



**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 "Committee") of the Board of Directors (the "Board") of Big Rock Brewery Inc. (the "Corporation");

2. Composition of Committee

The Committee shall consist of three or more 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 Committee shall be appointed at the meeting of the Board held 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.

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 and the Chair shall preside at all meetings of 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**

The Committee shall appoint a Secretary at each meeting of the Committee 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. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by a resolution in writing signed by all of the members of the Committee.

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 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 Guests at Meeting**

The Committee may invite such officers, directors and employees of the Corporation as it may see fit from time to time to attend at meetings of the Committee and assist thereat in the discussion and consideration of the matters being considered by the Committee.

12. **Procedure, Minutes and Reporting**

The Committee shall fix its own procedure at meetings, keep minutes 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 meeting materials.

13. **Review of Terms of Reference**

The Committee shall review its terms of reference periodically and recommend changes to the Board.

14. 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

15. Specific Mandates

The Committee shall:

- (a) review, on a periodic basis, the composition of the Board and ensure that an appropriate number of independent directors sit on the Board, analyze the needs of the Board and, together with the Chair of the Board, recommend nominees who meet such needs;
- (b) implement a process for assessing effectiveness of the Board and periodically review and assess the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors, including consideration of the appropriate size of the Board;
- (c) establishing criteria for potential candidates for Board membership and identifying qualified individuals consistent with such criteria, and where appropriate, interviewing potential candidates for Board membership;
- (d) prepare, review and update periodically the Corporate Governance Manual of the Corporation and ensure that all matters contained therein are addressed on a timely and effective basis;
- (e) implement an orientation and education program for new recruits to the Board;
- (f) monitor pronouncements of the Toronto Stock Exchange relating to its governance guidelines and those of other authoritative bodies and ensure that the Corporation is in compliance with all appropriate governance guidelines;
- (g) 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;
- (h) periodically review and reassess the adequacy of this mandate and these terms of reference.