



BiG ROCK

B R E W E R Y

CORPORATE GOVERNANCE MANUAL

BOARD COMMITTEES AND RESPONSIBILITIES

BOARD POLICIES

**CORPORATE GOVERNANCE MANUAL
BOARD COMMITTEES AND RESPONSIBILITIES
BOARD POLICIES**

TABLE OF CONTENTS

I.	Board of Directors and Board Committees	
1.	Board of Directors.....	4
2.	Corporate Governance Committee	4
3.	Audit Committee	4
4.	Compensation & Human Resources Committee.....	4
II.	Executive Team	
1.	President and Chief Executive Officer	5
2.	Chief Financial Officer	5
III.	Board Responsibilities and Directors' Attributes	
1.	Board Mandate.....	7
2.	Board Responsibilities	7
3.	Directors' Attributes.....	9
IV.	Public Disclosure Policy	
1.	Objective and Scope.....	10
2.	Designate for Disclosure Matters.....	10
3.	Material Information and Principles of Disclosure	11
4.	Maintaining Confidentiality	12
5.	External Inquiries and Designated Spokespersons	13
6.	News Releases	14
7.	Rumours	15
8.	Contacts with Analysts, Investors and the Media.....	15
9.	Reviewing Analyst Draft Reports and Models.....	15
10.	Managing Analyst Expectations.....	16
11.	Distributing Analyst Reports	16
12.	Forward-Looking Information.....	16
13.	Disclosure Record	17
14.	Responsibility for Electronic Communications	17
15.	Communication and Enforcement	18

V.	Insider Trading and Blackout Periods	
1.	Objective and Scope	19
2.	Insiders	19
3.	Insider Reporting	19
4.	Trading Restrictions and Blackout Periods	20

APPENDIX A: Board Committees and Responsibilities

I.	Corporate Governance Committee	
1.	Members	21
2.	Committee and Procedures	21
3.	Mandate of Corporate Governance Committee	23
II.	Audit Committee	
1.	Members	25
2.	Committee and Procedures	25
3.	Mandate of Audit Committee	28
III.	Compensation & Human Resources Committee	
1.	Members	31
2.	Committee and Procedures	31
3.	Mandate of Compensation & Human Resources Committee	33

APPENDIX B: Organizational Charts

I.	Organizational Charts	
1.	Board of Directors	35
2.	Executive	36

APPENDIX C: Board Policies

I.	Strategic Capital Planning	37
II.	Board Recruitment and Effectiveness	38
III.	Code of Conduct	39
IV.	Insider Trading	42
V.	Limits of Authority List	47
VI.	Short Term Investments	48
VII.	Employee Loans	49
VIII.	President and Chief Executive Officer's Compensation	50
IX.	Employee Compensation	52
X.	Performance Management & Incentive Plans	54
XI.	Sponsorship	55
XII.	Political Donations	56
XIII.	Whistleblower	57

BIG ROCK BREWERY INC.
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I. BOARD OF DIRECTORS AND BOARD COMMITTEES

1. Board of Directors

Michael Kohut - Chair
Kathleen McNally-Leitch
Jim Riddell
Alanna McDonald

Robert G. Peters
P. Donnell Noone
Stephen Giblin

2. Corporate Governance Committee

Kathleen McNally-Leitch - Chair
Alanna McDonald
P. Donnell Noone

3. Audit Committee

Stephen Giblin - Chair
Michael Kohut
P. Donnell Noone

4. Compensation & Human Resources Committee

Jim Riddell - Chair
Robert G. Peters
P. Donnell Noone

(See attached Appendix A: Board Committees and Responsibilities)

II. EXECUTIVE TEAM

1. President & Chief Executive Officer

Incumbent: Wayne Arsenault

- Develop and maintain a three-year strategy
- Vision
- Leader of the company. The entire organization reports to the CEO who reports to the Board through the Chair of the Board
- Investor, Government, Industry and Community Relations
- Strategic Planning in conjunction with the CFO
- Effective and efficient management of the Company
- Overseeing accounting staff in conjunction with the CFO
- Provides direction to all sales and marketing activities
- Development of sales representatives and marketing personnel including performance monitoring
- Manage budgets and maintain cost controls over budget allocations
- Coordinating sales forecasting with production
- Human resources management and employee relations

2. Chief Financial Officer

Incumbent: Don Sewell

- Oversee accounting staff
- Responsible for all external financial reporting
- Ensure compliance with International Financial Reporting Standards (“IFRS”)
- Tax compliance and planning
- Financing, budgeting, and capital planning
- Stock exchange liaison
- Management information systems
- Administration management
- Research and preparation of Employee Handbook and Policies
- Coordinating dissemination of public filings
- Preparation and coordination of Annual Report including all materials relating to the Annual General Meeting
- Liaison with legal counsel and transfer agents on corporate matters
- Administration of the Board, Compensation & Human Resources Committee, Audit Committee, and Corporate Governance Committee
- Ensure appropriate internal controls over financial reporting are in place (i.e. “CSOX”)
- Contribute to Strategic Planning

(See attached Appendix B: Organizational Charts)

III. BOARD MANDATE, RESPONSIBILITIES AND DIRECTORS' ATTRIBUTES

1. Board Mandate

The Board must act in the best interests of the Company and its shareholders. The Board of Directors acts in accordance with the Business Corporations Act (Alberta), the Articles and By-laws of the Company, and the specific terms of reference as laid out for each Committee and the Board as a whole.

2. Board Responsibilities

The Board is explicitly responsible for the stewardship of the Corporation. To discharge this obligation, the Board shall assume responsibility in the following areas:

(a) Strategic Planning Process

The Board shall:

- (i) provide input to management on emerging trends and issues;
- (ii) review and approve management's strategic plans; and
- (iii) review and approve the Corporation's financial objectives, plans and actions, including significant capital allocations and expenditures.

(b) Monitoring Tactical Progress

Monitor corporate performance against the strategic and business plans, including assessing operating results to evaluate whether the business is being properly managed.

(c) Risk Assessment

Identify the principal risks of the Corporation's businesses and ensure that appropriate systems are in place to manage these risks.

(d) Senior Level Staffing

Select, monitor, evaluate and if necessary, replace the President and Chief Executive Officer and other senior officers.

(e) Approval and Signing Authority

Ensure that the Corporation has an up-to-date list of corporate signing authorities and a document that outlines the approval limits and signatures required for the various levels of expenses.

(f) Integrity

(i) Ensure the integrity of the Corporation's internal control and management information systems; and

(ii) Ensure ethical behaviour and compliance with laws and regulations, audit and accounting principles, and the Corporation's own governing documents.

(g) Material Transactions

Review and approve material transactions not in the ordinary course of business.

(h) Monitoring Board Effectiveness

Assess Board effectiveness in fulfilling the above and other Board responsibilities, including assessing the effectiveness of individual directors.

(i) Board Committees

The Board shall:

(i) appoint appropriate committees to undertake tasks assigned by the Board; and

(ii) standing committees of the Board shall include:

- Corporate Governance;
- Audit; and
- Compensation & Human Resources.

(j) Other

Perform such other functions as prescribed by law or assigned to the Board in the Corporation's governing documents.

3. Directors' Attributes

To execute these Board responsibilities, directors must possess certain characteristics as follows:

(a) Objectivity

Directors must approach all decisions with respect to the Corporation in an objective and independent manner.

(b) Integrity and Accountability

Directors must demonstrate high ethical stands and integrity in their personal and professional dealings, and be willing to act on - and remain accountable for - their boardroom decisions.

(c) Informed Judgement

The ability to provide wise, thoughtful counsel on a broad range of issues ranks high among the qualities required in directors. They must develop a knowledge of the Corporation's business, in order to understand and question the assumptions upon which the strategic and business plans are based, and to form an unbiased judgement as to the probability that such plans can be achieved.

(d) Financial Literacy

One of the most important roles of the Board is to monitor financial performance. To do this, directors must have a level of financial literacy - including, how to read financial statements and understanding the use of financial ratios and other indices for evaluating company performance.

(e) Mature Confidence

(i) Teamwork

Must value Board and team performance over individual performance, possess respect for others, and be able to facilitate superior Board performance.

(ii) Communication

Openness to other's opinions and the willingness to listen should rank as highly as the ability to communicate persuasively. Directors must approach others assertively, responsibly and supportively, and be willing to raise relevant questions in a manner that encourages open and relevant discussion.

(f) Track Record and Experience

In today's highly competitive world, only companies capable of performing at the highest levels are likely to prosper. Directors must bring a history of achievement that reflects high standards for themselves and others.

IV. PUBLIC DISCLOSURE POLICY

1. Objective and Scope

The objective of this disclosure policy is to ensure that communications to the investing public regarding the Corporation and its subsidiaries are:

- (a) Timely, factual, and accurate; and
- (b) Broadly disseminated in accordance with all applicable legal and regulatory requirements.

A primary goal is to raise awareness of the Corporation's approach to disclosure among the Board, senior management, and employees and consultants.

This disclosure policy extends to all employees of the Corporation, its Board and those authorized to speak on its behalf. It covers disclosures in documents filed with the securities regulators and written statements made in the Corporation's annual and quarterly reports, news releases, letters to shareholders, presentations by senior management and information contained on the Corporation's website and other electronic communications. It extends to oral statements made in meetings, telephone conversations with analysts and investors, interviews with the media, and to speeches, press conferences and conference calls.

2. Designate for Disclosure Matters

The President and Chief Executive Officer is responsible for overseeing the Corporation's disclosure practices, and will designate the Chief Financial Officer, other officers, and management personnel to be responsible for specific disclosure issues depending upon the subject matter. Procedures will be established to ensure clarity of responsibility in this regard.

Generally, the Chief Financial Officer will be responsible for all disclosure issues involving financial management of both a material and non-material nature

including the establishment of benchmarks to determine what constitutes materiality in all aspects of financial management within the Corporation.

In addition to financial materiality, the disclosure - in the form of press releases or other format - of information that could impact the Corporation in either a positive or negative manner shall be subject to a decision made by the President and Chief Executive Officer in consultation with the Chairman, the Chief Financial Officer, and other officers or managers to ensure that all regulatory requirements are met.

The President and Chief Executive Officer will also have the option to consult with external advisors - legal and otherwise - regarding the most appropriate course of action to meet all regulatory and related requirements, and to determine the appropriateness and timing for public release of information.

If it is deemed that the information should remain confidential the President and Chief Executive Officer will determine how the confidential information will be controlled. The President and Chief Executive Officer will ensure that there is a review and update, if necessary, of this disclosure policy on an annual basis, or as needed to ensure compliance with regulatory requirements.

The President and Chief Executive Officer, assisted by the Chief Financial Officer and/or other officer and senior managers, will report to the Board on an as required basis.

The President and Chief Executive Officer shall cause that clear and concise procedures are established to ensure that the responsibilities for carrying out the intent of this policy are developed, implemented and revised, as required from time to time.

3. Material Information and Principles of Disclosure

Material information is any information as determined by the President and Chief Executive Officer or Chief Financial Officer relating to the business and affairs of the Corporation that would reasonably be expected to have a significant influence on investor decisions.

In complying with the requirement to disclose forthwith all material information under applicable laws and stock exchange rules, the Corporation will adhere to the following basic disclosure principles:

- (a) Material information will be publicly disclosed as soon as is practicable via news release;
- (b) In certain circumstances, where such disclosure would be unduly detrimental to the Corporation (for example, if release of the information would prejudice negotiations regarding a corporate transaction), the information will be kept confidential until the President and Chief Executive Officer determines it is appropriate to publicly disclose. In such circumstances, the President and Chief Executive Officer will cause a confidential material change report to be filed with the applicable

securities regulators, and will every 10 days review the decision to keep the information confidential (also see “Rumours”);

- (c) Disclosure must include any information the omission of which would make the remainder of the disclosure misleading;
- (d) Unfavourable material information must be disclosed as promptly and completely as favourable information;
- (e) Selective disclosure is not acceptable. Previously undisclosed material information must not be disclosed to selected individuals (for example, in an interview with an analyst or in a telephone conversation with an investor). If previously undisclosed material information has been inadvertently disclosed to an analyst or any other person not bound by an express confidentiality obligation, such information must be broadly disclosed immediately via news release;
- (f) Disclosure on the Corporation’s website alone does not constitute adequate disclosure of material information; and
- (g) Disclosure must be corrected immediately if the Corporation subsequently learns that earlier disclosure by the Corporation contained a material error.

4. Maintaining Confidentiality

Any employee privy to information that has been determined to be confidential by the CEO, President, the Chief Financial Officer, or any senior manager of the Corporation, is prohibited from communicating such information to anyone else, unless it is necessary to do so in the course of business. Efforts will be made to limit access to such confidential information to only those who need to know the information and such employees or other persons will be advised that the information is to remain confidential, until otherwise advised.

Outside parties privy to undisclosed material information concerning the Corporation will be advised in writing that they must not divulge such information to anyone, other than in the necessary course of business and that they may not trade in the Corporation’s securities until the information is publicly disclosed.

In order to prevent the misuse or inadvertent disclosure of material information, the procedures set forth below shall be observed at all times:

- (a) Documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who “need to know” that information in the necessary course of business;
- (b) Confidential matters shall not be discussed in places where the discussion may be overheard;
- (c) Confidential documents shall not be left unattended in public places and shall not be discarded where others can read or retrieve them;

- (d) Extra precautions shall be observed when communicating confidential information by email. Where possible, employees should avoid using e-mail to transmit confidential information. All confidential information being transmitted over the Internet must be secured;
- (e) Employees must ensure they maintain the confidentiality of information in their possession outside and inside their offices;
- (f) Transmission of documents by electronic means, such as by fax or directly from one computer to another, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions;
- (g) Unnecessary copying of confidential documents shall be avoided. Documents containing confidential information shall be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed; and
- (h) Access to confidential electronic data should be restricted through the use of passwords.

5. External Inquiries and Designated Spokespersons

The Corporation will designate a limited number of spokespersons responsible for communication with the investment community, regulators, or the media on matters related to the Corporation where materiality issues may come into play. The senior officers of the Corporation are the official spokespersons, however, from time to time, others within the Corporation may be designated to speak on behalf of the Corporation to commence on or to respond to specific inquiries.

On occasion, employees may be requested to speak to the media in connection with product promotions, tradeshow or other public relations opportunities. In these cases, employees are permitted to make factual representations about the Corporation and its products. However, care must be taken to ensure material information is not conveyed. Employees are encouraged to divert any media inquiries to a designated spokesperson when possible.

In no cases should employees convey financial information or other information related with the Corporation's overall prospects. Employees also shall not in any circumstances discuss any matters related to emergencies, loss of property or loss of life. All such inquiries shall be referred to the President, or other person as designated by the President and Chief Executive Officer for this purpose.

6. News Releases

Once it is determined that a development event or information is material, the President and Chief Executive Officer will authorize the issuance of a news release, or further determine that such developments must remain confidential for the time being. In the latter case, the President and Chief Executive Officer

will ensure that the Chief Financial Officer make the appropriate confidential filings and institute control of that particular confidential information. Should a material statement inadvertently be made in a selective forum, the Corporation will immediately issue a news release in order to fully disclose that information. In addition, if the TSX is open for trading at the time of the news release, contact shall be made with Market Regulation Services to determine if trading in Big Rock Brewery Inc. shares should be halted pending the release.

Annual and interim financial results will be publicly released immediately following Audit Committee or Board approval of the financial statements, as the case may be. At the same time, the Corporation will file such documents with SEDAR and ensure that any required corporate mailings are posted to shareholders.

News releases will be disseminated through an approved news wire service that provides simultaneous distribution. News releases will be transmitted to the TSX, ASC, major business wires, national financial media, and if deemed appropriate, the local media in localities where the Corporation has its headquarters and operations.

News releases will be posted on the Corporation's website immediately after release over the news wire. The news release page of the website shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent news releases.

7. Rumours

The Corporation does not comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet. The Corporation's spokespersons will respond consistently to rumours, by saying, "It is our policy not to comment on market rumours or speculation". Should the TSX or the ASC require that the Corporation make a definitive statement in response to a market rumour that is causing significant volatility in the stock, the President, in consultation with the Chief Financial Officer, will consider the matter and decide whether to make a policy exception. If the rumour is accurate in whole or in part, the Corporation will immediately issue a news release disclosing the relevant material information.

8. Contacts with Analysts, Investors and the Media

Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. If the Corporation intends to announce material information at an analyst or shareholder meeting or a press conference or conference call, the announcement must be preceded by a news release.

The Corporation recognizes that meetings with analysts and significant investors are an important element of the Corporation's investor relations program. The Corporation will meet with analysts and investors on an individual or small group basis as needed and will initiate contacts or respond to analyst and investor calls in a timely, consistent, and accurate manner in accordance with this policy.

The Corporation will provide only non-material information through individual and group meetings, in addition to regular publicly disclosed information. The Corporation recognizes there is potential for an analyst or investor to construct information into a mosaic that could result in material information. As such the Corporation's spokespersons cannot knowingly alter the materiality of information by breaking down the information into smaller, non-material components.

Spokespersons will keep notes of telephone conversations with analysts and investors and where practicable more than one representative of the Corporation will be present at all meetings.

9. Reviewing Analyst Draft Reports and Models

When asked to review analysts' draft research reports or models, it is the Corporation's policy to do so. The Corporation will review the report or model for the purpose of pointing out errors in fact based on publicly disclosed information. When an analyst inquires with respect to his/her estimates, it is the Corporation's policy to refer him/her to the Corporation's published earnings information. The Corporation will limit its comments in responding to such inquiries to non-material information. The Corporation will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with an analyst's model and earnings estimates.

In order to avoid appearing to “endorse” an analyst’s report or model, the Corporation will provide its comments orally or will attach a disclaimer to written comments to indicate the report was reviewed only for factual accuracy.

10. Managing Analyst Expectations

The Corporation will not confirm an analyst’s opinions or conclusions and will not express comfort or otherwise with analysts’ models and earnings estimates. The Corporation will try to ensure, through its regular public dissemination of quantitative and qualitative information that analysts’ estimates are in line with the Corporation’s own expectations. If the Corporation has determined that it will be reporting results materially below or above publicly held expectations, it will disclose this information in a news release in order to enable discussion without risk of selective disclosure.

11. Distributing Analyst Reports

Analyst reports are proprietary products of the analyst’s firm. Re-circulating a report by an analyst may be viewed as an endorsement by the Corporation of the report. For these reasons, the Corporation will not provide analyst reports through any means to persons outside of the Corporation’s Board and senior executives.

The Corporation may list, regardless of the recommendation, investment firms and analysts who provide research coverage on the Corporation. Any such listing shall include an accompanying disclaimer that the Corporation does not endorse any analyst reports or commentary.

12. Forward-Looking Information

The Corporation currently does not disclose forward-looking information (FLI). Should the Corporation elect to disclose FLI in continuous disclosure documents, speeches, conference calls, etc., the following guidelines will be observed:

- (a) The information, if deemed material, will be broadly disseminated via news release, in accordance with this disclosure policy;
- (b) The information will be clearly identified as forward looking;
- (c) The Corporation will identify all material assumptions used in the preparation of the FLI;
- (d) A statement that identifies the risks and uncertainties that may cause actual results to differ materially from those envisaged in the FLI will accompany the FLI;
- (e) A statement that disclaims the Corporation’s intention or obligation to update or revise the FLI, whether as a result of new information, future events, or otherwise will accompany the FLI. Notwithstanding this disclaimer, should subsequent events prove past statements about current trends to be materially off target, the Corporation may choose to issue a

news release explaining the reasons for the difference. In this case, the Corporation will update its guidance on the anticipated impact on revenue and earnings (or other key metrics). If the Company has issued a forecast or projection in connection with an offering document covered by National Policy 48, it will update that forecast or projection periodically, as required by National Policy 48.

13. Disclosure Record

The Chief Financial Officer will cause a file to be maintained containing public information about the Corporation, including continuous disclosure documents, news releases, analysts' reports and transcripts.

14. Responsibility for Electronic Communications

This disclosure policy also applies to electronic communications. Accordingly, officers and personnel responsible for written and oral public disclosures shall also be responsible for electronic communications.

The President and Chief Executive Officer, or designate, is responsible for updating the investor relations section of the Corporation's website and is responsible for monitoring all the Corporation's information placed on the website to ensure that it is accurate, complete, up-to-date, and in compliance with relevant securities laws. General counsel may be engaged if required to assist with this matter.

Investor relations material shall be contained within a separate section of the Corporation's website and shall include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosures. Disclosure on the Corporation's website alone does not constitute adequate disclosure of information that is considered material non-public information. Any disclosures of material information on its website will be preceded by the issuance of a news release.

The Corporation's investor relations section of the website will not link to any third party website except as approved by the President, in consultation with the Chief Financial Officer. Website links to the company public disclosure record (SEDAR) and to reputable publicly available sites in the case of trading history and information are permissible.

The President and Chief Executive Officer, or designate, shall also be responsible for responses to electronic inquiries. Only public information or information which could otherwise be disclosed in accordance with this disclosure policy shall be utilized in responding to electronic inquiries. Where possible, the Corporation will only verbally reply to electronic inquiries to avoid electronic commentary being disseminated broadly or used out of context.

In order to ensure that no material undisclosed information is inadvertently disclosed, employees are prohibited from participating in Internet chat rooms or newsgroup discussions on matters pertaining to the Corporation's activities or its securities.

15. Communication and Enforcement

This disclosure policy extends to all employees of the Corporation, its Board, and authorized spokespersons. The Corporation will provide new directors, officers, and employees as determined by the Corporation with a copy of this disclosure policy and will impress upon them its importance. The Corporation will circulate this disclosure policy to employees on an annual basis and whenever changes are made.

Any employee who violates this disclosure policy may face disciplinary action up to and including termination of his or her employment with the Corporation with or without notice. The violation of this disclosure policy may also violate certain securities laws. If it appears that an employee may have violated such securities laws, the Corporation may refer the matter to the appropriate regulatory authorities. Violation of securities laws could lead to penalties, fines, or imprisonment.

V. INSIDER TRADING AND BLACKOUT PERIODS

1. Objective and Scope

The objective of this policy is to ensure that all insiders, employees and special relationship people are aware of their responsibilities concerning:

- (a) Filing insider reports; and
- (b) Trading shares when a blackout period is in process.

The Corporate Secretary shall have responsibility to ensure that this policy has been conveyed to all those individuals who are affected by the policy.

2. Insiders

For the purposes of this policy, insiders shall be considered:

- (a) Every director;
- (b) Every senior officer meaning the President and Chief Executive Officer, Vice Presidents, Chief Financial Officer.
- (c) Any person or company that:
 - (i) beneficially owns, directly or indirectly, voting securities;
 - (ii) exercises control or direction over voting securities; or
 - (iii) carries more than 10% of the voting rights attached to all voting securities of the Corporation for the time being outstanding other than voting securities held by the person or company as underwriter in the course of a distribution.

3. Insider Reporting

Insiders are responsible for filing Insider Reports on SEDI:

- (a) Within 10 business days of becoming an Insider;
- (b) Within 5 business days after any direct or indirect change in beneficial ownership of Big Rock Shares, stock options or any other share-based compensation instrument that is dilutive and has been approved by the Board of Directors and TSX.

The Corporate Secretary is available to assist Insiders with filing procedures; however, individual Insiders are ultimately responsible for filing insider reports and dealing with insider trading matters.

4. Trading Restrictions and Blackout Periods

It is illegal for anyone to purchase or sell securities of any public company with knowledge of material information affecting that company that has not been publicly disclosed. Except in the necessary course of business, it is also illegal for anyone to inform any other person of material non-public information. Therefore, insiders and employees with knowledge of confidential or material information about the Corporation or counter-parties in negotiations of material potential transactions are prohibited from trading shares in the Company until the information has been fully disclosed and a reasonable period of time of not less than 48 hours has passed for the information to be widely disseminated.

Trading blackout periods will apply to those employees with access to material undisclosed information during periods when financial statements are being prepared but results have not yet been publicly disclosed. For the quarterly and year-end financial results, the blackout period is 10 trading days immediately preceding the results announcements, and terminating at the end of the first business day following the release.

Blackout periods may be prescribed from time to time by the Corporate Secretary as a result of special circumstances relating to the Corporation pursuant to which insiders of the Company would be precluded from trading in securities of the Company. In addition to insiders, all parties with knowledge of such special circumstances shall be covered by the blackout. Such parties may include external advisors such as legal counsel, investment bankers, and counter-parties in negotiations of material potential transactions.

APPENDIX A

BOARD COMMITTEES AND RESPONSIBILITIES

CORPORATE GOVERNANCE COMMITTEE TERMS OF REFERENCE

PART I

Establishment of Committee and Procedures

1. Committee

There shall be a committee, to be known as the Corporate Governance Committee (the “Corporate Governance Committee”), of the Board of the Corporation;

2. Composition

The Corporate Governance Committee shall consist of not less than three and not more than five Directors, none of whom shall be an officer or employee of the Corporation or any of its subsidiaries and all of whom are independent and unrelated to the Corporation, as those terms are defined in the Toronto Stock Exchange Guidelines on Corporate Governance.

3. Appointment of Members

Members of the Corporate Governance Committee shall be appointed at the meeting of the Directors immediately following the annual meeting of shareholders, and shall hold office until the next annual meeting, or until their successors are appointed, or until they cease to be Directors of the Corporation. It is desirable that membership on the Corporate Governance Committee be rotated such that as many different Directors as possible have an opportunity at some time to serve on the Corporate Governance Committee.

4. Vacancies

Where a vacancy occurs at any time in the membership of the Corporate Governance Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Corporate Governance Committee is less than three Directors. Any member may be removed or replaced at any time by the Board. Any member shall cease to be a member upon ceasing to be a Director.

5. Corporate Governance Committee Chair

The Board shall appoint a Chair for the Corporate Governance Committee.

6. Absence of Chair

If the Chair of the Corporate Governance Committee is not present at any meeting of the Corporate Governance Committee, one of the other members of the Corporate Governance Committee present at the meeting shall be chosen by the Corporate Governance Committee to preside at the meeting.

7. Secretary

The Corporate Governance Committee shall appoint a Secretary who need not be a Director of the Corporation.

8. Meetings

The Chair or any two members of the Corporate Governance Committee may call a meeting of the Corporate Governance Committee. The Corporate Governance Committee shall meet at least two times per year. All committee members are expected to attend each meeting, in person or by electronic media.

9. Quorum

Two members of the Corporate Governance Committee, present in person or by electronic media that permit all persons participating in the meeting to speak to each other, shall constitute a quorum. All decisions must be unanimous or referred to the Board.

10. Notice of Meetings

Notice of the time and place of every meeting shall be given in writing or electronic communication to each member of the Corporate Governance Committee at least 72 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting; and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transactions of any business on the grounds that the meeting is not lawfully called. An annual schedule of meetings is to be established and maintained.

11. Attendance of Officers at Meeting

At the invitation of the Chair of the Corporate Governance Committee, one or more officers of the Corporation may attend any meeting of the Corporate Governance Committee.

12. Procedure, Records and Reporting

The Corporate Governance Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Corporate Governance

Committee may deem appropriate (but not later than the next meeting of the Board). Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials.

13. Review of Terms of Reference

The Corporate Governance Committee shall review its terms of reference annually or otherwise as it deems appropriate and recommend changes to the Board.

14. Independent Advisors

The Corporate Governance Committee may engage independent counsel and other advisors as it deems necessary to carry out its duties. Furthermore, the Corporate Governance Committee has the authority to set and pay the compensation for any such advisors which are employed by the Corporate Governance Committee.

PART II

Mandate of Committee

15. Specific Mandates

The Corporate Governance Committee shall:

- (a) together with the Chair of the Board propose new directors for the Board;
- (b) prepare and update annually the Board's corporate governance manual ensuring that all matters contained therein are addressed on a timely and effective basis;
- (c) implement a process for assessing effectiveness of the Board and annually review the roles of all Board members and assess their performance as members of the Board;
- (d) annually review and assess the effectiveness of all Board committees;
- (e) monitor pronouncements of the TSX relating to its governance guidelines and those of other authoritative bodies and ensure that the Corporation is in compliance with all appropriate governance guidelines;
- (f) review the Corporation's Management Information Circular to ensure statements contained therein are accurate and that the Corporation is in compliance with all guidelines and recommend its approval to the Board;
- (g) in connection with the Management Information Circular, ensure that management has met with the Corporation's solicitors to enquire about any matters that should be included in the Circular and that the Circular contains all appropriate information; and
- (i) annually review and reassess the adequacy of this mandate and these terms of reference.

BIG ROCK BREWERY INC.

AUDIT COMMITTEE TERMS OF REFERENCE

PART I

Establishment of Committee and Procedures

1. Committee

There shall be a committee, to be known as the Audit Committee (the “Committee”), of the Board of Directors (the “Board”) of Big Rock Brewery Inc. (“Big Rock” or “the Corporation”).

2. Purpose of the Committee

The overall purpose of the Committee is to ensure that the Corporation’s management has designed and implemented an effective system of internal financial controls and disclosure controls and procedures, to review and report on the integrity of the consolidated financial statements of the Corporation, to review the Corporation’s compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material facts.

3. Composition of Committee

The Committee shall consist of not less than three and not more than five Directors, all of whom are independent within the meaning of National Instrument 52-110 - Audit Committees.

3. Appointment of Committee Members

Members of the Committee shall be appointed at the meeting of the Directors immediately following the annual meeting of Shareholders, and shall hold office until the next annual meeting, or until their successors are appointed, or until they cease to be Directors of the Corporation. It is desirable that membership on the Committee be rotated such that as many different Directors as possible have an opportunity at some time to serve on the Committee.

Each member of the Committee shall have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues.

4. Vacancies

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less

than three Directors. Any member may be removed or replaced at any time by the Board. Any member shall cease to be a member upon ceasing to be a Director.

5. Committee Chair

The Board shall appoint a Chair for the Committee.

6. Absence of Committee Chair

If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.

7. Secretary of Committee

The Committee shall appoint a Secretary who need not be a Director of Big Rock.

8. Meetings

The Chair or any two members of the Committee or the external auditors may call a meeting of the Committee. The Committee shall meet at least four times per year. All Committee members are expected to attend each meeting, in person or by electronic media.

9. Quorum

Two members of the Committee, present in person or by electronic media that permit all persons participating in the meeting to speak to each other, shall constitute a quorum. All decisions must be unanimous or referred to the Board.

10. Notice of Meetings

Notice of the time and place of every meeting shall be given in writing or electronic communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting; and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transactions of any business on the grounds that the meeting is not lawfully called. An annual schedule of meetings is to be established and maintained. The external auditor is to be advised of all meetings.

11. Attendance of Big Rock Officers at Meeting

At the invitation of the Chair of the Committee, one or more officers of Big Rock may attend any meeting of the Committee. The Chief Financial Officer of Big Rock shall be a resource to the Committee.

12. Procedure, Records and Reporting

The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than

the next meeting of the Board). Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials.

13. External Auditors

The Secretary of the Committee shall advise the Corporation's auditors of the names of the members of the Committee promptly after their appointment and the auditors may be called to attend any meeting of the Committee. The Committee shall meet with the external auditors as the Committee may deem appropriate to consider any matter which the Committee or the auditors believe should be brought to the attention of the Directors or the shareholders of the Corporation. The external auditors will report directly to the Committee.

14. Review of Terms of Reference

The Committee shall review its terms of reference annually or otherwise as it deems appropriate and recommend changes to the Board.

15. Independent Advisors

The Committee shall engage independent counsel and other advisors as it deems necessary to carry out its duties. Furthermore, the Committee has the authority to set and pay compensation for any such advisors which are employed by the Committee.

PART II

Mandate of Committee

16. Specific Mandates

The Committee shall:

- (a) review, discuss with Management and recommend to the Board for approval, Big Rock's audited annual financial statements, including management discussion and analysis, all financial statements in prospectuses and other offering memoranda, financial statements required by regulatory authorities and all prospectuses and documents which may be incorporated by reference into a prospectus, including without limitation, the annual proxy circular before such documents are publicly disclosed or are filed with applicable regulatory bodies;
- (b) review, discuss with management and approve the release to the public of Big Rock's interim reports, including the financial statements, management discussion and analysis and press releases on quarterly financial results and releases to the public;
- (c) review with Management and report to the Board, on a semi-annual basis, Big Rock's obligations pursuant to covenants, warranties of performance or guarantees, including those of any wholly owned subsidiaries, of any indebtedness, liability or obligation;
- (d) review the audit plans of the external auditors of Big Rock including the degree of coordination in those plans and the extent to which the planned audit scope can be relied upon to detect weaknesses in internal control, fraud or other illegal acts;
- (e) review the external audit practices and procedures;
- (f) review the annual post-audit or management letter from the external auditor and management's response and follow-up in respect of any identified weakness, and inquire regularly of management and the external auditors of any significant issues between them and how they have been resolved;
- (g) review the internal control procedures (including information technology, security and control) to monitor the effectiveness of Big Rock's internal controls and to monitor compliance with, Big Rock's policies, and avoidance of conflicts of interest;
- (h) review management plans regarding any significant changes in accounting practices or policies and the financial impact thereof;
- (i) review with management, the external auditors and if necessary legal counsel, any litigation, claim or contingency, including tax assessments that could have a material effect upon the financial position of Big Rock, and the manner in which these matters have been disclosed in the financial statements;
- (j) review with management and others as necessary, issues relating to legal and regulatory responsibilities to monitor Big Rock's efforts to ensure compliance;

- (k) review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of material facts;
- (l) review the recommendations of management as to the re-appointment or appointment of the external auditors and make recommendations thereon to the Board; and, review and approve the basis and the amount of the external auditors' fees; it is specifically acknowledged that, pursuant to the Business Corporations Act (Alberta), the shareholders have the ultimate responsibility to appoint and replace external auditors and that the external auditors are accountable to the Committee and the Board as representatives of the shareholders;
- (m) review any non-audit related services provided by the external auditors and the relevant fees, and the impact of these services on the independence of the external auditors. For greater certainty, the Committee shall annually review a formal written statement of the external auditor delineating all relationships between Big Rock and the external auditor;
- (n) in cooperation with the Compensation & Human Resources Committee, review the succession plan and appointment in respect of the Chief Financial Officer of Big Rock;
- (o) identify and monitor the management of the principal risks that could impact the financial reporting of the Board;
- (p) annually review officers' expenses;
- (q) meet separately with the external auditors and report to the Board on such meetings;
- (r) review with the external auditors the adequacy and appropriateness of the accounting policies used in preparation of the financial statements;
- (s) review with Management and the external auditor any disagreement regarding financial reporting;
- (t) ensure that adequate "whistleblower" facilities are established and maintained through the establishment of a procedure for:
 - a. the receipt, retention and treatment of complaints received by Management regarding accounting, and/or internal controls;
 - b. the receipt, retention and treatment of confidential, anonymous submissions by employees regarding questionable accounting or auditing matters;
- (u) annually review and reassess the adequacy of this mandate and these terms of reference;
- (v) recommend to the Board policies to safeguard Big Rock's assets, timeliness and accuracy of accounting records and investment practices and procedures;

- (w) review and approve Big Rock's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of Big Rock;
- (x) perform other activities related to this charter as requested by the Board and institute and oversee special investigations as necessary; and
- (y) approve all related party transactions at the inception of the relationship with the related party.

BIG ROCK BREWERY INC.

COMPENSATION & HUMAN RESOURCES COMMITTEE TERMS OF REFERENCE

PART I

Establishment of Committee and Procedures

1. Committee

There shall be a committee, to be known as the Compensation & Human Resources Committee (the “Committee”) of the Board of Directors of the Corporation.

2. Composition

The Committee shall consist of not less than three and not more than five Directors, none of whom shall be an officer or employee of the Corporation or any of its subsidiaries and the majority of whom are independent and unrelated to the Corporation, as those terms are defined in the Toronto Stock Exchange Guidelines on Corporate Governance.

3. Appointment of Members

Members of the Committee shall be appointed at the meeting of the Directors immediately following the annual meeting of shareholders, and shall hold office until the next annual meeting, or until their successors are appointed, or until they cease to be Directors of the Corporation. It is desirable that membership on the Committee be rotated such that as many different Directors as possible have an opportunity at some time to serve on the Committee.

4. Vacancies

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less than three Directors. Any member may be removed or replaced at any time by the Board. Any member shall cease to be a member upon ceasing to be a Director.

5. Compensation & HR Committee Chair

The Board shall appoint a Chair for the Committee.

6. Absence of Chair

If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.

7. Secretary

The Committee shall appoint a Secretary who need not be a Director of the Corporation.

8. Meetings

The Chair or any two members of the Committee may call a meeting of the Committee. The Committee shall meet at least two times per year. All committee members are expected to attend each meeting, in person or by electronic media.

9. Quorum

Two members of the Committee, present in person or by electronic media that permit all persons participating in the meeting to speak to each other, shall constitute a quorum. All decisions must be unanimous or referred to the Board.

10. Notice of Meetings

Notice of the time and place of every meeting shall be given in writing or via electronic communication to each member of the Committee at least 72 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting; and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transactions of any business on the grounds that the meeting is not lawfully called. An annual schedule of meetings is to be established and maintained.

11. Attendance of Officers at Meeting

At the invitation of the Chair of the Committee, one or more officers of the Corporation may attend any meeting of the Committee.

12. Procedure, Records and Reporting

The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board). Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials.

13. Independent Advisors

The Committee may engage independent counsel and other advisors as it deems necessary to carry out its duties. Furthermore, the Committee has the authority to set and pay the compensation for any such advisors which are employed by the Committee.

PART II

Mandate of Committee

14. Specific Mandates

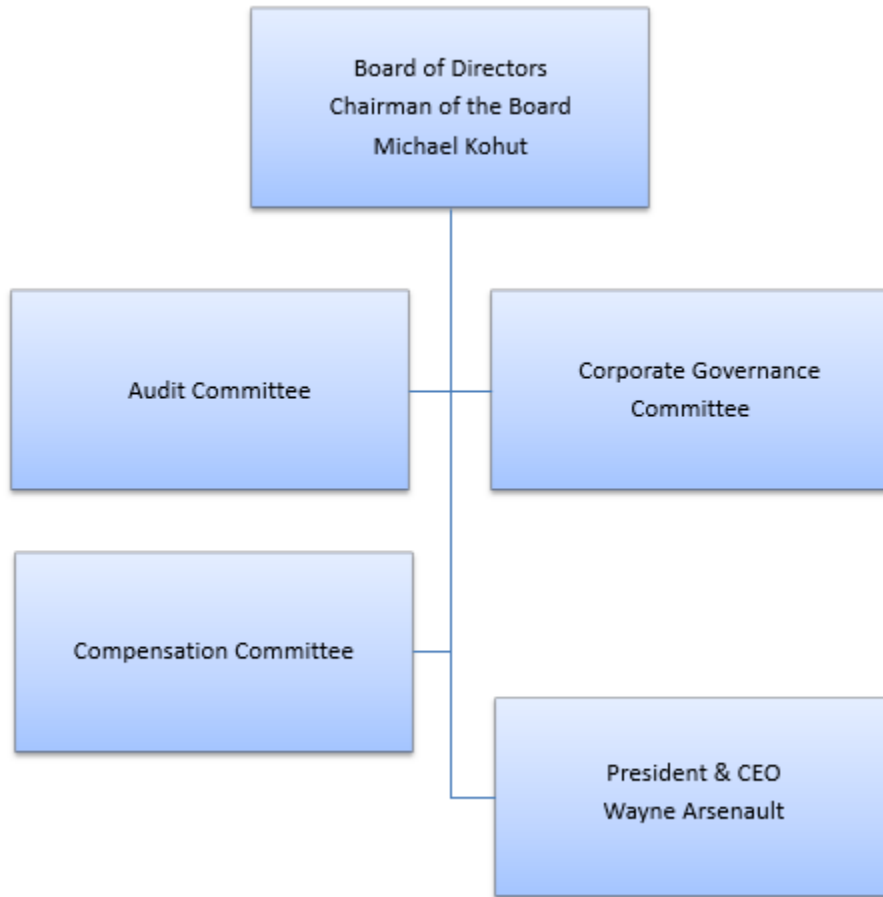
The Committee shall:

- (a) review and approve the Corporation's goals and objectives relevant to the President and Chief Executive Officer's compensation and to recommend for approval by the independent directors of the Board such compensation package and goals and objectives;
- (b) evaluate the President and Chief Executive Officer's performance on an annual basis as such performance relates to the established goals and objectives;
- (c) make recommendations to the Board with respect to incentive compensation and equity based plans, and significant changes to pension and other benefit plans;
- (d) adopt, administer, approve and ratify awards under incentive compensation and stock plans, including amendments to the awards made under any such plans and review and monitor awards under such plans;
- (e) review with the President and Chief Executive Officer and comment upon recommendations to the Board for:
 - the compensation plans for Senior Executive officers of the Corporation;
 - in cooperation with the Audit Committee, the appointment of the Chief Financial Officer prior to consideration by the Board;
 - the appointment of all other Senior Executive officers prior to consideration by the Board;
 - employment contracts and any other individual financial arrangements; and
 - termination settlements for senior management.

- (f) review and reassess the adequacy of this Mandate annually and recommend any proposed changes to the Board for approval;
- (g) review annually and recommend the compensation for Directors;
- (h) review executive compensation disclosure before the public disclosure by the Corporation;
- (i) review and reassess the adequacy of the Corporate Human Resources Policies Manual annually to ensure the Corporation's legal and ethical obligations to its employees are fulfilled;
- (j) in cooperation with the Audit Committee, review the succession plan in respect of the Chief Financial Officer of Big Rock and recommend approval of such plan to the Board;
- (k) review succession plans for all other key Management positions and recommend approval of those plans to the Board; and
- (l) review the Big Rock People Plan goals and objectives and progress reports and report to the Board on potential risks or gaps in resources.

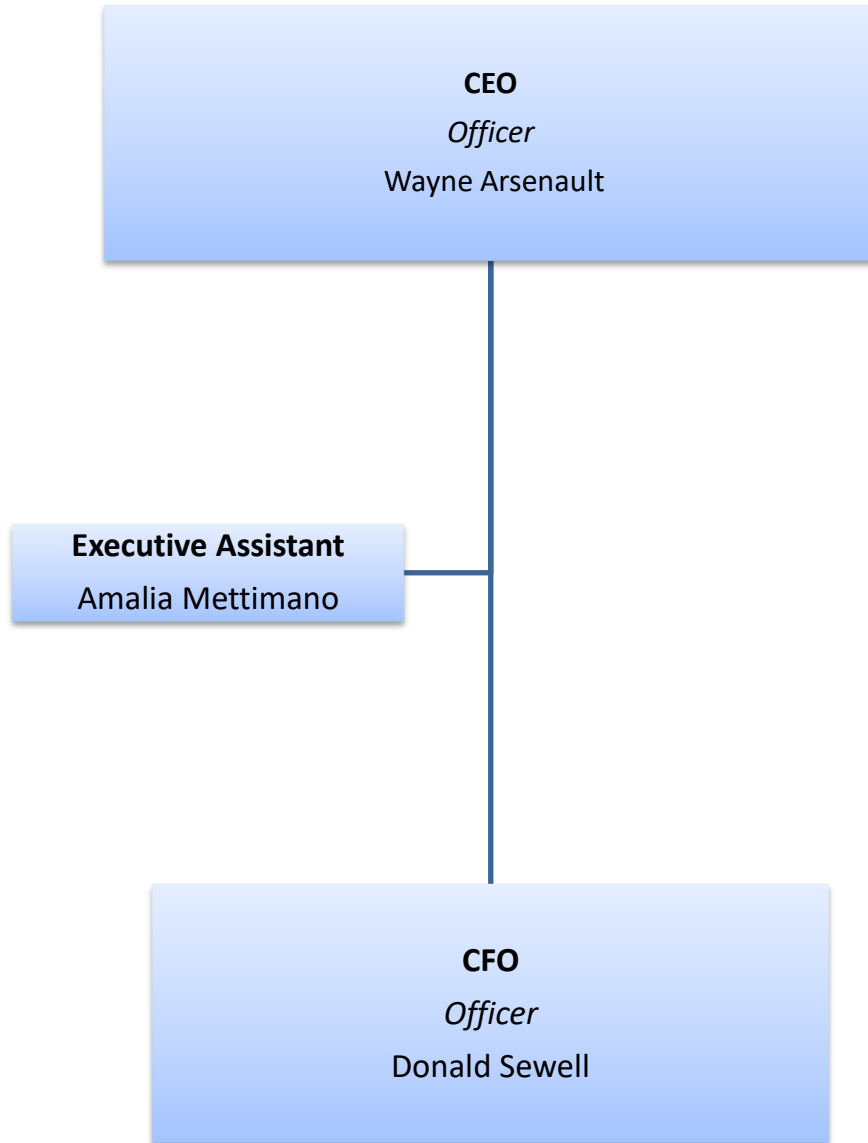
APPENDIX B

BOARD OF DIRECTORS ORGANIZATIONAL CHART



BIG ROCK BREWERY INC.

EXECUTIVE TEAM ORGANIZATIONAL CHART



APPENDIX C

BOARD POLICIES

I. STRATEGIC & CAPITAL PLANNING

Policy Statement: Big Rock Brewery understands the need for long term strategic planning. By managing growth expectations, research planning, marketing initiatives, employee development and capital expenditures, Big Rock will enable its long term sustainability and ensure its financial success.

Objectives:

- To create a 3 Year Strategic Plan integrated with a 3 Year Capital Investment Plan.
- Utilize the strengths of the Board of Directors and the Senior Leadership Team to develop these two plans.
- Annually revisit the 3 Year Strategic Plan to ensure its validity and update the document as required.

Policy:

- A 3 Year Strategic Plan will be developed and approved by the Board.
- This plan will be reviewed annually by Management and the Board to ensure the validity of its assumptions and its continued relevance.
- The annual Business Plan that is created and approved would grow out of the goals outlined within the 3 Year Strategic Plan.
- A 3 Year Capital Investment Plan would accompany the 3 Year Strategic Plan to ensure that capital requirements are accurately outlined for an identical period.

Approved by Board of Directors: March 13, 2019

II. BOARD RECRUITMENT AND EFFECTIVENESS

Policy Statement: Big Rock Brewery believes that the recruitment and effectiveness of independent business experts is critical to corporate and share holder success.

Objectives:

- To attract suitable candidates as recommended by the Chairman and other members of the Board of Directors.
- To blend a mix of tenure and skills to create a well-balanced, high performing Board of Directors able to effectively direct and oversee the actions of Big Rock's management team.
- To annually measure the effectiveness of current Board Members

Policy:

- Annually, the Governance Committee will meet with the Chairman to discuss the filling of any vacancies on the Board of Directors. When possible, the committee will strive to manage the number of incoming and outgoing Directors to ensure that at least 2/3 's of the Board of Directors remains intact from year to year.
- Potential candidates will be recommended by the Chairman and other members of the Board of Directors to ensure a balance of business and financial skills are available. Potential candidates will be approved by the Chairman and then forwarded to the Governance Committee for consideration.
- Annually, the Governance Committee will manage a review of the effectiveness of the Board of Directors and each Board Committee. The members of each committee and the Board will self-assess the effectiveness of their committee and the Board during the last year. This process will be anonymous and the results shared only among each committee and the Board of Directors. The Chair of the Governance Committee will act as a liaison to clarify any issues that arise as a result of this process.

Approved by Board of Directors: March 13, 2019

III. CODE OF CONDUCT

Policy Statement: Big Rock Brewery strives to operate in a manner that is responsible, accountable, and demonstrates integrity. At the end of the day, our strong values support our success - in our mission, our business, and in the return to our shareholders.

Each of us shares a responsibility to do what's right in all business matters. This shared duty will be one of the cornerstones of our future success.

Objectives & Policy:

Key Principles of the Code of Business Conduct

1. Be accountable

Under the *Code of Business Conduct*, you commit to be accountable for maintaining the highest standards of ethics and professionalism in the workplace. Individually, you help us collectively do business responsibly.

2. Uphold Big Rock's commitment to non-discrimination

Our greatest strength is our workforce that is rich in differences. We recognize and value every individual's unique skills and perspectives, a respect we extend to all our business relationships - with employees, contractors, and customers. As an employee, you are obligated to treat colleagues and customers with respect and to foster a workplace free of any type of discrimination or harassment.

3. Protect Big Rock's corporate assets

Every Big Rock employee must be a careful steward of our corporate assets. We have a duty to protect those assets from loss, damage, misuse, theft, and sabotage. You may not use Big Rock resources for personal activities (except as provided in our policies), private gain, or competitive purposes. This means you must safeguard our physical assets, our "knowledge assets" (such as confidential information or intellectual property), our technology, and our name and business reputation.

Big Rock owns, and you assign to Big Rock, all rights of any kind, and any associated intellectual property rights, that you may have in any work products and innovations that relate to Big Rock's business and are made or conceived by you, either alone or with others, during your employment with Big Rock.

4. Be open and trustworthy in all financial reporting and public communications

To maintain our superior financial performance, we all need to protect the integrity of Big Rock's financial transactions - both large and small. You must support our commitment to exemplary financial reporting by accurately reflecting all transactions in our books and records, and by cooperating fully with internal and external auditors. In addition, you must support the company's commitment to make disclosures to the public through various communications.

5. Avoid conflicts between Big Rock interests and personal interests

We recognize that employees have interests and responsibilities outside of work, but it's your obligation to avoid any actual or apparent conflict between Big Rock business interests and your personal interests. As part of this commitment, you must avoid any appearance of favoritism that could result from giving or receiving gifts, entertainment, or anything else of value that could be perceived as conflicting with the Big Rock's best interests.

6. Obey the laws and regulations governing our business transactions

No matter what, Big Rock employees must obey the spirit and the letter of all laws and regulations in every area in which we do business. We expect employees to deal fairly with each other, as well as our customers, clients, service providers, suppliers, and competitors.

The Code of Conduct is supported by the following specific business practices:

Computer Use

Computer hardware, software, and network access is provided to assist the employees of Big Rock in the performance of their official duties as a Big Rock employee. These assets are to be used exclusively in the performance of those duties and are not to be used for such things as conducting personal business to the detriment of your duties at Big Rock.

While not intended to cover all possible scenarios, the following provide some examples of the type of actions that would be considered contrary to the spirit of this policy:

- The loading and storage of unauthorized copies of software.
- The storage, transmission and exhibition of e-mail or files containing images or words which others may find offensive. Such things as jokes or images having a sexual, ethnic, religious, political, personally derogatory, marital and family status connotation are prohibited.
- Use of Big Rock computer assets to conduct private business for which you are receiving compensation from a source other than Big Rock.
- Use of network resources (internet access) for personal entertainment purposes such as viewing and interacting with websites of a pornographic or gaming nature.

As all computer files on Big Rock owned hardware remain the property of Big Rock, employees should not have any expectation that media created by them is private and should govern their actions accordingly. As such, before sending e-mail that is of a confidential nature, consideration should be given to the implications of the message being viewed by unauthorized or unintended persons.

Approved by Board of Directors: March 13, 2019

IV. INSIDER TRADING

Policy Statement: To protect the Shareholders and to satisfy the legislation, the Board will approve a policy outlining Big Rock Brewery's Insider Trader Policy. This policy is intended to provide both clarity and transparency about the obligation and restrictions that apply to Directors, Officers and employees that are subject to securities legislation.

Objectives:

- To ensure that no person in a “special relationship” with Big Rock is:
 - purchasing or selling securities with any information that has not generally been disclosed to the rest of the shareholders or the public
 - informing others of any material facts or material changes with Big Rock before those facts or changes have been generally disclosed to the rest of the shareholders or the public
- To provide an understanding of who would be considered an Insider
- To provide an understanding of the Investment policy for an Insider
- To provide an understanding of Insider Reporting Obligations
- To provide an understanding of the Blackout periods
- To clarify that the Board considers all employees insiders
- To have the Corporate Secretary:
 - Keep an up-to-date List of All Insiders
 - Keep copies of all blackout periods
 - File Insider reports within 5 days of changes

Note: “reporting issuer” in the following pages generally refers to Big Rock Brewery Inc.

Background:

Securities legislation prohibits any person in a ‘special relationship’ with a reporting issuer from either:

- purchasing or selling securities of the reporting issuer with the knowledge of a material fact or material change with respect to the reporting issuer that has not been generally disclosed; or
- informing, other than in the necessary course of business, another person or company of a material fact or material change with respect to the reporting issuer before the material fact or material change has been generally disclosed.

This prohibition applies to the following persons or companies deemed to have a “special relationship” with a reporting issuer:

- a) a person or company that is a insider, affiliate or associate of:
 - i. the reporting issuer
 - ii. a person or company that is proposing to make a take-over bid
 - iii. a person or company that is proposing to become a party to a reorganization, amalgamation, merger or arrangement or similar business combination with the reporting issuer to acquire a substantial portion of its property;
- b) a person or company that is engaging in or proposes to engage in any business or professional activity with or on behalf of the reporting issuer or with or on behalf of a person or company described in sub clause (a)(ii) or (iii);
- c) a person who is a director, officer or employee of the reporting issuer or of a person or company described in sub clause (a)(ii) or (iii) or clause (b);
- d) a person or company that learned of the material fact or material change with respect to the reporting issuer while the person or company was a person or company described in clause (a), (b) or (c);
- e) a person or company that learns of a material fact or material change with respect to the issuer from any other person or company described in this subsection, including a person or company described in this clause, and knows or ought reasonably to have known that the other person or company is a person or company in such a relationship.

Note that any person who is associated with you, including any member of your family, your spouse or any person living with you, is also deemed to be a person in a special relationship with the Corporation, and is subject to the same legal obligations duties.

In light of this prohibition, it is important to understand what constitutes a material fact or material change. Securities legislation defines *material change*, when used in relation to an issuer other than an investment fund as:

- i. a change in the business, operations or capital of the issuer that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the issuer, or
- ii. a decision to implement a change referred to in sub clause (i) made by the board of directors or any other persons acting in a similar capacity or by senior management of the issuer who believe that confirmation of the decision by the board of directors or such other persons acting in a similar capacity is probable.

Similarly, *material fact* is defined as:

when used in relation to securities issued or proposed to be issued, means a fact that would reasonably be expected to have a significant effect on the market price or value of the securities.

The determination of when a material change has occurred or of what constitutes a material fact may not always be clear. Such things as significant corporate acquisitions, divestitures or other transactions will generally constitute a material change in the affairs of a reporting issuer.

In summary, it is contrary to securities legislation for you to:

- purchase or sell the securities of any reporting issuer of which you have knowledge of a material change not generally disclosed
- inform (or “tip”) any other person or company of any such information.

While the penalties for such a breach of this prohibition vary among jurisdictions, a breach may render you personally liable for prosecution. You may also be subject to civil liability relating to certain security holders, the reporting issuers whose securities were traded and/or various securities commissions.

Investment Policy:

In light of the foregoing, all directors, officers and employees of the Corporation will be subject to the following policy relating to the securities of the Corporation and securities of other reporting issuers:

If you have knowledge of a material fact, pending change of fact, or material change related to the affairs of the Corporation which is not generally disclosed, no purchase or sale may be made in the securities of the Corporation or in any other securities whose value might be affected by the changes in the price of the Corporation’s securities until the knowledge has been made public. In addition, this knowledge must not be conveyed to any other person for the purpose of assisting that person in trading securities.

Insider Reporting Obligations

The Securities Act defines *insider or insider of a reporting issuer* as:

- every director or senior officer of a reporting issuer,
- every director or senior officer of a company that is itself an insider or subsidiary of a reporting issuer,
- any person or company who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all voting securities of the reporting issuer for the time being outstanding other than voting securities held by the person or company as underwriter in the course of distribution, and
- a reporting issuer where it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

A person or company who becomes an insider of a reporting issuer must file an insider report within 10 days of the date of becoming an insider.

An insider whose direct or indirect beneficial ownership of or control or direction over securities of the reporting issuer changes, must file an insider report within 10 days of the date of change.

All grants of stock options must also be reported within 10 days after the grant of stock options. The date of the option agreement is the transaction date that should be reported.

All insiders are required to file insider reports electronically through SEDI (System for Electronic Disclosure by Insiders). SEDI replaces paper-based reporting of insider trading data and makes the information immediately available for public viewing on the website (www.sedi.ca). Insiders are also responsible for reviewing and ensuring accuracy of the information filed.

The Ontario Securities Commission has implemented a fee of \$50 per business day for the late filing of insider reports up to a maximum fine of \$1,000 per issuer. In addition, the names of those who have filed late or incomplete insider reports are being published by the Securities Commission.

Employees as Insiders

The Board of Directors recognizes the value of keeping all employees up to date on corporate performance and events occurring within the organization. Although each employee will not be registered as an insider, the Board of Directors considers that access to this information results in all employees being considered insiders and subject to the same rules, responsibilities, and penalties as a registered insider.

Scheduled Disclosure of Quarterly and Annual Financial Results

- For the first, second and third quarterly results, the blackout period begins 10 trading days immediately preceding the Board of Director's review of earnings results, and terminated at the end of the first business day following public release.
- For the annual financial results, the blackout period begins 10 trading days immediately preceding the Board of Director's Meeting to review earnings results and terminates at the end of the first business day following the public announcement of the year-end results.
- Earnings release dates vary annually and are subject to change once scheduled. Blackout period notices are distributed by the Corporate Secretary to all restricted directors, officers and employees. If you are unsure if the blackout period is applicable to you, please contact the Corporate Secretary.

Unscheduled Developments

Unscheduled developments are significant corporate acquisitions, divestitures, contract negotiations, asset write downs, or similar transactions that will generally constitute a material change in the affairs of the Corporation.

- The closed period begins as soon as management is aware of the development, and continues until the material information has been publicly disseminated and is reflected in the market price of the Corporation's securities; that is, 48 hours. The Corporate Secretary will distribute blackout period notices to all restricted directors, officers and employees for unscheduled developments.

If you are unsure whether or not you may trade in a given circumstance, please contact the Chief Financial Officer.

Approved by Board of Directors: March 13, 2019

V. LIMITS OF AUTHORITY LIST

Policy Statement: To protect the Shareholders and the long term financial success and viability of Big Rock, the Board will approve a limits of authority document outlining the signing authorities and limits to those authorities.

Objectives:

- Define who has signing authority and who is designated to sign on behalf of the authorized person in their absence.
- Reflect the type of signing authority and the limits of each individual.

Policy:

Any and all commitments that expose to Big Rock Brewery Inc. (the "Corporation") to a disbursement require the approval of the board of directors of the Corporation (the "Board of Directors") or its delegate. Appropriate approval is required prior to entering into the commitment. For the purpose of determining the approval level required, the value of the commitment should be estimated conservatively (i.e. use the upper end of the estimated amount if the final amount is not known.)

The annual capital and operating budget approved by the Board of Directors (the "Budget") provides general approval of the Corporation's activities, but not specific approval for all commitments of the Corporation's resources. This Delegation of Authority sets forth the delegation, allocation and authority of the officers, employees and consultants of the Corporation ("Designates") it being understood that, with respect to each Designate other than the President and Chief Executive Officer (the "CEO") or the Chief Financial Officer (the "CFO"), of the Corporation, such delegation, allocation and authority is specific to the individual Delegate's normal area of responsibility with the Corporation.

For the purposes of this Delegation of Authority, "Other Designates" means each officer, employee or consultant of the Corporation (other than the CEO, CFO or Vice President) authorized by the CEO and CFO in writing to enter commitments on behalf of the Corporation.

Capital Commitments

	Commitment Threshold	
	Budgeted	Non-budgeted
CEO	Unlimited ⁽¹⁾	\$150,000
CFO	\$200,000 ⁽²⁾	\$50,000
Vice President	\$200,000 ⁽²⁾	nil

(1) Variations from the Budget in excess of 10% require Board of Directors' approval.

(2) Capital commitment terms greater than \$200,000 must be reviewed by the CEO and all contracts require review of the CEO or CFO of the Corporation.

Contracts should be executed only by a person having authority, as shown above, or following receipt of written approval in accordance with the policy shown above.

Operating costs

	Commitment Threshold	
	Budgeted	Non-budgeted
CEO	Unlimited	\$150,000
CFO	Unlimited	\$50,000
Vice President	\$100,000	\$25,000
Other Designates	Up to \$30,000*	nil

*As designated by the CEO and CFO

Selling expenses

	Commitment Threshold	
	Budgeted	Non-budgeted
CEO	Unlimited ⁽¹⁾	\$150,000
CFO	Unlimited ⁽¹⁾	\$50,000
Vice President	\$50,000	\$25,000
Other Designates	Up to \$25,000 *	\$nil

*As designated by the CEO and CFO

General and Administration Costs

(a) Personnel authorities

Addition/termination of employee or staff consultant	CEO and HR Manager
Change to remuneration of CEO and CFO	Compensation & HR Committee and Board of Directors
Change to remuneration all others	CEO and CFO
Grant of stock options or share appreciation rights (“SARs”)	Compensation & HR Committee and Board of Directors
Changes to expense reimbursement policy	CEO and CFO
Vacation	Manager or above

(b) Non-staff consultants

	Commitment Threshold	
	Budgeted	Non-budgeted
CEO	Unlimited	\$150,000
CFO	Unlimited	\$50,000
Vice President	\$200,000	\$25,000

(c) Employee expense reimbursement ⁽¹⁾

	Commitment Threshold
CEO ⁽²⁾	Unlimited
CFO ⁽²⁾	\$30,000
Vice President	\$15,000
Other Designates that are Managers or Supervisors	\$15,000
Other Designates that are not Managers or Supervisors	\$5,000

- (1) Expenses incurred by a member of the Board of Directors will require approval of the Chair or Vice Chair for reimbursement.
- (2) CEO and CFO expenses will be reviewed by the Audit Committee Chair at least annually.

(d) Other general and administration costs

	Commitment Threshold	
	Budgeted	Non-budgeted
CEO	Unlimited	\$150,000
CFO	Unlimited	\$50,000
Other Designates that are Managers or Supervisors	Up to \$30,000*	nil
Other Designates that are not Managers or Supervisors	Up to \$10,000*	nil

*As designated by the CEO and CFO

Approved by Board of Directors: March 13, 2019

VI. SHORT TERM INVESTMENTS

Policy Statement: To provide our Shareholders with the assurance that any excess funds not required for immediate use are invested only with the approval of the Board of Directors and are invested in short term, low risk investments.

Objectives

- To ensure that Big Rock's excess cash or capital is not diverted to risky or inappropriate investments.
- To ensure that investments can only be considered with Board of Director approval.

Policy:

Funds in excess of short-term operating requirements may be invested only in the following vehicles offered by Schedule "A" banks or ATB Financial:

- banker's acceptances,
- term deposits, or
- money market instruments

unless an alternate strategy is approved by the Board of Directors.

Approved by Board of Directors: **March 13, 2019**

VII. EMPLOYEE LOANS

Policy Statement: Big Rock Brewery does not believe that corporate funds should be used to provide personal or business loans to employees without Board of Director approval.

Objectives:

- To ensure that all personal and business loans to employees are approved by the Board of Directors prior to any agreement or contract is signed by management.

Policy:

- Personal and Business loans to employees are not permitted at any time without the express approval of the Board prior to any commitment being made.

Approved by Corporate Governance Committee: March 13, 2019

VIII. PRESIDENT AND CHIEF EXECUTIVE OFFICER'S COMPENSATION

Policy Statement: Big Rock Brewery believes that it is important to create a balanced contract that maximizes both employee satisfaction and shareholder value at the same time. This policy will outline the criteria that the Board feels is important in attracting and retaining qualified President and Chief Executive Officer candidates for Big Rock Brewery.

Objectives:

- To define the methods and limitations under which the President and Chief Executive Officer will be compensated and ensure that the compensation levels are in keeping with the marketplace in general.
- To recognize pay for performance as a motivating force for the President and Chief Executive Officer and to ensure that the potential payment levels are in keeping with the Board's direction.
- To protect the President and Chief Executive Officer from organizational changes in control or ownership that could effect his/her employment situation.

Policy:

- A Job Description will be created and kept on file for the President and Chief Executive Officer which will be reviewed and updated on an annual basis if required.
- Big Rock will use the following methods to compensate the President and Chief Executive Officer:
 - Annual Salary
 - Bonus Opportunity on an annual basis
 - Shareholder Option potential
 - Group Registered Retirement Savings Plan
 - Group Benefits
 - Automobile Allowance
 - Protection from Big Rock in case of change of control or ownership
- Annually, the Compensation & Human Resources Committee will review the President and Chief Executive Officer's salary and determine if any increases in annual compensation are required. Any adjustments will become effective on January 1st of each year.
- Big Rock believes in pay for performance and as a result will include an amount of at risk pay in the form of a Bonus. This bonus will be comprised of a payment of up to 50% of salary based on the achievement President and Chief Executive Officer's Performance Targets as approved by the Board of Directors annually.
- The President and Chief Executive Officer will be eligible to receive Options, SARs or other share-based compensation instruments that are issued by the company from time-to-time based on the Options Plan, SARs Plan or any other share-based

compensation plan that has been approved by the Board of Directors, that the company operates.

- A car allowance and gas card will be provided for the President and Chief Executive Officer at a rate that is based on the marketplace norm for other President and Chief Executive Officers.
- The President and Chief Executive Officer will participate with other management employees in the group benefit and RRSP plan at the same rates as other management employees.
- The President and Chief Executive Officer and CFO will be protected from a change in control or ownership of the company through an agreed upon compensation package.

Approved by Board of Directors: March 13, 2019

IX. EMPLOYEE COMPENSATION

Policy Statement: Big Rock Brewery believes that it is important to create salary levels and incentive pay that is effective in attracting and retaining qualified candidates for staff positions while maximizing shareholder value at the same time.

Objectives:

- To define the methods and limitations under which employees will be compensated and ensure that the compensation levels are in keeping with the marketplace in general.
- To recognize pay for performance as a motivating force for employees and to ensure that the potential payment levels are in keeping with the Board's guidance.
- To clarify for all employees the procedure and process that Big Rock uses to calculate salary, bonus and stock option programs and how adjustments are made in these programs from time to time.

Policy:

- Job Descriptions will be created and kept on file for all positions within Big Rock and will be reviewed and updated on an annual basis if required.
- Big Rock will use the following methods to compensate employees:
 - Annual Salary
 - Bonus Opportunity on an annual basis
 - Share-Based Compensation potential
 - Group Registered Retirement Savings Plan
 - Group Benefits
 - Automobile Allowance or Automobile if required for job function
- Big Rock will complete a Compensation review from time to time to ensure that its compensation remains competitive. Management will utilize the following information to make a recommendation to the committee:
 - Marketplace Salary Ranges
 - Comparisons to similar companies
 - Annual trends
 - Other benefits
- Management will target to pay salary and bonuses at the 50th percentile when compared to a similar peer group of companies.
- Big Rock believes in pay for performance and as a result will include an amount of at risk pay in the form of a Bonus. Bonus payments will be triggered by the achievement or exceeding of company performance targets and will be paid based on the Bonus Plan that the company operates.

- All employees will be eligible to receive share-based compensation, issued by the company from time-to-time based on the Options Plan, SARs Plan or any other share-based compensation plan that has been approved by the Board of Directors and that the company operates.
- Employees will participate in the group benefit and RRSP plan once any qualifying period or other criteria have been satisfied.

Approved by Board of Directors: March 13, 2019

X. PERFORMANCE MANAGEMENT & INCENTIVE PLANS

Policy Statement: Big Rock Brewery supports the use of Performance Management to improve employee performance and communication in the workplace. As part of this program, the use of Incentive plans will reward employees who excel in their roles and help Big Rock to be successful.

Objectives:

- Create a Performance Management system that accurately defines, sets, and measures annual employee goals. These goals and the results are then reviewed regularly with the employee and their supervisor.
- Allow employees to share in Big Rock's success by rewarding those employees whose performance exceeds expectations during that financial year.
- Build long term incentive plans that encourage the recruitment and retention of qualified and dedicated employees to Big Rock.
- To clarify these programs for all employees.

Policy:

- Management will create an integrated Performance Management Plan that ensures alignment with corporate objectives while recognizing the uniqueness of each role within the organization.
- Management will create and keep current a Bonus Plan that all employees of Big Rock will be eligible to participate in.
- Management will create and keep current a Stock Option Plan and SARs Plan (and any other share-based compensation plan that has been approved by the Board of Directors) that all employees of Big Rock will be eligible to participate in.

Approved by Board of Directors: March 13, 2019

XI. SPONSORSHIP

Policy Statement: Big Rock Brewery believes that as a good corporate citizen it is important to give back to the communities we serve through Corporate Sponsorship and Donations for events held within the local community.

Objectives:

- Big Rock is, and always has been, an integral part of the fabric of life in the communities we share our lives.
- Our passion for camaraderie and creativity leads us to proudly and actively support local arts, music and theatre.
- Accordingly, we focus our community involvement on organizations and events that share our commitment to enriching our cultural landscape.

Process:

- Organizations who are requesting Sponsorship, Support or Donations for events should send a written request in advance of the event to the Sponsorship and Special Events Manager.
- The approval committee will convene on a regular basis, review all requests and consider them on the following basis:
 - The direct impact on the communities that we serve
 - The degree of impact on our customers or potential customers within that community
 - The cost of our participation in relation to the public recognition that is acknowledged by our involvement
 - The ability to provide promotional Logo materials for raffles, draws, silent actions, etc. vs. cash donations
- Selection of Sponsorship events will be chosen based on the best return on investment for each event and the availability of the appropriate staff members.
- All organizations that request Corporate Sponsorship or Donations will be contacted to advise them of our decision.
- Corporate attendance at these events will be approved by an executive officer.

Approved by Board of Directors: March 13, 2019

XII. WHISTLEBLOWER

Policy Statement: To protect the Shareholders and the long term integrity of our financial information, Big Rock will ensure a whistleblower program is in effect. This program will provide a process to confidentially and anonymously report questionable accounting or auditing to an independent external agency who reports to the Audit Committee.

Objectives:

- To satisfy governance regulations requiring public companies to provide procedures for the confidential and anonymous reporting of questionable accounting or auditing matters
- To ensure that any employee, consultant or external stakeholder who witnesses or has knowledge of illegal or questionable accounting or auditing matters is encouraged to report such matters to an independent external agency.
- The external agency is obligated to ensure that the identity of any person reporting matters or incidents under this policy is held strictly confidential.

Policy:

- Upon receiving a report or complaint from a Big Rock employee in accordance with this policy, the external agency will refer the report, complaint or allegation to the Chairman, Audit Committee, who will be responsible for ensuring that Management conduct a thorough investigation.
- The identity of the employee who registers the report, complaint or allegation will not be identified to Management by the Chairman, Audit Committee.
- Further, the onus will be on management to respond to the report, complaint or allegation to the satisfaction of the Chairman, Audit Committee, Big Rock Brewery.
- Complaints may be in writing or verbally transmitted to:

Wiklow Corporate Services

Phone: 1-877-266-2579

Fax: 1-877-216- 8459

Email: www.wiklow.com

Login: BigRock Password: B3rock

- The Chairman of the Audit Committee will maintain accurate records of all complaints, investigations into the complaints, and whether recommendations have been implemented and corrective action has been achieved. The Chairman of the Audit Committee will be responsible for keeping all members of the Audit Committee informed of complaints, recommendations, and actions taken. The chairman may also report these incidents to the board of Directors, as he deems appropriate.

Approved by Board of Directors: March 13, 2019