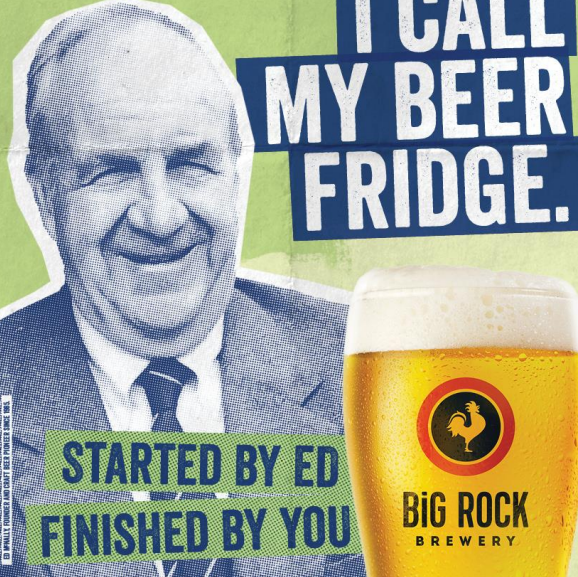
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ED SAID:
WELCOME TO KENSINGTON.
I'VE GOT A BEER WAITING FOR YOU.



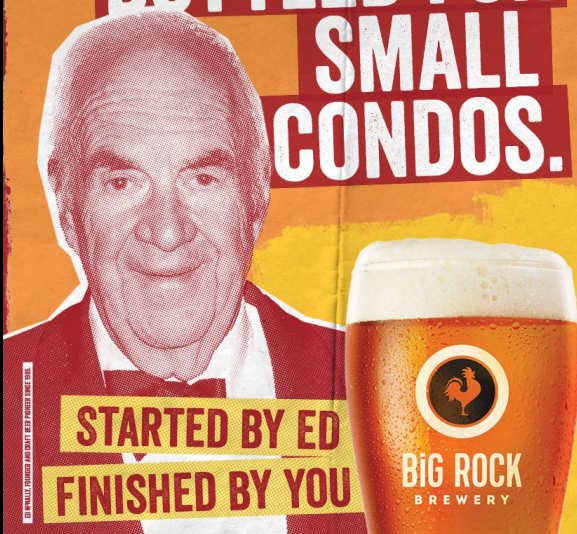
**STARTED BY ED
 FINISHED BY YOU**

ED SAID:
ICE DISTRICT?
THAT'S WHAT I CALL MY BEER FRIDGE.



**STARTED BY ED
 FINISHED BY YOU**

ED SAID:
BREWED FOR BIG TASTE.
BOTTLED FOR SMALL CONDOS.



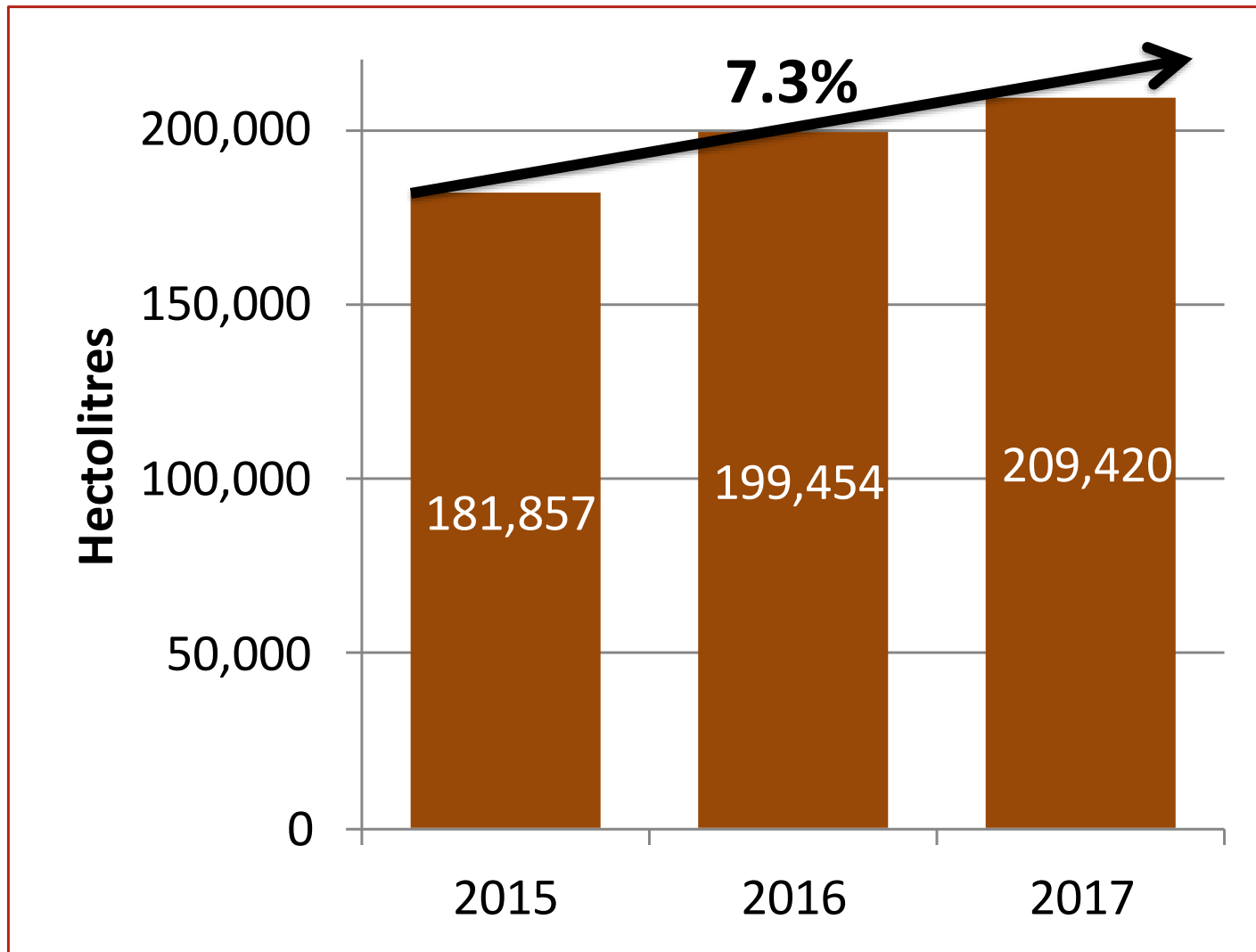
**STARTED BY ED
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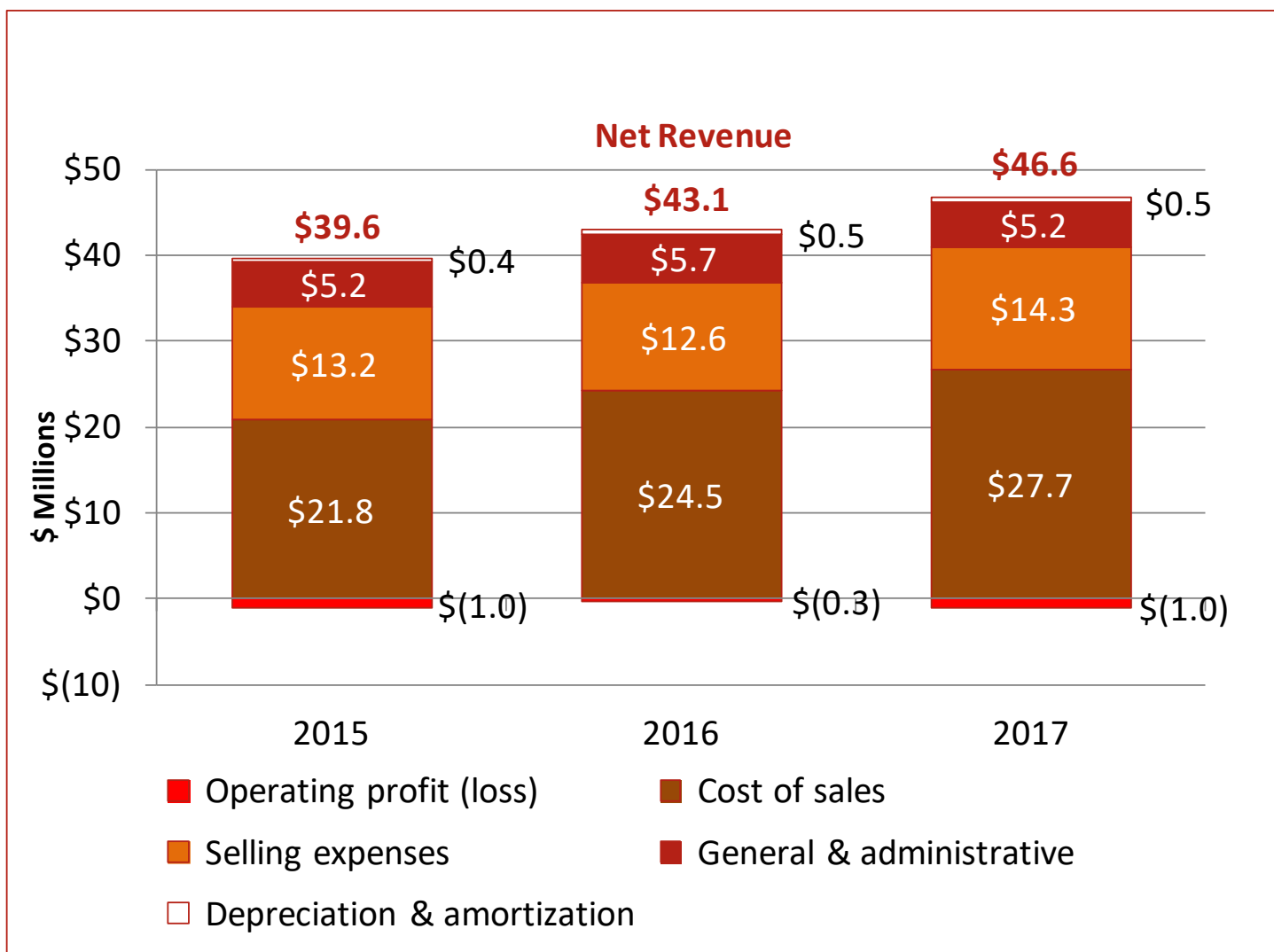
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Annual Results

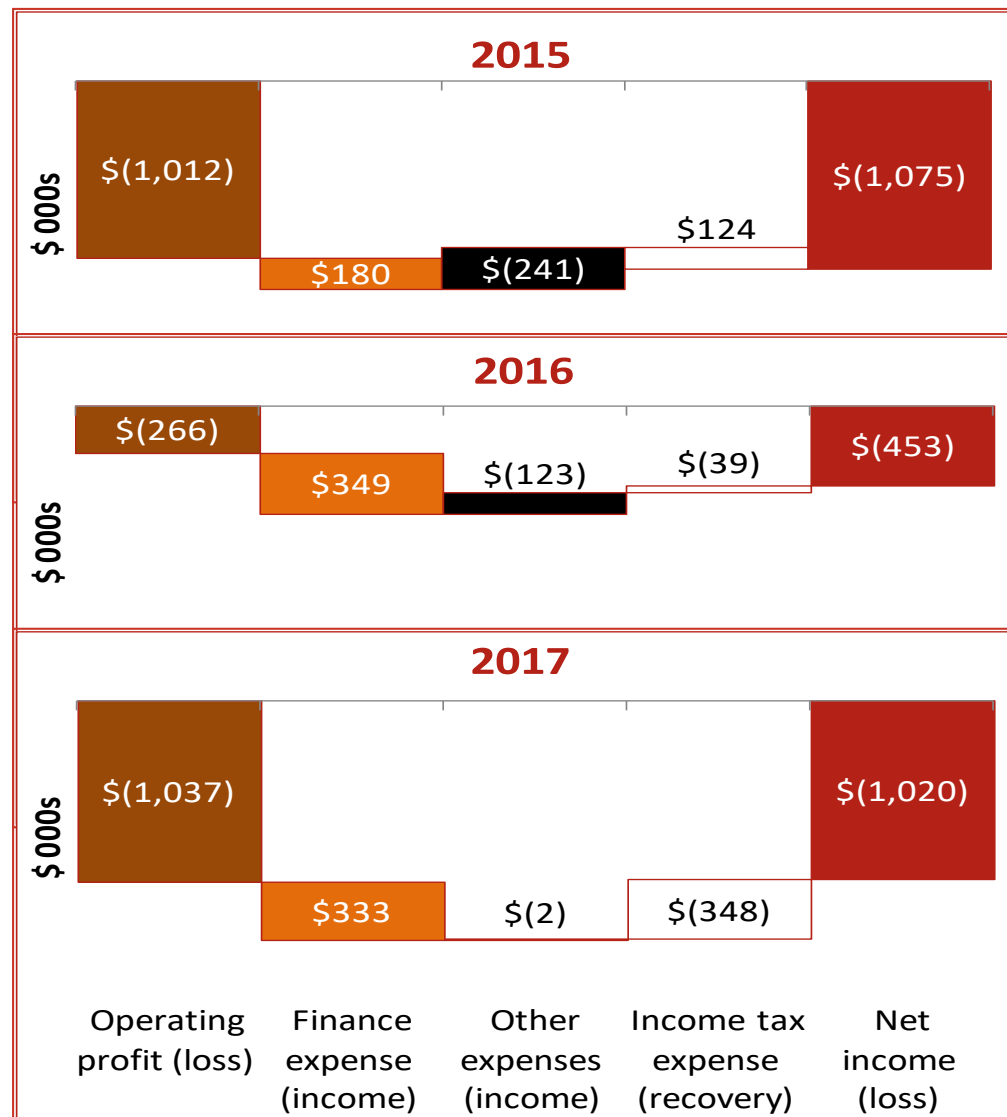
Annual Results – Sales Volumes



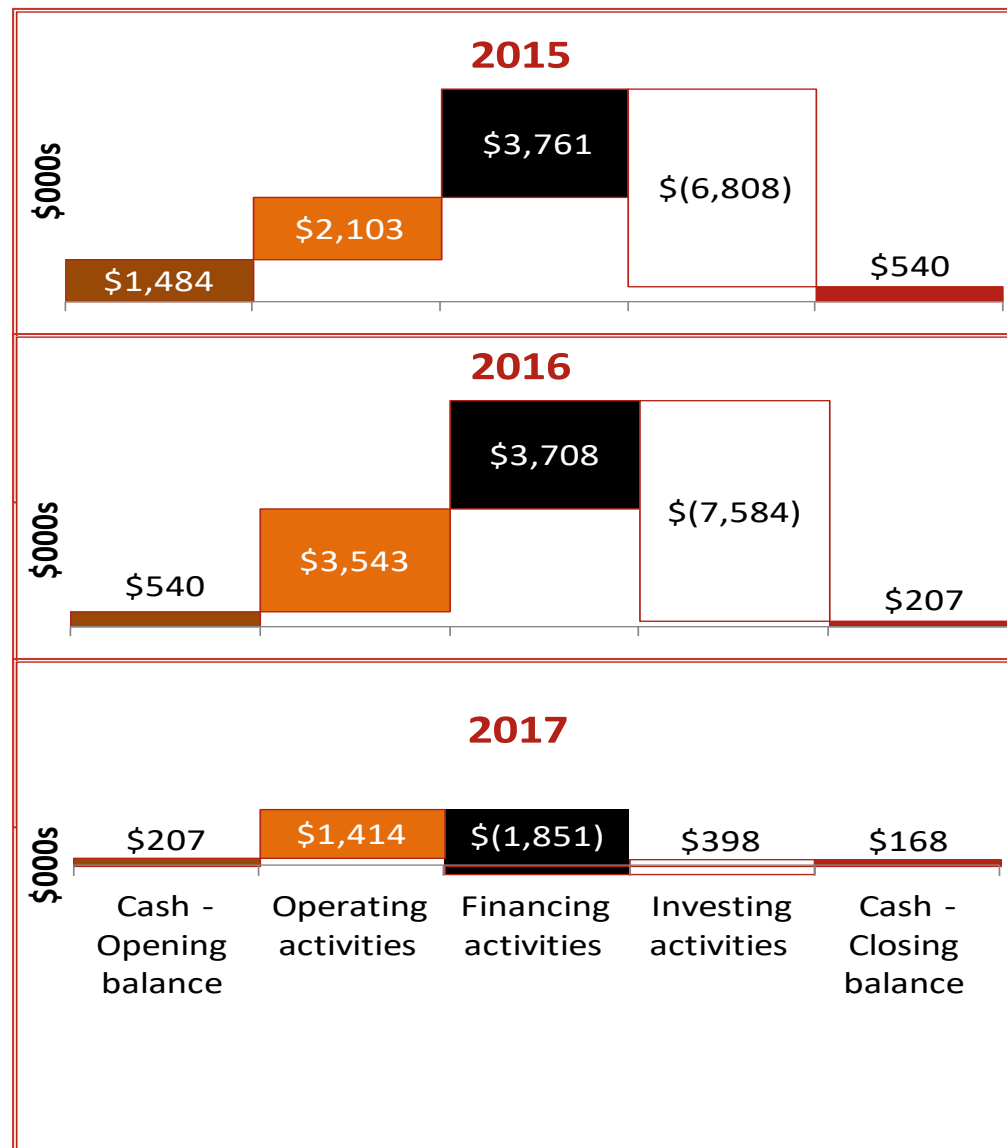
Annual Financial Results – Operating Profit (Loss)



Annual Financial Results – Net Income (Loss)



Annual Financial Results – Cash Flow



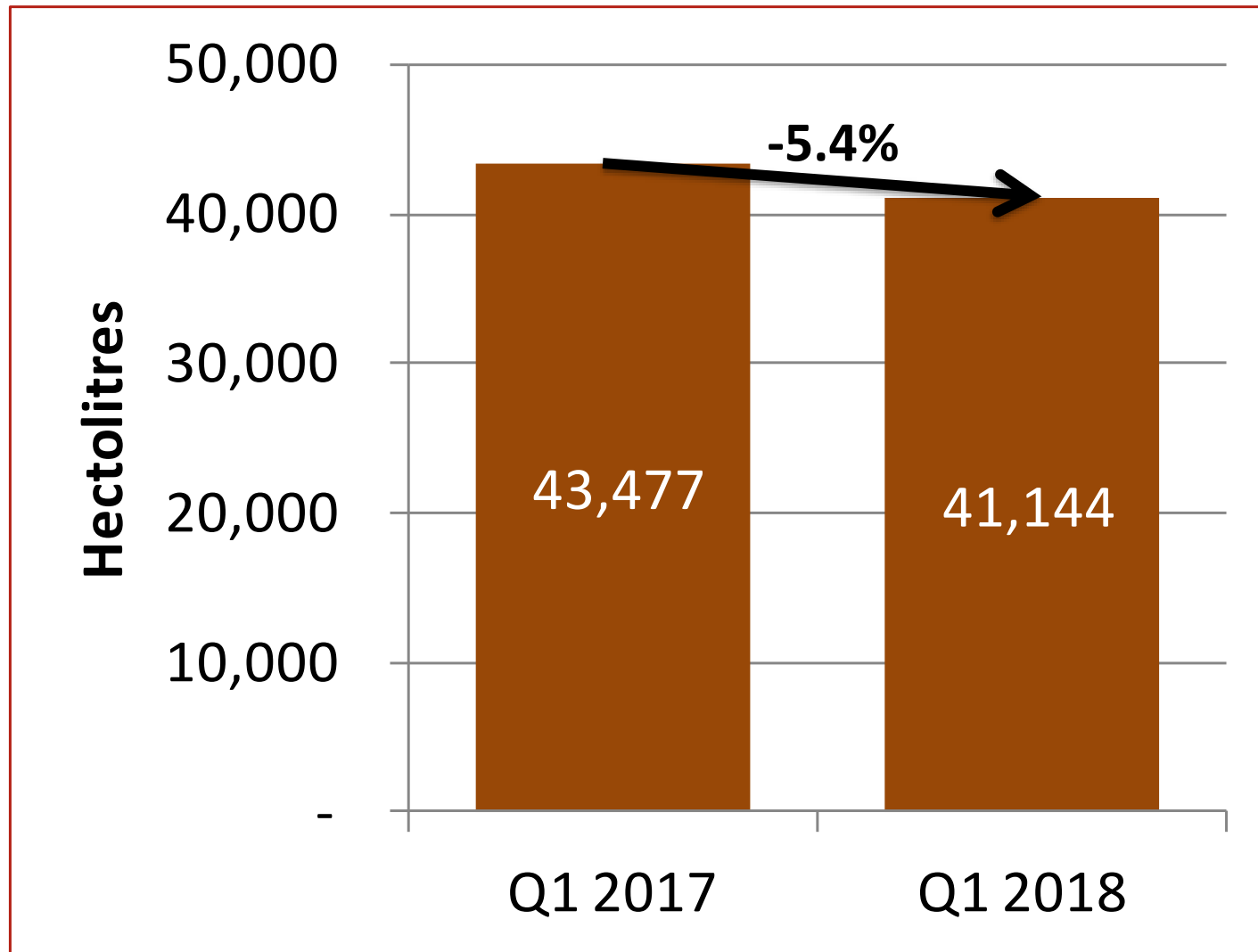
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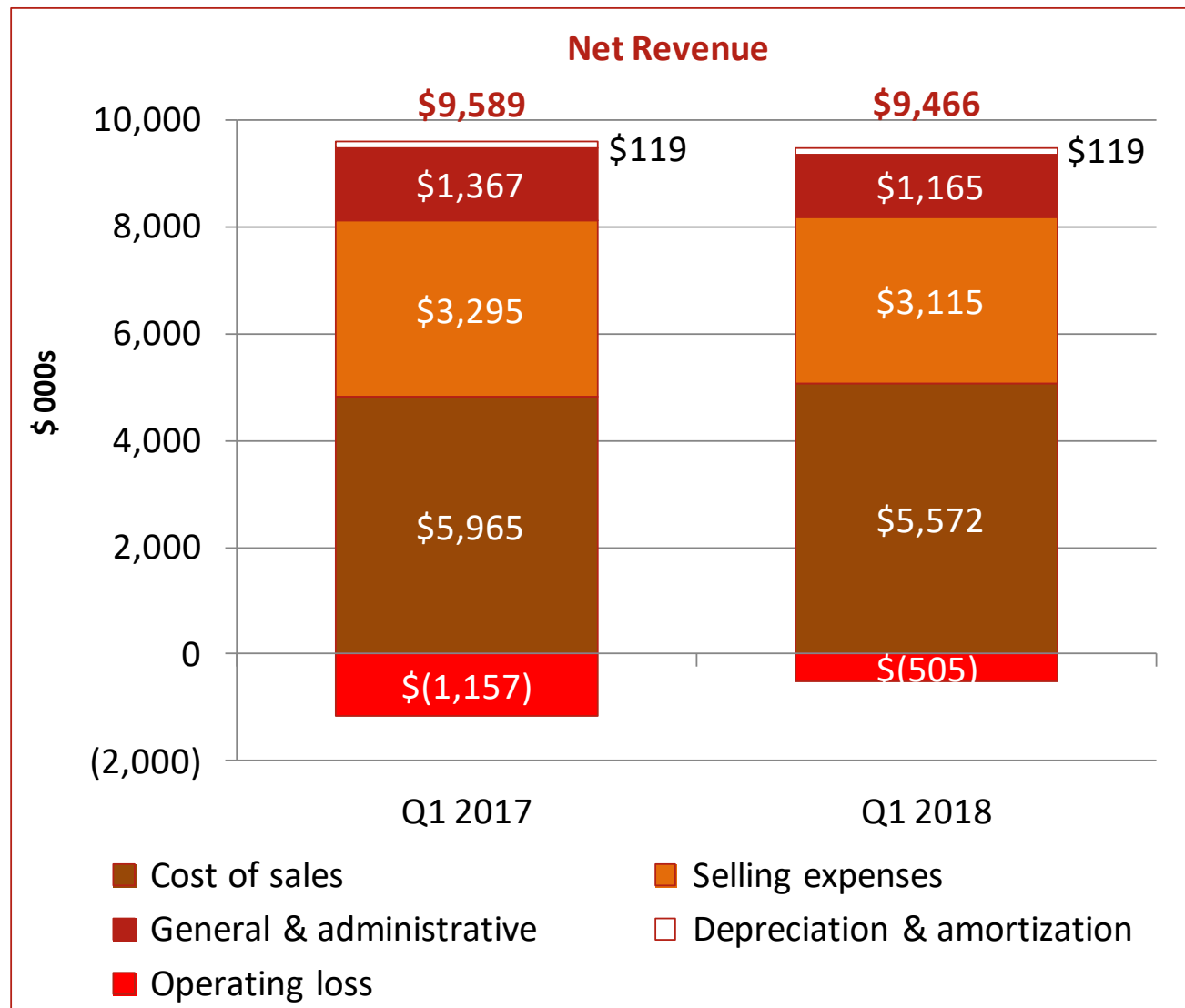
First Quarter Results

First Quarter Results – Sales Volumes



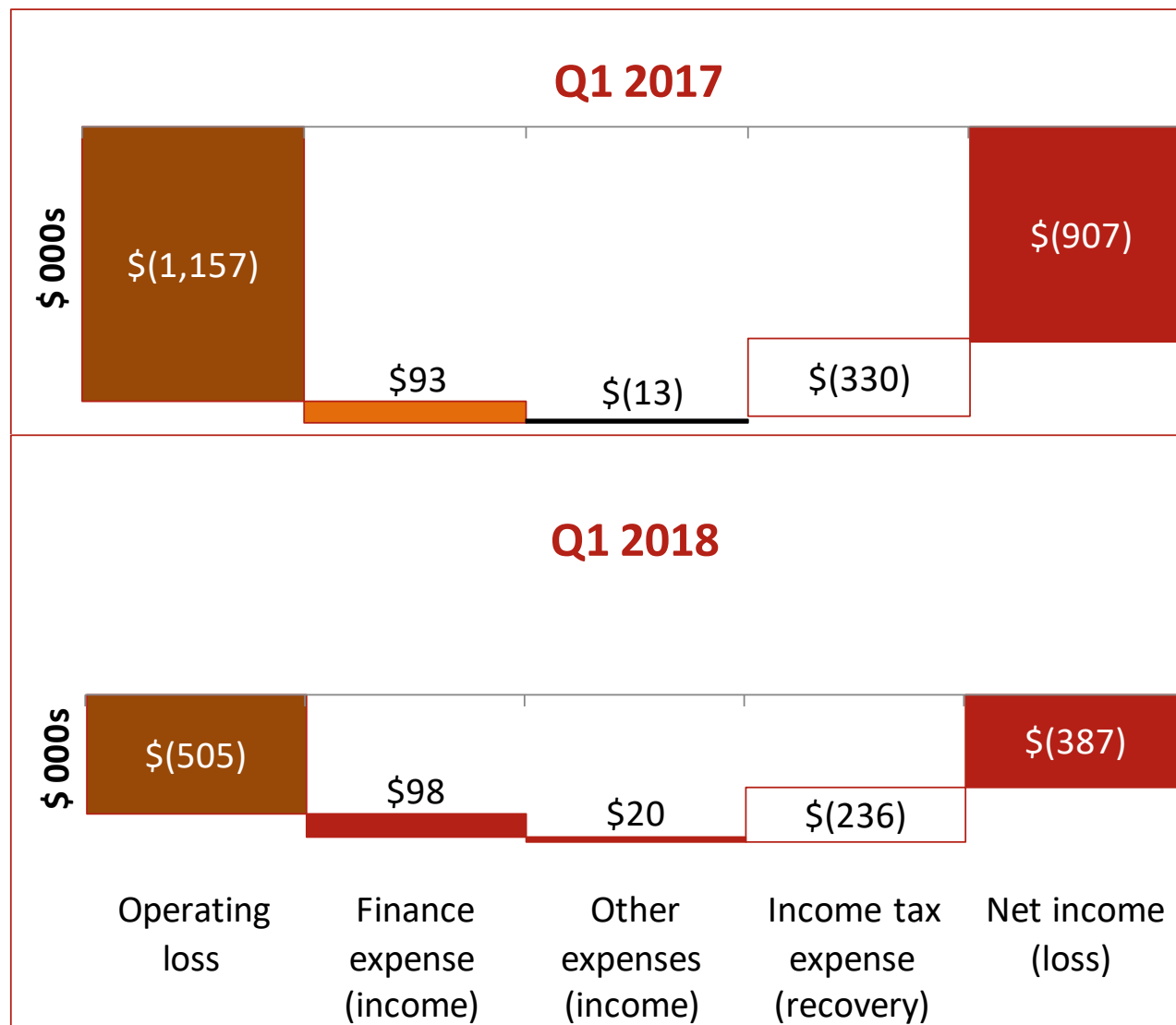
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1st Quarter Financial Results – Operating Loss



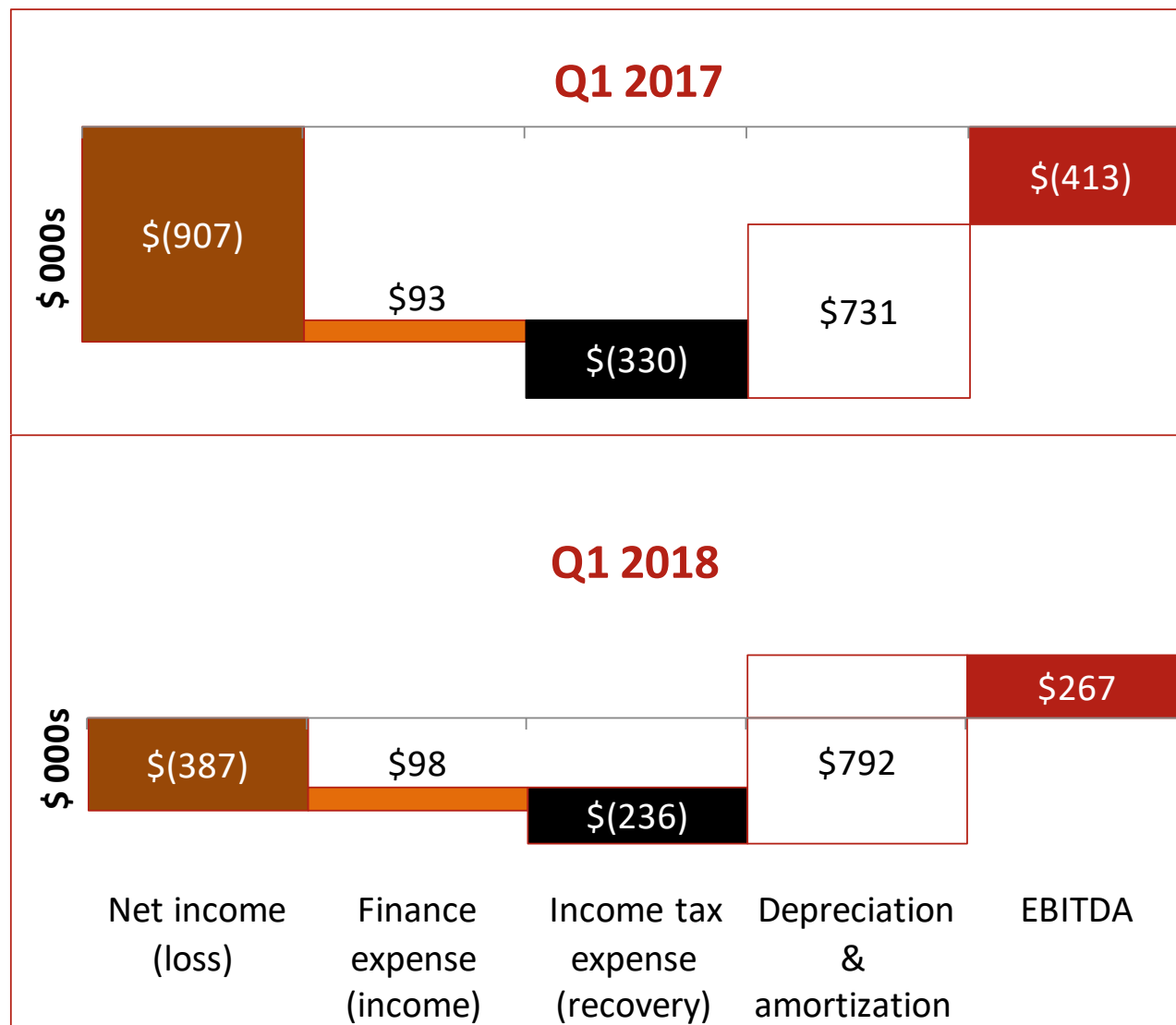
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1st Quarter Financial Results – Net Income (Loss)



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1st Quarter Financial Results – EBITDA



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Questions?

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