MANAGEMENT’S DISCUSSION AND ANALYSIS

The following is Management’s Discussion and Analysis (“**MD&A**”) of the financial condition and results of operations of Big Rock Brewery Inc. (the “**Corporation**” or “**Big Rock**”) for the quarter ended March 31, 2022.

This MD&A should be read in conjunction with the unaudited interim consolidated financial statements of the Corporation and accompanying notes as at and for the quarter ended March 31, 2022 (the “**consolidated financial statements**”) and the December 30, 2021 audited consolidated financial statements and MD&A. The consolidated financial statements have been prepared using International Financial Reporting Standards (“**IFRS**”) and all amounts are reported in thousands of Canadian dollars unless otherwise noted. Additional information about the Corporation, including the Annual Information Form for the year ended December 30, 2021, can be found on SEDAR at www.sedar.com and on Big Rock’s corporate website at www.bigrockbeer.com. Readers should also read the section “Forward-Looking Information” contained at the end of this document. This MD&A is dated May 11, 2022.

COMPANY OVERVIEW

Big Rock is headquartered in Calgary, Alberta. The Corporation produces premium, all-natural craft beers, ciders and other alcoholic and non-alcoholic beverages. As one of Canada's largest independently owned craft brewers, Big Rock has an extensive family of permanent ales and lagers, the Rock Creek series of craft ciders, a continually changing selection of seasonal and limited-edition beers, alcoholic drinks, and other licensed alcoholic beverages.

Founded in 1985, Big Rock was the first craft brewery in Alberta and stands as a pioneer in the Canadian craft beer industry. Big Rock produces, markets and distributes its premium, high-quality craft beers, ciders and other alcoholic beverages, primarily in Canada. The Corporation owns and operates production facilities in Alberta, British Columbia (“**BC**”) and Ontario. Today, Big Rock’s primary brewing, packaging and warehousing facility is located in Calgary, Alberta and has been in operation since 1996. Big Rock has distribution facilities in Calgary and Edmonton, and sales staff resident in Alberta, BC, Saskatchewan, Manitoba and Ontario.

Given the Corporation’s footprint in Western Canada, the Corporation also has several private label agreements, production agreements and licensing agreements.

First Quarter Summary

For the three months ended March 31, 2022, compared to the three months ended March 31, 2021, the Corporation reported:

- sales volumes of 33,279 hectolitres ("**hl**");
- net revenue of $8.8 million;
- operating loss of $1.5 million;
- net loss of $1.3 million; and
- Adjusted EBITDA loss (See "*Non-GAAP Measures*") of 0.6 million

$000, except hl and per share amounts	Three months ended March 31	
	2022	2021
Sales volumes (hl)[1]	33,279	35,600
Gross revenue	12,712	14,303
Net revenue	8,787	10,599
Cost of sales	6,073	7,087
Operating loss	(1,488)	(501)
Adjusted EBITDA[2]	(620)	789
Net loss	(1,271)	(455)
Loss per share (basic & diluted)	$ (0.18)	$ (0.07)

(1) Excludes co-packing volumes due to the nature of the agreements.
(2) Non-GAAP Measure. See "*Non-GAAP Measures*".

OUTLOOK & STRATEGY

Big Rock's long-term growth strategy is defined by the following three phases: 'Gear up', 'Fill up' and 'Drink up'. This strategy supports the Corporation's vision to become Canada's largest independent brewer.

The Corporation continues to experience inflationary pressures impacting raw material and packaging material pricing as well as longer lead times combined with increased delivery and distribution charges linked to ongoing supply chain issues cause by the impact of the COVID-19 pandemic. In response to these pressures, the Corporation has strategically applied a combination of wholesale price increases in-line with competitors across all markets as well as engaged in group purchasing strategies to improve purchasing power to mitigate cost increases. The Corporation also has in place certain fixed price contracts on raw materials and utilities to mitigate price volatility going forward in 2022. The Corporation expects to continue to realize overhead and labour costs efficiencies as volume throughput grows with anticipated growth in co-packing volume as well as improved operating efficiency with the new capital equipment upgrades in the Calgary facility.

The Corporation's new can line, pasteurizer and other equipment enhancements that support expanded product packaging formats are operational and in use. The expanded production capacity combined with new production capabilities associated with pasteurization positions the Corporation to execute its growth plans with respect to co-packing arrangements which the Corporation is targeting to achieve 65% to 85% year-over-year growth in 2022.

SELECTED QUARTERLY FINANCIAL INFORMATION

Big Rock experiences seasonal fluctuations in sales volumes, net revenue and net income with the second and third quarters typically being stronger than the first and fourth quarters. These seasonal variations are dependent on numerous factors, including weather, timing of community events, consumer behaviour, customer activity and overall industry dynamics, mainly in Western Canada. The selected quarterly information is consistent with these industry trends.

The following is a summary of selected financial information of the Corporation for the last eight completed quarters:

($000, except hl and per share amounts)	Q1/22	Q4/21	Q3/21	Q2/21	Q1/21	Q4/20	Q3/20	Q2/20
Sales volumes (hl) [1]	**33,279**	34,430	47,367	46,233	35,600	39,446	50,367	46,693
Net revenue	8,787	8,711	12,982	13,690	10,599	10,308	12,822	11,926
Cost of sales	6,073	7,317	8,444	8,312	7,087	6,993	7,555	7,095
Operating income (loss)	(1,488)	(2,932)	354	1,068	(501)	(1,779)	1,512	1,062
Adjusted EBITDA[2]	**(620)**	(1,954)	1,325	1,978	789	634	2,695	2,501
Net income (loss)	**(1,271)**	(3,825)	237	786	(455)	(1,372)	1,028	570
Per share amounts (basic & diluted)	**$ (0.18)**	$ (0.55)	$ 0.03	$ 0.11	$ (0.07)	$ (0.20)	$ 0.15	$ 0.08

$ Per hl Amounts[1]								
Net revenue	**264.04**	253.00	274.07	296.11	297.72	261.32	254.57	255.41
Cost of sales	**182.49**	212.52	178.27	179.98	199.07	177.28	150.00	151.95
Selling expenses	**78.67**	80.28	58.06	60.95	63.12	52.81	49.02	46.77
General & administrative	**42.40**	40.63	26.83	28.70	44.75	38.25	20.81	28.59
Operating income (loss)	**(44.71)**	(85.16)	7.47	23.10	(14.07)	(45.10)	30.02	22.74
Net income (loss)	**(38.19)**	(111.09)	5.00	17.00	(12.78)	(34.78)	20.41	12.21

(1) Excludes co-packing volumes due to the nature of the agreements.
(2) Non-GAAP Measure. See "*Non-GAAP Measures*".

During the first quarter of 2022, the Corporation had net revenues of $8.8 million, compared to $10.6 million in the first quarter of 2021, a decrease of $1.8 million. The decrease was due to a decline in co-packing revenue due to Big Rock's partners not being able to procure raw materials in time for the product to be produced and delivered in the quarter.

Cost of sales also decreased in line with lower revenues. The cost of sales decreased by $1.0 million to $6.1 million in the first quarter of 2022, from $7.1 million in the first quarter of 2021. Cost of sales as a percentage of net revenues increased to 69% in the first quarter of 2022 compared to 67% in the first quarter of 2021. This was mainly due to inflationary pressures experienced on raw materials and packaging combined with a change in product-mix compared to the prior period.

Selling expenses increased by $0.4 million to $2.6 million in the first quarter of 2022, from $2.2 million in the comparable period last year, due to increased delivery and distribution costs due to the impact of supply chain disruptions and increased salaries wages and benefit costs. Selling expenses as a percentage of net revenues increased to 30% in the first quarter of 2022, from 21% in the first quarter of 2021.

General and administrative expenses in the first quarter of 2022 decreased by a nominal amount of $0.2 million to $1.4 million compared to $1.6 million in the first quarter of 2021.

RESULTS OF OPERATIONS

Net Loss

Big Rock's reported net loss increased quarter-over-quarter by $0.8 million, primarily as a result of lower sales.

Adjusted EBITDA

The calculation of Adjusted EBITDA is a non-GAAP measure, whose nearest GAAP measure is net income, or net loss (as applicable), with the reconciliation between the two as follows:

($000, except where indicated)		
	Three months ended March 31	
	2022	2021
Net loss	(1271)	(455)
Addback:		
Interest	158	79
Income tax expense (recovery)	(372)	(100)
Depreciation and amortization	819	885
Share-based payments	46	380
Adjusted EBITDA[1]	(620)	789

[1] Non-GAAP measure. See "*Non-GAAP Measures*".

Adjusted EBITDA decreased by $1.4 million in comparison to the prior period. The decrease is driven primarily due to lower revenue in the first quarter of 2022 compared to 2021.

Net Revenue

Net revenue includes wholesale beer, cider and alcoholic beverage sales (net of excise taxes and provincial government liquor taxes), co-packing revenues, retail restaurant and store sales from Big Rock's Alberta, BC and Ontario locations. Geographically, Alberta continued to represent the largest share of the Corporation's sales in the first quarter of 2022, followed by BC and Saskatchewan.

	Three months ended March 31		
($000, except where otherwise indicated)	2022	2021	Change
Sales volumes (hl)[1]	33,279	35,600	(2,321)
Gross revenue	12,712	14,303	(1,591)
Federal excise taxes	(1,458)	(1,338)	(120)
Provincial liquor tax programs	(2,467)	(2,366)	(101)
Net revenue	8,787	10,599	(1,812)
Net revenue by segment			
Wholesale	8,423	10,040	(1,617)
Retail	364	559	(195)
Net revenue	8,787	10,599	(1,812)
$ per hl[1]			
Wholesale net revenue	264.04	297.72	(33.68)

[1] Excludes co-packing volumes due to the nature of the agreements.

Total sales volumes for the first quarter of 2022 decreased by 6.5% when compared to the first quarter of 2021, which was mainly driven by a decrease in Alberta Genuine Draft sales and partner volumes as value brands in retail are down relative to 2021, slightly offset with an increase in premium brand volumes. Overall change in sales volumes in the first quarter of 2022 correlates with market trends in the prior period.

Wholesale Revenue

Wholesale net revenue decreased by $1.6 million (2.4%) in the first quarter of 2022, compared to 2021, driven by a continued declining market for beer consumption. Domestic beer in Canada declined 7.6%. The impact of increased markups on ready-to-drink and cider products of $149 per hl accounted for negative variance of $345,000 when compared quarter-over-quarter from 2021. Big Rock's value beer segment contributed the largest to revenue declines. The Corporation passed through price increases in early Q1 2022 to offset inflationary pressures impacting consumer behaviour. The positive growth trend of the Corporation's high margin beer portfolio continued in Q1 2022 driven primarily by on-premise reopening and growth in can formats.

Retail Revenue

Retail revenue decreased by $0.2 million. The retail segment represents about 4% of the Corporation's sales. The decrease is primarily related to continued lower activity in the Corporation's restaurants as a result of COVID-19.

Cost of Sales

($000, except where otherwise indicated)	Three months ended March 31		
	2022	2021	Change
Operating expenses	3,735	4,809	(1,074)
Salaries and benefits	1,693	1,566	127
Depreciation and amortization	645	712	(67)
Cost of sales	6,073	**7,087**	(1,014)
Percentage of net revenue	68.9%	66.9%	2.0%

Cost of sales for the period ended March 31, 2022, decreased by $1.0 million or 16.1% as compared to 2021.

Cost of sales as a percentage of net revenue was slightly higher in the first quarter of 2022. This was as a result of inflationary pressures.

Selling Expenses

($000, except where otherwise indicated)	Three months ended March 31		
	2022	2021	Change
Delivery and distribution costs	835	748	87
Salaries and benefits	889	905	(16)
Marketing and sales expenses	894	594	300
Selling expenses	2,618	2,247	371
Percentage of revenue	29.7%	21.2%	8.5%

Selling expenses increased by $0.4 million in the first quarter of 2022 compared to 2021 primarily as a result of higher onetime sales expenses of $0.3 million.

General and Administrative Expenses

($000, except where otherwise indicated)	Three months ended March 31		
	2022	2021	Change
Salaries and benefits	644	$ 659	(14)
Share based payments	46	380	(334)
Professional fees	280	197	83
Other administrative expenses	440	357	83
General and administrative expenses	**1,410**	**$ 1,593**	(182)
Percentage of net revenue	16.0%	15.0%	1.0%

General and administrative expenses decreased by $0.2 million primarily due to lower share based payments.

General and administrative expenses increased slightly by 1% as a percentage of net revenue in the first quarter of 2022 as compared to 2021, primarily due to lower revenues.

Depreciation, Amortization and Impairment

Depreciation, amortization and impairment expenses were $0.8 million for the three months ended March 31, 2022, which is comparable to the expense of 0.9 million for the first quarter of 2021.

Finance Expense

Finance expense of $0.2 million in the first quarter of 2022 is slightly higher than the finance cost for the corresponding period in 2021. The increase is due to higher debt drawn. (See discussion in the section "Debt" in this MD&A).

SEGMENTED INFORMATION

The Corporation has two reportable business segments, wholesale and retail, which are monitored by executive management for purposes of making decisions about resource allocation and performance management. The wholesale segment manufactures and distributes beer, cider, and other alcoholic beverages to provincial liquor boards, grocery chains, and on-premise customers which are subsequently sold to end consumers. The retail segment sells beverages, food and merchandise to end consumers through premises owned and/or operated by the Corporation.

Segment performance is evaluated on a number of measures, the most significant being gross profit net of selling expenses. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties. The Corporation's operating assets and liabilities, general and administrative expenses, income taxes and capital expenditures are managed on a corporate basis.

SEGMENTED RESULTS

For the three months ended March 31, 2022

($000)	Wholesale		Retail		Eliminations		Consolidated	
	2022	2021	2022	2021	2022	2021	**2022**	2021
Net revenue	8,456	10,452	364	559	(33)	(412)	8,787	$ 10,599
Cost of sales	5,494	6,742	612	757	(33)	(412)	6,073	7,087
Gross profit	2,962	3,710	(248)	(198)	—	—	2,714	3,512
Selling expenses	2,578	2,241	40	6	—	—	2,618	2,247
Segment profit (loss)	384	1,469	(288)	(204)	—	—	96	$ 1,265
General and administrative costs							1,410	1,410
Depreciation and amortization								174
Operating loss							(1,488)	(501)
Finance expense							158	79
Other income							(3)	(3)
Loss before income taxes							(1,643)	(555)

LIQUIDITY AND CAPITAL RESOURCES

Capitalization

($000)	March 31 2022	December 30, 2021
Cash	–	(228)
Debt[2]	13,251	10,214
Lease liabilities[2]	4,169	4,366
Net debt [1]	17,420	14,352
Shareholders' equity:		
Shareholders' capital	113,716	113,620
Contributed surplus	2,389	2,480
Accumulated deficit	(85,667)	(84,397)
Total shareholders' equity	30,438	31,703
Total capitalization [1]	**47,858**	**46,055**
Net debt to total capitalization ratio [1]	36%	31%

(1) Non-GAAP measure. See "*Non-GAAP Measures*".
(2) Includes current and non-current portions.

Capital Strategy

The Corporation manages its capital structure through prudent levels of borrowing, cash flow forecasting, and working capital management. Adjustments are made by considering changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the Corporation's capital structure, Big Rock may issue new public securities, issue or renegotiate its debt, acquire or dispose of assets or adjust the amount of cash and cash equivalents. Capital requirements of the Corporation are managed by the preparation of an annual expenditure budget which is approved by the board of directors of Big Rock and monitored on a regular basis by management. The budget is updated as necessary depending on numerous factors, including capital deployment, results from operations, general industry conditions and government policy changes.

Net Working Capital

Net working capital is a non-GAAP measure and is defined as current assets less accounts payable and accrued liabilities (see *"Non-GAAP Measures")*. The Corporation had a net working capital surplus of $5.5 million as of March 31, 2022. This represents an increase of $1.7 million from December 30, 2021. The increase is driven by higher inventories in preparation to meet seasonal demand which peaks in the second and third quarters of the year.

Debt

On March 31, 2022, the Corporation amended the terms of its existing commitment letter with its lender which includes both a $6 million operating facility and $10 million of term debt (collectively, the "**Credit Facilities**"). Advances under the Credit Facilities may be made by way of Canadian prime rate loans and letters of credit. Both Credit Facilities bear interest rates subject to a pricing grid that is governed by the Corporation's funded debt to adjusted EBITDA ratio. The maturity date of the commitment letter is March 23, 2026. The proceeds will be used for, but not limited to, funding capital projects, financing working capital requirements and general corporate purposes.

During the first quarter of 2022, the Corporation has drawn an additional $3.4 million against its operating facility to fund the seasonal inventory buildup and repaid $0.4 million against its outstanding term debt. Details on amounts outstanding under these facilities are as follows:

($000)	March 31, 2022	December 30, 2021
Operating facility – principal	4,898	1,480
Term debt - principal and accrued interest	8,423	8,814
Debt issue costs	(70)	(80)
	13,251	**10,214**
Current	**5,876**	**2,685**
Non-current	**7,375**	**7,529**

Term debt payments of principal and interest are monthly. Details on amounts drawn under the term debt are as follows:

($000)	Expiry date	March 31, 2022	December 30, 2021
Tranche 1	April 30, 2025	703	776
Tranche 2	February 28, 2026	906	980
Tranche 3	September 9, 2027	603	639
Tranche 4	February 28, 2031	2,713	2,809
Tranche 5	December 31, 2031	3,498	3,610
Total term debt outstanding		**8,423**	**8,814**

At March 31, 2022, the Corporation had $1.1 million available on its operating facility.

The Credit Facilities impose a number of positive and negative covenants on the Corporation, including the maintenance of certain financial covenants which are tested at each reporting date. They include the maintenance of a rolling 12-month fixed charge ratio which is required to be a minimum of 1.15 to 1, calculated as Adjusted EBITDA (defined as the rolling 12-month earnings before interest, taxes and depreciation, less unfunded capital) compared to fixed charges defined as the rolling 12-months interest, dividends and income taxes paid, and principal repayments. In addition, the Corporation's borrowings cannot exceed a borrowing base which is determined by the fair value of the Corporation's assets. On March 31, 2022, the Corporation's lender approved an amendment to the commitment letter permitting the fixed charge coverage ratio to be waived for the fiscal quarter ending March 31, 2022, reduced to not less than 0.5 to 1 for the fiscal quarter ending June 30, 2022, and set to 1.15 to 1 for all subsequent reporting periods. As at March 31, 2022, the Corporation was in compliance with its financial covenants.

Lease Liabilities

Big Rock currently has lease liabilities for contracts related to real estate and vehicle leases.

($000)	March 31, 2022	December 30, 2021
Lease liabilities, beginning of year	4,366	6,113
Additions	-	450
Disposals	-	(1,319)
Interest expense	43	214
Lease payments	(240)	(1,092)
Lease liabilities, end of year	**4,169**	**4,366**
Current	**706**	**738**
Non-current	**3,462**	**3,628**

Capital Expenditures

During the three months ended March 31, 2022, a total of $0.4 million was spent on capital expenditures. This includes primarily relate to production equipment and digital transformation initiatives.

Equity

As of the date of this MD&A, the Corporation had 6,981,628 common shares outstanding less 19,524 common shares held in trust to resource employee compensation programs.

In addition, as of the date of this MD&A, 157,328 common shares are potentially issuable to satisfy the outstanding restricted share units. None of the Corporation's outstanding share options are "in the money".

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

Big Rock has entered into various commitments for expenditures covering utilities, raw materials, and marketing initiatives. The commitments, for the next five years are as follows:

($000)	2022	2023	2024	2025	2026	thereafter
Utilities contracts	39	52	52	52	43	-
Raw material purchase commitments	744	211	211	-	-	-
Marketing sponsorships	278	221	145	-	-	-
Total	**1061**	**484**	**408**	**52**	**43**	**-**

OFF BALANCE SHEET ARRANGEMENTS

Big Rock does not have any special purpose entities nor is it party to any arrangements that would be excluded from the balance sheet, other than the operating leases summarized in "*Commitments and Contractual Obligations*" herein.

RISK FACTORS

The Corporation is exposed to business risks that are inherent to the alcoholic beverage industry, as well as those governed by the individual nature of the Corporation's operations, the details of which are set out in the corporation's most recent Annual Information Form (**"AIF"**) available on SEDAR at www.sedar.com.

CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

There have been no changes in Big Rock's critical accounting estimates in the three months ended March 31, 2022. Further information on the Corporation's accounting policies, critical estimates and judgements can be found in the notes to the audited consolidated financial statements for the year ended December 30, 2021.

CERTIFICATION OF DISCLOSURES IN QUARTERLY FILINGS

In accordance with National Instrument (NI) 52-109 of the CSA, the Corporation quarterly issues a Certification of Interim Filings ("Certification"). The Certification requires certifying officers to state that they are responsible for establishing and maintaining disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR").

The Certification requires certifying officers to state that they designed DC&P, or caused it to be designed under their supervision, to provide reasonable assurance that: (i) material information relating to the Corporation is made known to the certifying officers by others; (ii) information required to be disclosed by the Corporation in reports filed with, or submitted to, securities regulatory authorities is recorded, processed, summarized and reported within the time periods specified under Canadian securities legislation. In addition, the Certification requires certifying officers to state that they have designed ICFR, or caused it to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes.

There were no changes in the Corporation's internal control over financial reporting during the period beginning on December 31, 2021 and ended March 31, 2022 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting. The Corporation has procedures in place relating to DC&P and ICFR and will continue to monitor such procedures as the Corporation's business evolves.

NON-GAAP MEASURES

The Corporation uses certain financial measures referred to in this MD&A to quantify its results that are not prescribed by Generally Accepted Accounting Principles. These financial measures do not have any standardized meaning under the Corporation's Generally Accepted Accounting Principles and therefore may not be comparable to similar measures presented by other issuers. The following terms "net working capital", "net debt", "total capitalization" and "Adjusted EBITDA" are not recognized measures under GAAP and may not be comparable to that reported by other companies. In addition to net loss and cash flow from operating activities, Management uses these non-GAAP measures to evaluate the Corporation's operating performance and leverage.

Net working capital: is defined as current assets less accounts payable and accrued liabilities.

Net debt: is defined as the Corporation's current and non-current portions of debt, license obligation, lease liabilities less cash.

Total capitalization: is calculated by adding shareholders' equity and net debt. A reconciliation of total capitalization to cash, total debt and total shareholders' equity and a reconciliation of net debt to cash and total debt are provided under "*Liquidity and Capital Resources – Capitalization*"

Adjusted EBITDA: The Corporation uses Adjusted EBITDA for measuring operating performance and borrowing capacity. Adjusted EBTDA is calculated by adding back to net income, interest, income taxes, depreciation and amortization, impairment of property, plant and equipment, impairment on co-packing customer receivable, share based payment adjustments, gains and losses on disposal of assets and gain on extinguishment. A reconciliation of Adjusted EBITDA to net loss, the nearest GAAP measure, is contained under "*Results of Operations – Adjusted EBITDA*".

Readers are cautioned that these measures should not be construed as an alternative to net income, cash flows from operating activities or other relevant GAAP measures as calculated under GAAP.

FORWARD-LOOKING INFORMATION

Certain statements contained in this MD&A constitute forward-looking statements. These statements relate to future events or Big Rock's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking information are not facts, but only predictions and generally can be identified by the use of statements that include words or phrases such as, "anticipate", "believe", "continue", "could", "estimate", "expect", "intend", "likely" "may", "project", "predict", "propose", "potential", "might", "plan", "seek", "should", "targeting", "will", and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Big Rock believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by readers, as actual results may vary materially from such forward-looking statements. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this MD&A contains forward-looking statements pertaining to the following:

- Big Rock's business plans, outlook and strategy;
- Big Rock's vision to become Canada's largest independent brewer;
- that Big Rock's group purchasing strategies will improve its purchasing power and mitigate cost increases;
- that Big Rock's fixed price contracts on raw materials and utilities will mitigate price volatility going forward;

- Big Rock's expectations that it will continue to realize overhead and labour cost efficiencies as volume throughput grows with anticipated growth in co-packing volume;
- Big Rock's expectations that its operating efficiency will improve as a result of the new capital equipment upgrades at its Calgary facility;
- the anticipated benefits to be derived from Big Rock's expanded production capacity and new production capabilities associated with pasteurization;
- Big Rock's ability to manage its capital structure through prudent levels of borrowing, cash flow forecasting, and working capital management;
- anticipated seasonal fluctuations in demand; and
- Big Rock's anticipated commitments and contractual obligations and the anticipated timing thereof.

With respect to the forward-looking statements listed above and FOFI (as defined below) contained in this MD&A, management has made assumptions regarding, among other things:

- that Big Rock's long-term growth strategy will support it in becoming Canada's largest independent brewer;
- that Big Rock's group purchasing strategies will improve its purchasing power;
- that Big Rock's new capital equipment upgrades at its Calgary facility will improve its operating efficiency;
- that Big Rock's expanded production capacity, combined with new production capabilities associated with pasteurization, will position Big Rock to execute its growth plans with respect to co-packing arrangements;
- volumes in the current fiscal year will remain constant or will increase;
- there will be no material change to the regulatory environment in which Big Rock operates;
- there will be no material supply issues with Big Rock’s vendors;
- seasonal fluctuations in demand; and
- that the duration and extent of the COVID-19 pandemic will not be long-term.

Some of the risks which could affect future results and could cause results to differ materially from those expressed in the forward-looking information and statements and FOFI contained herein include the risk factors set out in the Corporation's annual information form and also include, but are not limited to:

- that Big Rock's group purchasing strategies may not improve its purchasing power and mitigate cost increases;
- that Big Rock's fixed price contracts on raw materials and utilities may not mitigate price volatility;
- that Big Rock's new capital equipment upgrades at its Calgary facility may not improve its operating efficiency;
- that the year-over-year growth in Big Rock's co-packing arrangements may be less than anticipated;
- the inability to grow demand for Big Rock’s products; and
- the duration and extent of the COVID-19 pandemic.

Any financial outlook or future oriented financial information (in each case “**FOFI**”) contained in this MD&A regarding prospective financial position, including, but not limited to, anticipated year over year growth in 2022 and Big Rock's anticipated commitments and contractual obligations, is based on reasonable assumptions about future events, including those described above, based on an assessment by management of the relevant information that is currently available. The actual results will likely vary from the amounts set forth herein and such variations may be material. Readers are cautioned that any such FOFI contained herein should not be used for purposes other than those for which it is disclosed herein. Such information was made as of the date of this MD&A and the Company disclaims any intention or obligation to update or revise any such information, whether as a result of new information, future events, or otherwise, unless required pursuant to applicable law.

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