

Brick Brewing Co. Limited

Annual Information Form

For the fiscal year ended January 31, 2012

April 25, 2012

Table of Contents

Item	Page
CORPORATE STRUCTURE	4
Name, Address and Incorporation	4
GENERAL DEVELOPMENT OF THE BUSINESS	4
Business Overview.....	4
DESCRIPTION OF THE BUSINESS.....	5
Market Overview	5
Products	6
Pricing.....	8
Packaging.....	8
Trade-marks	9
Distribution	9
Sales and Marketing.....	9
Suppliers	10
Seasonality	10
Research and Product Development	10
Environmental Matters.....	10
Competition	11
REGULATION	11
FACILITIES	12
EMPLOYEES	13
RISK FACTORS.....	13
DIVIDENDS	17
DESCRIPTION OF CAPITAL STRUCTURE.....	17
MARKET FOR SECURITIES	17
Trading and Price and Volume	17
Prior Sales	17
DIRECTORS AND OFFICERS	18
Prior Principal Occupations	18
Board Committees	19
Term of Office	19
Voting Securities.....	19
Cease Trade Orders, Bankruptcies, Penalties and Sanctions	20
LEGAL PROCEEDINGS	20
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	21

TRANSFER AGENT AND REGISTRAR	21
MATERIAL CONTRACTS	21
INTEREST OF EXPERTS	21
AUDIT COMMITTEE INFORMATION	21
Audit Committee Charter.....	21
Composition of the Audit Committee.....	21
Pre-approval of Non-audit Services.....	22
External Auditor Service Fees	23
FORWARD-LOOKING STATEMENTS	23
ADDITIONAL INFORMATION.....	24
APPENDIX A	25
AUDIT COMMITTEE MANDATE AND CHARTER.....	25
BRICK BREWING CO. LIMITED.....	25

CORPORATE STRUCTURE

Name, Address and Incorporation

Brick Brewing Co. Limited (“Brick” or the “Company”) was incorporated under the *Business Corporations Act* (Ontario) by Articles of Incorporation dated February 20, 1984. On December 11, 1986, the Company amalgamated with Mortar Small Business Development Corporation and became a reporting issuer in Ontario on December 12, 1986.

The head and registered office of the Company is located at 400 Bingemans Centre Drive, Kitchener, Ontario N2B 3X9.

The Company’s financial year end is January 31, 2012 and is referred to as “fiscal 2012” throughout this annual information form (“Annual Information Form” or “AIF”).

GENERAL DEVELOPMENT OF THE BUSINESS

Business Overview

Brick is Ontario's largest Canadian-owned and Canadian-based publicly held brewery. The Company is a regional brewer of award-winning premium quality and value beers and is officially certified under British Retail Consortium (BRC) Global Standards for Food Safety, one of the highest and most internationally recognized standards for safe food production. Founded in 1984, Brick Brewing Co. was the first craft brewery to start up in Ontario, and is credited with pioneering the present day craft brewing renaissance in Canada. Brick has complemented its Waterloo brand premium craft beers with other popular brands such as Laker, Red Baron, Red Cap and Formosa Springs Draft. In March 2011, Brick purchased the Canadian rights to the Seagram Coolers brand which it has now relaunched as Seagram Blends.

Three Year History

Significant business developments during the Company’s past three financial years are discussed below.

On December 11, 2008, the Company announced the retirement of Executive Chairman and Founder, Jim Brickman. Mr. Brickman resigned from the Board of Directors on February 11, 2009. Peter Schwartz was elected Chairman of the Board on June 23, 2009.

In May 2009, a management reorganization was finalized with the hiring of Chief Technical Officer, Russell Tabata. Mr. Tabata joined George Croft, President & CEO, and Jason Pratt, Chief Financial Officer & Corporate Secretary to complete the Executive Team. The three executives were employed by Lakeport Brewing Income Fund prior to its acquisition by Labatt Brewing Company Limited in 2007.

In May 2009, the Company commissioned a new canning line at the packaging centre in Kitchener, Ontario, which is capable of producing approximately 90,000 hectolitres annually.

On September 11, 2009, the Company announced that it changed its distribution model by outsourcing its distribution to The Beer Store to Ryder Integrated Logistics Inc.

On March 16, 2011, the Company purchased the Canadian rights to the Seagram Coolers brand from Corby Distilleries Limited.

DESCRIPTION OF THE BUSINESS

The Company produces, sells, markets and distributes bottled, canned and draft premium beer under the Waterloo brand name, and value beer under the Laker, Red Cap, Formosa and Red Baron brand names. With the purchase of the Canadian rights to Seagram Coolers in fiscal 2012, the Company now also produces, sells and markets bottled and canned ready-to-drink (“RTD”) alcoholic beverages under the Seagram trademark. The Company also produces, sells, markets and distributes various beer products under the licensed PC® trademark on behalf of Loblaws.

The Company’s products are sold primarily in Ontario. The Company also engages in certain co-packing business, which involves producing and packaging beer and RTD alcoholic beverages for other customers. Through sales agency agreements, the Company also distributes beer and RTD alcoholic beverages across Canada.

In Ontario, distribution of packaged beer occurs primarily through The Beer Store (“TBS”) and the Liquor Control Board of Ontario (“LCBO”). Seagram Blends distribution in Ontario occurs only through the LCBO.

The Company’s brewing facilities are located in Waterloo and Formosa, Ontario. The Company’s primary packaging and warehousing facility is located in Kitchener, Ontario. The Company has a packaging facility in Formosa which is primarily dedicated to co-packing and producing the Seagram Blends. The Company’s head and registered office is in Kitchener, Ontario.

Market Overview

Beer

The beer market in Ontario is a mature market. Per capita consumption of beer has been relatively flat over the years 2007 to 2010. Beer sales in Ontario (in hectolitres) for 2000 and subsequent years are indicated in the following chart:

Year	Draft	Bottles (Packaged)	Cans (Packaged)	Imported	Total Sales
2000	861,541	5,380,511	558,889	680,324	7,481,265
2001	867,459	5,391,314	602,493	788,968	7,650,234
2002	834,131	5,276,633	728,167	975,883	7,814,814
2003	773,937	5,260,254	804,172	1,040,019	7,878,382
2004	713,114	5,222,520	826,512	1,024,324	7,786,470
2005	694,204	5,297,303	892,601	1,057,214	7,941,322
2006	699,729	5,069,117	1,085,921	1,185,269	8,040,036
2007	705,659	5,019,908	1,336,155	1,308,350	8,370,072
2008	697,130	4,854,035	1,527,352	1,327,306	8,405,823
2009	700,766	4,617,194	1,548,891	1,420,516	8,287,367
2010	703,948	4,306,297	1,884,816	1,410,056	8,305,117

Source: Brewers Association of Canada

The sales of domestic beer in Ontario remained fairly constant in calendar 2010 compared to 2009. Factors that may have contributed to the flat per capita consumption include the general economic downturn, increased social reference price, health concerns, changing consumer tastes and demographics and the general aging of the population.

Market share of the beer industry in Ontario is held primarily by Labatt Breweries of Canada (“Labatt”), Molson Coors Brewing Company (“Molson”) and Sleeman Breweries Ltd. (“Sleeman”). In 2011, Labatt, Molson and Sleeman had a collective market share greater than 90%. Brick currently has an approximate 4% market share of the Ontario beer market. The strategy utilized by Labatt, Molson and Sleeman is to produce and sell beer products that appeal to a broad range of consumers in the market. These beers are produced by Labatt, Molson and Sleeman in large breweries to maintain competitive prices and higher volumes and to achieve greater economies of scale.

With the Laker, Red Cap, Formosa, Red Baron and PC® beer brands, the Company offers consumers quality beer at value prices. The value beer category is estimated to now represent approximately 40% of all beer consumed in Ontario. Although growth in the overall beer market is generally flat, value beer consumption in Ontario has continued to increase from approximately 20% to its present 40% market share. Management expects this category to continue to grow at a moderate pace in the future.

In recent years the premium beer category has experienced significant growth and the Company estimates that in 2011 the premium beer category represented approximately 15% of the total beer market in Ontario. Growing consumer demand for premium, more full-flavoured beers, compared to the mainstream priced beers, has enabled the premium beer category to achieve this growth despite overall industry consumption trends.

In recent years in Ontario the volume of beer packaged in cans has increased in volume in excess of 20% per year, with the exception from 2008 to 2009, and the overall volume of beer sold in bottles has declined. Currently cans comprise approximately 27% of the domestic volume of beer sold in Ontario. The Company’s sale of canned beer represents approximately 34% of the Brick brand sales. Management expects this volume sold in cans to remain at a consistent percentage in the future.

Ready-to-Drink Alcoholic Beverages

The RTD alcoholic beverage category in Canada is approximately one million hectolitres annually. Growth in 2011 was approximately 3%. The largest competitors in the RTD alcoholic beverage category are Mark Anthony (Mike’s Hard Lemonade and Palm Bay), Diageo (Smirnoff Ice) and Vincor (Vex).

Through the acquisition of the Seagram rights, Brick has a market share of approximately 1.5%. Each of the market leaders have market share in excess of 15%. Compared to the beer market, concentration of market share is much less and can fluctuate substantially year over year based on consumer trends and preferences. Management considers the RTD alcoholic beverage market as a growth opportunity for the Company.

Products

Premium Beer Brands

With the use of traditional European brewing procedures, Brick produces premium beer under the Waterloo brand name. The brewing materials used for this brand are all natural, using the highest quality hops and malt. Volumes of this brand represented approximately 3% of the Company’s total volume in fiscal 2012.

Value Priced Beer Brands

The Company's Laker brand names include *Lager, Light, Ice, Red, Strong, Honey* and *Ale*. In September 2003, the Company undertook a tactical pricing strategy to promote these brands and the volume growth has been significant. In fiscal 2004 approximately 20% of the Company's total sales volume was value priced brands. Laker volumes represented approximately 57% of the Company's total sales volume in fiscal 2012.

The Company also sells the Red Baron, Formosa Springs Draft and Red Cap brands at value prices. Volumes of these brands represented approximately 8% of the Company's sales volume in fiscal 2012.

The rights to the Red Cap trademark in Canada are licensed to the Company in an agreement with Molson Canada. Under the terms of the agreement, the Company must maintain certain product specifications and continue the use of the trademark. The agreement has no specified termination date.

Seagram Blends Brand

On March 16, 2011, the Company purchased the Canadian rights to the Seagram Coolers brand from Corby Distilleries Limited. Brick acquired the rights for a purchase price of \$7.3 million, plus the value of inventory on hand. The purchase price was satisfied by a \$4.9 million cash payment to Corby and the issuance of a secured promissory note for the remaining balance to be paid over the next four years.

While the Seagram heritage dates back to the late 1800's, Seagram Coolers was established in the 1980's, with the launch of Seagram Wildberry Vodka Cooler, the original vodka cooler. Seagram Blends are available in all provinces except Quebec. The Seagram Blends family in Ontario currently consists of Wildberry, Peach, Orange Cream Swirl and Seagram 2012. Subsequent to year-end, two new Seagram Blends have been introduced to the Ontario market – Seagram Cider and Seagram Iced Lemon Tea. Seagram Blends volume represented approximately 5% of the Company's sales volume in fiscal 2012.

Co-packed Products

In May 2004, the Company entered into a multi-year licensing agreement with Loblaws to produce, distribute and sell PC® beer in Ontario. This licensing agreement with Loblaws was renewed and extended from January 1, 2011 until December 31, 2012. The types of beers under license include *Pilsner, Light, Dry, 2.5g (Low Carbohydrate), Honey Red, Genuine Lager and Cerveza*. These beers offer consumers excellent value.

The Company co-packs various RTD alcoholic beverages and beers for different customers. Co-packaging arrangements are undertaken to utilize unused capacity in the Company's facilities. With the Kitchener packaging facility packaging substantially all of the Company's beer, the Company intends to utilize the available capacity at the Formosa packaging facility for production of any new co-pack volumes. In July 2007, the Company entered into an agreement with CDMI to manufacture and package the Motts Caesar alcohol-based beverages, production of which began in January 2008. In fiscal 2010, this agreement was extended to December 31, 2014.

In fiscal 2012, approximately 27% of the Company's sales volume was represented by licensed brands and co-packed products. The Company is actively pursuing additional co-packing opportunities.

Brand Representation

In July 2007, the Company entered into a sales agreement with CDMI to represent the Motts Caesar alcohol-based beverages in the LCBO channel. This agreement was extended to December 31, 2014. The Company is seeking additional sales representation opportunities.

Pricing

Beer Brands

The Company markets its premium products at prices that are comparable to the mainstream brands produced by its largest competitors. This allows the Company to recapture the higher costs of ingredients and processing that are involved in producing its various premium brands, as well as allowing the Company to gain market share versus brands that are mass produced and heavily marketed.

The Company's value brands are currently being sold at prices approximately 10% to 15% below mainstream brands. Over the past several years, this pricing strategy has allowed the Company to grow Laker brand sales at the expense of other value brand competitors and at the expense of competitors' mainstream and domestic brands.

The Company's largest competitors regularly promote their mainstream brands through limited time offers ("LTO's"). LTO prices are aggressive and the difference between minimum retail price (described below) and LTO prices is very often less than 7% or \$2 per case of 24 bottles.

In Ontario, the provincial government regulates the minimum retail price ("MRP") at which beer can be sold. All figures in this section are based on a 24-pack of 341ml bottles at 5% alcohol by volume. In October 2005 this minimum price was increased from \$23.70 to \$26.40 per case including deposit. Since then the MRP has been increased annually and was at \$28.80 at the end of fiscal 2012. This regulation prevents artificially low prices in the beer industry. Laker brands are generally priced at or close to this minimum price to ensure that they represent the best possible value for the consumer. As a result of this regulated minimum price, competitors' pricing cannot be reduced below Laker brand pricing. On March 1, 2012, MRP in Ontario increased to \$29.35 and will increase annually based on a factor of recent Consumer Price Index ("CPI") change.

Packaging

A significant strategic element of the Company's marketing plan for its products is its distinctive packaging. In the case of the Red Baron and PC® brand portfolio, the Company uses a clear, long-necked bottle. In order to preserve its ability to use these other bottles, it pays the required supplemental fees to TBS that are associated with the sorting of these bottles.

The design and labeling of all Brick beer brands and Seagram Blends brand, as well as the design of the packaging and promotional material used to support the Company's marketing activities, represent the Company's first point of contact with the consumer. These marketing elements are designed to reinforce the image of the Brick and Seagram brands as unique tasting enjoyable products. The Company has invested and continues to invest substantial resources in the design, development and protection of the packaging, designs and artwork associated with its products.

The Company's premium brands are available in cartons of 6 and 12 bottles and single serve 473ml cans, in addition to 20 and 58 litre kegs. The Laker brands are available in cartons of 6, 18 and 24 bottles and 6 and 15 355ml or single serve 473ml cans. Other value brands are available in cartons of 12 and 24 bottles

and single serve 473ml cans. Certain value brands are also available in 20 and 58 litre kegs. The Company's Seagram Blends brand is also available in a variety of different formats in Ontario such as cartons of 4 bottles and single serve 473ml cans. Seagram Iced Lemon Tea will be available in April 2012 in a 6 pack of 355ml cans.

Trademarks

The Company has obtained Canadian trademark registrations in respect of its key trademarks and has actively enforced its rights in this regard. The Brick, Formosa and Laker names and trademarks have significant value and continue to be prominent in the marketing of the Company's products.

The Company has obtained Canadian trademark registrations in respect of certain of its Brick brands, including Red Baron, Waterloo Dark, and of certain of its Formosa brands, including Formosa Springs Cold Filtered Draft. The Red Cap name and trademark registrations are licensed to the Company in Canada.

The Company purchased the Canadian rights to the Seagram Coolers brand on March 16, 2011.

The Company regards all of its trademarks as having substantial value. The Company's policy is to pursue registration of its trademarks whenever appropriate and to vigorously oppose any infringement of its trademark rights.

Distribution

In Ontario, consumers can purchase beer only at retail outlets operated by TBS, which is owned by the Company's three largest competitors, Molson, Labatt and Sleeman, government owned retail outlets operated by the LCBO, retail stores at breweries or at any bar, restaurant or tavern licensed by the LCBO to sell liquor for on-premise consumption. The Company delivers beer to selected TBS stores and to central TBS warehouses. In fiscal 2012, approximately 98% of the Company's beer volumes in Ontario were sold directly or indirectly through the TBS and LCBO channels, and 2% via the Company's retail store.

On September 11, 2009, the Company announced that its distribution to TBS would be outsourced to Ryder Canada. At this time, the Company also eliminated direct delivery service for beer to licensees and the LCBO, which are now serviced directly through The Beer Store.

In Ontario, consumers can only purchase Seagram Blends brand name products through government owned retail outlets operated by the LCBO. In fiscal 2012, approximately 59% of the Company's total Seagram Blends revenue came from product sold at the LCBO.

In fiscal 2011, the Company engaged sales agents to represent and sell its products in Atlantic Canada, British Columbia, Alberta and the North-Eastern region of the United States.

Sales and Marketing

The Company expends resources to attract and sell to beer consumers. An important aspect of marketing in this industry is the mix of product and packaging styles which a producer offers to its intended consumer. The Company engages in test marketing activities prior to the launch of any new product.

The Company's Laker value brands are generally priced at or close to the MRP. These products are packaged and bottled in the industry standard bottle and sold to home consumers through TBS and LCBO outlets.

All packaging for the Laker brands have been recently redesigned and have a fit and finish that in management's view stands out from other value brands. The package changes and selling and marketing efforts throughout fiscal 2012 improved the performance of the Laker brand. Sales volume of the Laker brand increased by 22% in fiscal 2012.

The Company redesigned all Seagram packaging in fiscal 2012. The focus of the new packaging designs was to:

- i. emphasize the Seagram trademark and reduce the use of sub-branding such as "Swirl" or "Wild" with the goal of creating a cohesive brand family;
- ii. highlight the use of Formosa pure spring water.

The Company operates a retail beer store at its Waterloo brewery. In addition to the sale of beer, the retail store also sells promotional merchandise. The main objective of the Company's marketing and sales efforts is the development of brand recognition and consumer preference for Brick and Seagram branded products and to foster and maintain the Company's image as a producer of great quality beers and RTD alcoholic beverages.

Suppliers

The Company obtains the ingredients used in its products and the packaging for its products from a variety of different sources. The Company has not historically had any difficulty in securing an adequate supply of ingredients or packaging for its products. The Company has very limited sources of glass bottles. The risk of glass bottle disruptions has increased with the reduction of supply alternatives due to the consolidation in recent years of the glass bottle manufacturing industry. See "Risk Factors". The Company continues to work on ensuring that alternate suppliers continue to be available for glass bottles.

Seasonality

The Company's revenue streams are influenced by seasonality. The second quarter, which covers the summer months, has historically been the strongest quarter for the Company, representing approximately 31% of total revenues in fiscal 2012, followed by the third quarter (approximately 23% of total revenues in fiscal 2012) which covers late summer and fall. The first and fourth quarters usually see a reduction in revenues as beer and RTD alcoholic beverage consumption is lower in the cooler winter months.

Research and Product Development

The Company regularly conducts research aimed at identifying new products which meet emerging consumer trends. The expenses associated with this research have historically not been material.

Environmental Matters

The Company's brewery operations are subject to applicable provincial environmental laws and regulations, and local by-laws and permit requirements regarding, among other things, air emissions, water discharges and waste handling and disposal. Management believes that the Company is currently in compliance with all applicable environmental laws and regulations. The Company has reached an agreement with the Region of Waterloo regarding waste water discharges for its Waterloo and Kitchener facilities and pays certain surcharges on its waste water discharge. The Company removes all waste

water discharges from its Formosa facility and disposes of that waste water to various local municipalities. The Company currently pays surcharges to treat waste water discharge from its facilities in excess of \$600,000 annually.

Competition

The Company currently competes primarily in Ontario. The beer market is mature and very competitive with over 100 different brands of beer available to consumers. Molson and Labatt dominate the overall industry with a combined Ontario market share in 2011 greater than 80%. In the premium beer category, products typically sell for prices at least 5% higher than regular or mainstream brands. This category includes other premium brewers, brewers of higher priced imported brands and premium priced products of the larger domestic breweries. Competition within the premium category is based on product quality, packaging, taste, advertising and promotional support, brand recognition and price. The Company believes that its primary competitor brands in this category include the Sleeman premium brands, the Creemore Springs brand owned by Molson and the Alexander Keith's brand owned by Labatt.

In response to the rapid growth of the premium beer category, the larger domestic brewers in Canada have introduced "craft like" beer brands and are expected to focus more attention on the import and premium beer categories in the future. The Company expects that the large domestic brewers, with their significant financial resources and established distribution networks, will seek greater participation in the potential additional growth of the premium beer category. Although an increase in the participation of the large domestic brewers in this market category will likely increase competition for market share and affect price sensitivity, the Company believes that the large domestic brewers' participation will also tend to increase advertising, distribution and consumer awareness of premium beer and thus contribute to further growth of the category.

In Ontario, the value priced category represents approximately 40% of all beer sold in the last three years. This recent growth can be attributed to aggressive pricing activity by different brewers to bring the price of their value brands close to the Ontario MRP for beer. The Company's principal competition in the value priced beer category includes the Lakeport, Lucky and Busch brands produced or imported by Labatt; the Carling, Keystone, Milwaukee's Best and Bohemian brands produced or imported by Molson; and the Stroh, Old Milwaukee, Pabst and Maclays brands produced by Sleeman. Although large domestic brewers are competing in the value category, the Company believes that they will be cautious to promote these brands too aggressively since doing so would take market share away from their relatively higher priced, higher margin mainstream and premium brands.

The RTD alcoholic beverage category in Canada is approximately one million hectolitres annually. Growth in 2011 was approximately 3%. The largest competitors in the RTD alcoholic beverage category are Mark Anthony (Mike's Hard Lemonade and Palm Bay), Diageo (Smirnoff Ice) and Vincor (Vex). Each of the market leaders have market share in excess of 15%.

REGULATION

In Canada, the provincial governments regulate the production, marketing, distribution and pricing of beer and RTD alcoholic beverages and impose commodity taxes and license fees in relation to the production and sale of these products. In addition, the federal government regulates the production, advertising, labeling, quality control and international trade of beer and RTD alcoholic beverages, and also imposes commodity taxes, consumption taxes, excise taxes and, in certain instances, custom duties. As well, certain bilateral and multilateral treaties that have been entered into by the federal government, provincial governments and certain foreign governments, especially the government of the United States, affect the Canadian beer and RTD alcoholic beverages industries.

The social policy objectives of the Ontario government have impacted the policies adopted by beer and RTD alcoholic beverages regulators. The Government of Ontario has a high degree of involvement in the regulation of these industries, particularly the regulation of the pricing, sale and distribution of these products.

In Ontario, beer manufacturers primarily distribute their products through TBS outlets, government-owned and operated LCBO outlets, independent licensed retail outlets at breweries and licensed bars and restaurants. RTD alcoholic beverage manufacturers primarily distribute their products through government-owned and operated LCBO outlets and licensed bars and restaurants.

The pricing of beer and RTD alcoholic beverages is affected by the imposition of provincial and federal taxes, fees and levies. The impact of these various commodity and sales taxes, fees and levies make up approximately 50% of the retail prices. On March 1, 2012, the MRP was increased by the LCBO. As an example, the minimum price (including deposit) of a 24-pack of 341 ml bottles (5% alcohol) increased from \$28.80 to \$29.35.

In Ontario, the sale of beer and RTD alcoholic beverages is regulated by the provincial government through the Alcohol and Gaming Commission of Ontario (“AGCO”) under the Liquor Control Act and the Liquor Licence Act. The LCBO has been established under the Liquor Control Act to regulate the sale of liquor in Ontario. Under the provisions of the Liquor Licence Act, manufacturers of beer and RTD alcoholic beverages are subject to certain licensing requirements and are required to pay fees to the provincial government based upon the amount of beer and RTD alcoholic beverages shipped for sale or distribution in Ontario.

Effective July 1, 2010, the AGCO no longer collects the fees related to shipments. These fees were replaced by a Beer and Wine Tax which is administered by the Ministry of Revenue. At the time of transition, the Beer and Wine tax rate was higher than the previous rate paid to the AGCO by \$14.2 per hectolitre of beer. The increase was delivered at the same time harmonized sales tax (“HST”) was implemented in Ontario. Previously, the combined provincial sales tax and federal goods and services tax on beer was 17%. With the introduction of HST, there is a reduction in total sales tax of 4%, with no change to the minimum retail prices. The government is capturing the loss on sales tax through an increased beer tax described above. The Beer and Wine Tax increases annually based on a factor of recent CPI changes.

FACILITIES

The Company owns two brewing facilities which are located in Waterloo, Ontario and Formosa, Ontario. In addition, the Company leases a warehousing and packaging facility in Kitchener, Ontario.

The Company’s facility in Waterloo is located on one acre of land at 181 King St. South. The 130 year old renovated three story brick building is approximately 35,000 square feet in size. This facility currently has an annual brewing capacity of 250,000 hectolitres. The Company’s on-site retail store is located in this facility. The Company currently transports all beer produced in this facility to its Kitchener facility for bottling and packaging.

The Company’s facility in Formosa is located on nine acres of land at 1 Old Brewery Lane. The 35,000 square foot building sits on top of a large natural spring aquifer. The spring water is used in the brewery, which has an annual brewing capacity of 250,000 hectolitres, after an expansion of 75,000 hectolitres of additional brewing capacity was completed in May 2006. The Company has a bottling line in Formosa which can produce up to 300,000 hectolitres annually. The Company uses the Formosa facility primarily

for co-packing and production of the Seagram Blends brand. The facility is also used for supplemental brewing during periods of peak demand.

In October 2005, the Company moved into its facility in Kitchener. The 103,000 square foot building is leased and the lease provides the Company with a 10 year term, provisions for expansion to 175,000 square foot and future purchase options. The Company has centralized its warehousing and delivery operations within this facility and commissioned a new packaging line in April 2006, capable of packaging 425,000 hectolitres annually. The Kitchener facility also now has canning capacity of 90,000 hectolitres and kegging capacity of 90,000 hectolitres.

EMPLOYEES

As at January 31, 2012, the Company had approximately 145 employees. No employees in the Company are unionized or subject to any collective bargaining agreements. Since its inception, the Company has not suffered any disruptions to production as a result of labour problems or employee disputes.

RISK FACTORS

Dependence on TBS

In fiscal 2012, 89% of all of the Company's gross sales were sold through the TBS distribution network. Accordingly, the Company relies extensively on TBS for distribution of its products. TBS is owned by the Company's three largest competitors, Molson, Labatt and Sleeman. As a result, the Company may be adversely affected by policies adopted by TBS or the Government of Ontario related to the sale, merchandising or distribution of beer and/or by any disruption of TBS service.

In fiscal 2011, TBS announced significant changes in their payment terms. Previously, the Company received a payment for each full week of shipments within one week. Effective May 2010, TBS began to pay four weeks after the shipment week had concluded. As a result of this unexpected change in the pattern of cash receipts, the Company arranged for a \$2 million increase in its operating line of credit and a \$2.2 million increase in term debt.

Competition

Beer

The Company considers its main competitors to be other participants in the Canadian brewing industry, which includes imported beer and specialty and value priced brands brewed by both small regional brewers and the national brewers. National brewers are aggressively promoting their own specialty and value brands as well as premium brands. The Company also anticipates increased competition as new brewers enter the market.

In the premium beer category, the principal competitive factors affecting the market for the Company's products include quality and taste, packaging, advertising and promotional support, brand recognition and price. There can be no assurance that the Company will be able to compete successfully in this category against current and future competitors based on these and other factors. The Company competes with a variety of domestic and international brewers, many of whom have substantially greater financial, production and marketing resources. The Company anticipates increased competition in the premium beer category from the major domestic brewers and imported brands.

Ready-to-drink alcoholic beverages

The RTD alcoholic beverage category in Canada is approximately one million hectolitres annually. Growth in 2011 was approximately 3%. The largest competitors in the RTD alcoholic beverage category are Mark Anthony (Mike's Hard Lemonade and Palm Bay), Diageo (Smirnoff Ice) and Vincor (Vex). Each of the market leaders have market share in excess of 15%.

Access to Bottles

In 1993, TBS introduced an industry standard bottle intended to be utilized by all brewers whose beers are distributed through TBS and adopted a policy of imposing a sorting charge which at present is approximately \$14 per hectolitre (depending on the size of the bottle) for all brewers who do not elect to use the industry standard bottle. The Company is subject to these sorting fees for all returnable bottles not in the industry standard bottle. The Company regards the clear bottles used for the Red Baron brand and the PC® brand as an integral part of its marketing strategy and has no intention of converting all brands to the industry standard bottle. Accordingly, the Company will continue to pay these sorting fees.

The Company has very limited sources of glass bottles. The risk of glass bottle disruptions has increased with the reduction of supply alternatives due to the consolidation in recent years of the glass bottle manufacturing industry. While the Company has not historically had any difficulty in securing an adequate supply of bottles for its products, there can be no assurance that the Company's glass bottle supplies will not be disrupted.

Liquidity Risk

During fiscal 2012, in conjunction with the purchase of the Seagram Coolers brand from Corby Distilleries Limited, Brick obtained a new term loan from HSBC Bank Canada ("HSBC") in the amount of \$5,800,000. The term loan is repayable over 7 years and has a floating rate of prime + 3%. As part of the agreement with HSBC, the Company entered into an interest rate swap arrangement with HSBC, whereby the Company fixed \$2,900,000 of the original term loan of \$5,800,000 at an interest rate of 7.2%. The proceeds received from HSBC were used to settle a portion of the purchase price noted above and retire all long-term debt outstanding to Roynat Capital.

Concurrent with the issuance of the new term loan, HSBC increased the Company's maximum operating line of credit from \$6,500,000 to \$8,000,000. The terms for the operating line of credit remain unchanged.

As part of the purchase of the Seagram Coolers brand a secured promissory note in the amount of \$2,400,000 was issued to Corby Distilleries Limited bearing an interest rate of 5%. Principal payments in the amount of \$600,000 plus accrued interest are due annually beginning January 31, 2012.

During fiscal 2012, the Company also secured a new term loan from HSBC in the amount of \$420,000 to assist in the purchase and upgrade of certain property, plant and equipment.

Currency and Interest Rate Risk

The Company does not have significant exposure to currency risk as the majority of the Company's purchases are in Canadian dollars. At January 31, 2012, the Company had long-term debt which is subject to interest rate fluctuations. At January 31, 2012, if interest rates changed by 1%, the Company's pre-tax earnings change would not be significant. The Company considers the level of exposure to interest

rate risk to be low and accordingly, the Company does not have a formal policy to manage interest rate risk from borrowings at variable interest rates.

Commodity Risk

The Company uses large amounts of commodities to produce its products, including malted barley and hops. The Company reduces exposure to the price fluctuations of these commodities through the negotiation of fixed prices. The Company purchases its packaging materials, cans and certain raw ingredients from a limited number of suppliers, some of whom are single sourced. The risk of supply disruption resulting from a single source strategy is however minimal, as most materials are produced at multiple supplier sites and alternative sources of supply are available.

Business Risks

The results of operations, business prospects and financial condition of the Company are subject to a number of risks and uncertainties, and are affected by a number of factors outside the control of management. Risk and risk exposure are managed through a combination of insurance, a system of internal controls and sound operating practices.

Government Regulation

The Company's business is regulated by federal, provincial and local laws and regulations regarding such matters as licensing requirements, trade and pricing practices, permitted and required labeling, advertising, promotion and marketing practices, relationships with distributors, environmental and related matters. Failure on the part of the Company to comply with federal, provincial or local laws and regulations could result in the loss, revocation or suspension of the Company's licenses, permits or approvals and accordingly could have a material adverse effect on the Company's business. The Company believes it has obtained all regulatory permits and licenses necessary to operate its business. In addition, changes to taxes, environmental regulations or any other laws or regulations which affect the Company's products or their production, handling or distribution could have a material adverse effect on the Company's operating results.

Trends in Consumer Preferences and Attitudes

The premium beer category has grown substantially over the past decade. The Company believes that one factor in such growth has been consumer demand for more full flavoured beer in a wider variety of styles. In recent years, the value beer category has grown dramatically. No assurance can be given however that consumer demand for these products will continue in the future. The Company's success also depends upon a number of factors related to the level of discretionary consumer spending, such as the general state of the economy, tax laws and consumer confidence in future economic conditions. In recent years there has been an increase in the level of health consciousness and considerable debate has occurred concerning alcohol-related social issues, such as alcoholism and drunk driving. In addition, a number of anti-alcohol groups are advocating increased governmental action which may be unfavourable to the beer and RTD alcoholic beverage industries.

Operating Hazards

The Company's operations are subject to certain hazards and liability risks faced by all brewers, such as potential contamination of ingredients or products and equipment defects. While the Company has not experienced a contamination problem in its products, the occurrence of such a problem could result in a costly product recall and serious damage to the Company's reputation for product quality. The Company

has also not experienced a major equipment defect that had a major impact on product quality or supply. Although the Company maintains insurance against certain risks under various general liability and product liability policies, there can be no assurance that the Company's insurance will be adequate or that claims resulting from such incidents will be accepted as filed.

Dependence on Key Personnel

The Company's operations depend upon the continuing contributions of certain of its executive officers and other key management, and on its ability to attract and retain qualified management, sales, production and marketing personnel. The loss of any of such persons or the failure to recruit additional key personnel in a timely manner could adversely affect the Company.

Seasonality

Sales of most of the Company's products are subject to predictable seasonal fluctuations in demand. While certain of the Company's variable costs can be managed to match seasonal patterns, a significant portion of the Company's costs are fixed and cannot be adjusted for seasonality.

General Economic Conditions

In recent years, the economy deteriorated. Historically per capita consumption of beer has remained fairly constant through tough economic times. Management expects that while overall consumption may decline moderately, the value beer segment may increase and in particular, the Company's current brand offerings are well positioned to mitigate the recent general economic risk.

Litigation

From time to time, the Company is involved in other disputes and legal actions arising in the ordinary course of business. There are no current legal disputes.

DIVIDENDS

The issued share capital of the Company consists solely of common shares and although the dividend policy authorizes the board of directors of the Company (the “Board”) to declare dividends, the Company has never paid dividends and no cumulative dividends are outstanding. The Company does not currently pay dividends on its common shares. The Board reviews this policy from time to time in the context of the Company’s earnings, financial condition and other relevant factors. Future payments of dividends are subject to the approval of the Company’s lenders.

DESCRIPTION OF CAPITAL STRUCTURE

Brick’s authorized share capital consists of an unlimited number of common shares. Each common share entitles the holder thereof to one vote at any meeting of the shareholders of Brick; to receive, as and when declared by the Board, dividends in such amounts as shall be determined by the Board; and to receive the remaining property of Brick in the event of the liquidation, dissolution or winding-up of the Company. As at April 25, 2012, there were 28,216,189 outstanding common shares, and outstanding options and common share purchase warrants to acquire an aggregate of 7,079,165 common shares. For a description of the options and the common share purchase warrants please see Note 17 and 18 to the fiscal 2012 financial statements.

MARKET FOR SECURITIES

The common shares of Brick are listed and posted for trading on the Toronto Stock Exchange (the “TSX”) under the trading symbol of BRB.

Trading and Price and Volume

The following table presents the monthly price range per share and trading volume for the common shares of Brick on the TSX during fiscal 2012.

Period	High (\$)	Low (\$)	Volume Traded
February 2011	1.03	0.90	408,300
March 2011	1.18	0.95	910,600
April 2011	1.19	1.06	388,100
May 2011	1.15	1.05	738,100
June 2011	1.40	1.04	1,608,400
July 2011	1.42	1.15	462,900
August 2011	1.42	1.10	517,700
September 2011	1.29	1.04	398,000
October 2011	1.20	1.03	548,000
November 2011	1.17	1.00	383,100
December 2011	1.20	1.05	335,400
January 2012	1.13	1.02	304,600

Prior Sales

See note 18 to the fiscal 2012 financial statements for a description of options outstanding. During fiscal 2012, the Company issued 50,000 new options under its stock option plan at an exercise price of \$1.09, a grant date of April 4, 2011 and an expiry date of April 4, 2016. Additionally during fiscal 2012, 30,000 existing vested options were exercised at an exercise price of \$0.70 while 19,000 unvested options were forfeited at the same price.

DIRECTORS AND OFFICERS

As at the date hereof, the name, province and country of residence, position and applicable committees with the Company and principal occupations of each of the directors and executive officers of the Company, and the period during which each director has served on the Board, are as follows:

Name and Residence	Position with Brick (including Board Committees)	Present Principal Occupation	Year first became a Director
Peter J. Schwartz Ontario, Canada	Director and Chairman of the Board (3)	President of Laurence Capital Corp. (merchant bank)	2008
Stan G. Dunford Ontario, Canada	Director	Chairman and CEO of Contrans Group Inc. (freight transportation services)	2008
Edward H. Kernaghan Ontario, Canada	Director (1)(3)	Executive Vice President of Kernaghan Securities Ltd. (introducing brokerage firm)	2004
David R. Shaw Ontario, Canada	Director (2)(3)	CEO, Knightsbridge Human Capital Management Inc. (human resource services)	2008
Ted Hastings Ontario, Canada	Director (1)	June 2010 to February 2012 – President of Cyberplex Inc. (online media publishers) and President of Orion Foundry (Canada) Inc.; October 2007 to June 2010 – President and CEO, Orion Foundry (Canada), ULC (DBA Tsavo Media)	2009
Lawrence J. Macauley Ontario, Canada	Director (1)(2)	Retired	2009
Perry Dellelce Ontario, Canada	Director (2)	Partner, Wildeboer Dellelce LLP (corporate finance law firm)	2009
John Bowey Ontario, Canada	Director (1)	Senior Counsel and Past Chairman, Deloitte	2010
George Croft Ontario, Canada	Director, President & Chief Executive Officer	President & Chief Executive Officer	2010
Jason Pratt Ontario, Canada	Chief Financial Officer & Secretary	Chief Financial Officer & Secretary	N/A
Russell Tabata Ontario, Canada	Chief Technical Officer	Chief Technical Officer	N/A

- (1) Member of the Audit Committee
- (2) Member of the Nominating and Corporate Governance Committee.
- (3) Member of the Compensation Committee

Prior Principal Occupations

The principal occupations of the directors and executive officers of Brick who have not held their present principal occupations for more than five years are described below.

George Croft joined the Company in 2008 as President & Chief Executive Officer. In 2010, Mr. Croft joined the Board of Directors of the Company. Prior to joining the Company, Mr. Croft was the President & Chief Operating Officer of Lakeport Brewing Income Fund from May 2005 to April 2007. Mr. Croft was President of Labatt Breweries of Ontario from 2003 to 2005. He held the position of President Oland Specialty Beer Company between 2001 and 2003.

Jason Pratt is a Chartered Accountant and joined the Company in 2008 as Chief Financial Officer & Secretary. Mr. Pratt was the Restaurant Accounting Manager at SIR Corp. from 2007 to 2008. Mr. Pratt

was a Corporate Analyst for Lakeport Brewing Income Fund from 2006 until Labatt's acquisition of Lakeport in 2007. Prior to joining Lakeport in 2006, Mr. Pratt worked with the Hamilton-Wentworth Catholic District Board and Nortel Networks in senior financial positions.

Russell Tabata has more than 20 years of progressive experience in the brewing industry with a number of organizations, including Molson Coors and Lakeport Brewing (Labatt Breweries). Prior to joining Brick Brewing Russell served as Chief Technical Officer of Lakeport Brewing Company. Russell holds a Bachelor of Applied Science in Mechanical Engineering from the University of British Columbia and is a registered Professional Engineer in the province of Ontario.

Ted Hastings previously served as President and Chief Executive Officer at Orion Foundry Canada Inc. (dba Tsavo Media) and President at Cyberplex Inc. Prior to that, he served as President at Geosign, where he was instrumental in completing a US \$160 million private equity financing, as well as five strategic acquisitions. Before his work at Geosign, Ted was responsible for the post-acquisition integration of Global Beverage Group (GBG) with High Jump Software, a division of 3M. Ted served as the Chief Executive Officer of GBG for five years.

Larry Macauley began his career at Labatt Breweries of Canada after completing his Honours Degree in Science and Applied Chemistry at the University of Waterloo. Following Labatt's acquisition by Interbrew, Larry was appointed Vice-President of Brewery Operations Americas, and in three years, appointed Executive Vice-President and Chief Technical Officer with global responsibilities for Interbrew S.A. Leuven, Belgium prior to the IPO. Mr. Macauley retired in May 2005.

John Bowey obtained an MBA from the Ivey School of Business at the University of Western Ontario and became a Chartered Accountant in 1976. He was admitted to the Partnership of Deloitte & Touche LLP in 1983. From 2000 to 2004 Mr. Bowey was the Tax Practice Leader for South Western Ontario and from 2001 to 2006 he was also the Regional Managing Partner for South Western Ontario. Mr. Bowey was elected to the Deloitte Board of Directors in 2002, was appointed Chairman of the Board Governance Committee in 2004 and was elected by the partnership as Chairman of Deloitte in 2006. Mr. Bowey retired from Deloitte in May 2010. In 2008, he received his ICD.D designation from the Institute of Corporate Directors.

Board Committees

As of the date hereof, the Board has three standing committees: the Audit Committee, the Nominating and Corporate Governance Committee and the Compensation Committee. The members of each committee are as indicated in the above table.

Term of Office

The by-laws of the Company provide that directors shall be elected at each annual general meeting of the shareholders and will serve until the next annual general meeting of shareholders or until their successors are elected or appointed in accordance with the by-laws.

Voting Securities

As at the date hereof, the directors and executive officers of the Company as a group, beneficially own, directly or indirectly, or exercise control or direction over, approximately 12,595,635 outstanding common shares of the Company, being approximately 44.6% of the outstanding common shares of the Company.

Cease Trade Orders, Bankruptcies, Penalties and Sanctions

No director or executive officer of the Company is, or within 10 years before the date hereof, has been: (a) a director, chief executive officer or chief financial officer of any company (including the Company) that, (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or (b) a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except as set out below. For the purposes of this paragraph, “order” means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days.

David R. Shaw was a director of Microforum Inc. when it entered proceedings under the *Companies' Creditors Arrangement Act* in January 2002 until it emerged therefrom in August 2002.

Mr. Dellelce was a director of The Learning Library Inc. (“Learning Library”, now EXMIN Resources Inc.), a TSX Venture Exchange listed company, which in order to conserve cash resources for core operations in anticipation that its business would progress, was forced to suspend payment of many non-core operation obligations, including costs and expenses associated with its compliance requirements as a reporting issuer. Learning Library failed to file its unaudited interim financial statements for the three-month period ended March 31, 2003 and, as a result, the OSC issued a temporary cease trade order in the securities of Learning Library. Arising from the imposition of the temporary order, the TSX Venture Exchange suspended trading in Learning Library’s shares on June 3, 2003. On June 13, 2003, the OSC issued an order that the June 3, 2003 temporary order be extended until revoked by a further order of revocation. On June 17, 2003, the British Columbia Securities Commission issued a cease trade order against Learning Library and on October 10, 2003, the Alberta Securities Commission issued a cease trade order against Learning Library. The cease trade order is no longer in effect as of the date hereof. Mr. Dellelce resigned as a director of Learning Library in October 2003.

No director or executive officer of the Company has been subject to any: (a) penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

No director or executive officer of the Company has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer.

LEGAL PROCEEDINGS

On March 19, 2009, two shareholders of the Company filed a statement of claim in the Ontario Superior Court of Justice against the Company and the insiders that participated in the private placement that occurred on October 31, 2008. The plaintiffs alleged that the October 2008 private placement was prejudicial and unfairly disregarded them. The plaintiffs sought an order requiring the Company to extend the same offer to all other shareholders, or alternatively an order intended to set aside the Offering

which was made to the insider defendants. In addition, the plaintiffs sought punitive damages in the amount of \$100,000. This matter was settled on May 13, 2011.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

One of the Company's vendors, Laidlaw Carriers Van LP ("Laidlaw"), is subject to significant influence by Stan G. Dunford. Laidlaw is a subsidiary of Contrans Group Inc. of which Mr. Dunford is Chairman and Chief Executive Officer and the principal shareholder. Laidlaw provided distribution services to the Company during the year of approximately \$0.4 million and during fiscal 2011 and 2010 of \$0.3 million \$0.3 million, respectively.

TRANSFER AGENT AND REGISTRAR

Brick's transfer agent and registrar for its common shares is Computershare Investor Services Inc. of Toronto, Ontario.

MATERIAL CONTRACTS

The Corporation has no material contracts, other than contracts entered into in the ordinary course of business, that were entered into during the financial year ended January 31, 2012 or that were entered into before the financial year ended January 31, 2012 that are still in effect, other than:

- (i) the asset purchase agreement dated March 16, 2011 for the purchase by Brick of the Canadian rights to the Seagram Coolers brand from Corby Distilleries Limited; and
- (ii) the license agreement dated March 16, 2011 for the use by Brick of certain Seagram brand trademarks in Canada.

INTEREST OF EXPERTS

The Company's external auditors are KPMG LLP, 115 King Street South, 2nd Floor, Waterloo, Ontario N2J 5A3. KPMG LLP has audited the financial statements of the Company for the fiscal year ended January 31, 2012, and has issued an audit report to the Company with respect to such financial statements.

The Company has been advised that the partners and staff of KPMG LLP beneficially own, directly or indirectly, less than 1% of any class of securities issued by the Company.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The responsibilities and duties of the Audit Committee of Brick are set out in the Audit Committee's charter, the text of which is set forth in Appendix A to this annual information form.

Composition of the Audit Committee

The members of the Audit Committee as at January 31, 2012 were John Bowey (Audit Committee Chairperson), Ted Hastings, Edward H. Kernaghan and Lawrence Macauley.

Each of the members of the Audit Committee has been determined by the Board to be "independent" and "financially literate". Each member of the Audit Committee has the ability to perform his responsibilities as an Audit Committee member based on his education and/or experience as summarized below.

John Bowey obtained his MBA from the Ivey School of Business at the University of Western Ontario and became a Chartered Accountant in 1976. He was admitted to the Partnership of Deloitte & Touche LLP in 1983. From 2000 to 2004 Mr. Bowey was the Tax Practice Leader for South Western Ontario and from 2001 to 2006 he was also the Regional Managing Partner for South Western Ontario. Mr. Bowey was elected to the Deloitte Board of Directors in 2002, was appointed Chairman of the Board Governance Committee in 2004 and was elected by the partnership as Chairman of Deloitte in 2006. Mr. Bowey retired from Deloitte in May 2010. In 2006, he was recognized as a “fellow” of the Institute of Chartered Accountants of Ontario for his professional and community achievements. In 2008, he received his ICD.D designation from the Institute of Corporate Directors.

Ted Hastings previously served as President and Chief Executive Officer at Orion Foundry Canada Inc. (dba Tsavo Media) and President at Cyberplex Inc. Prior to that, he served as President at Geosign, where he was instrumental in completing a US \$160 million private equity financing, as well as five strategic acquisitions. Before his work at Geosign, Ted was responsible for the post-acquisition integration of Global Beverage Group (GBG) with High Jump Software, a division of 3M. Ted served as the Chief Executive Officer of GBG for five years. Mr. Hastings holds a Bachelor of Business Administration from Wilfrid Laurier University and earned his CA and CPA designations during his four years at Deloitte & Touche LLP.

Edward Kernaghan has been a member of the Board since 2004. Mr. Kernaghan is Executive Vice President of Kernaghan Securities Ltd., a member of the Investment Dealers Association of Canada. He is also President of Principia Research Inc., a private investment company. Mr. Kernaghan has the Chartered Financial Planner designation granted by the Canadian Securities Institute. Mr. Kernaghan is also a director of Boralex Inc., Exco Technologies Limited and PFB Corporation.

Larry Macauley began his career at Labatt Breweries of Canada after completing his Honours Degree in Science and Applied Chemistry at the University of Waterloo. Following Labatt’s acquisition by Interbrew, Larry was appointed Vice-President of Brewery Operations Americas, and in three years, appointed Executive Vice-President and Chief Technical Officer with global responsibilities for Interbrew S.A. Leuven, Belgium prior to the IPO. Mr. Macauley retired in May 2005.

There has not been an instance where non-audit services were not pre-approved by the Audit Committee.

Since February 1, 2009, there has not been an instance where the Board did not adopt a recommendation by the Audit Committee to nominate or compensate an external auditor.

Pre-approval of Non-audit Services

The Audit Committee has adopted a pre-approval policy for services provided by its auditor (“Pre-approval Policy”). Pursuant to the Pre-approval Policy, subject to exception as described below, all services provided by the auditor to the Company must be pre-approved by the Audit Committee.

The Audit Committee may pre-approve non-audit services that it believes would not impair the independence of the auditor. The Pre-approval Policy lists certain services that have already been pre-approved by the Audit Committee, including audit related services, tax services and other additional services. This list may be amended by the Audit Committee from time to time. Any service that is not listed in the Pre-approval Policy as a pre-approved service must be approved by the Audit Committee.

The Audit Committee may delegate its pre-approval authority to the Chair of the Audit Committee if the services are less than \$10,000. The Chair is then required to report any pre-approval decisions that he makes to the Audit Committee at its next scheduled meeting.

The Pre-approval Policy lists the types of non-audit services that are deemed to be inconsistent with an auditor's independence ("Prohibited Services"). The Pre-approval Policy identifies ten types of Prohibited Services that the Auditor may not provide: bookkeeping or other services related to the accounting records or financial statements, financial information systems design and implementation, appraisal or valuation services for financial reporting purposes, actuarial services for items recorded in the financial statements, internal audit outsourcing services, management functions, human resources, certain corporate finance and other services and certain expert services unrelated to the audit.

External Auditor Service Fees

The following table sets forth the fees paid to KPMG LLP, the Company's external auditor, for services rendered for the fiscal years 2012 and 2011:

Description of Fees		2012	2011
		(\$)	(\$)
1.	Audit fees	\$88,900	\$66,000
2.	Audit-related fees	2,300	2,200
3.	Tax fees	9,900	5,300
	TOTAL	\$101,100	\$73,500

Notes:

1. "Audit Fees" include the aggregate professional fees paid to KPMG LLP, for the audit of the annual financial statements and other regulatory audits and filings.
2. "Audit-related fees" include the aggregate fees paid to KPMG LLP, for the provision of technical, accounting and financial reporting advice services.
3. "Tax fees" include the aggregate fees paid to KPMG LLP, for the provision of corporate tax compliance, tax planning and other tax services.

FORWARD-LOOKING STATEMENTS

This annual information form contains certain forward-looking statements that involve risks and uncertainties, such as statements of the Company's plans, objectives, strategies, expectations and intentions and include, for example, the statements concerning expected volumes, operating efficiencies and costs. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "anticipate", "seek", "plan", "believe" or "continue" or the negatives of these terms or variations of them or similar terminology. Although the Company believes that the expectations and assumptions reflected in these forward-looking statements are reasonable, undue reliance should not be placed on these forward-looking statements, which are not guarantees, reflect the Company's views as of April 25, 2012 with respect to future events and are subject to certain risks, uncertainties and assumptions, which may cause actual performance and financial results to differ materially from such forward-looking statements. The forward-looking statements, including the statements regarding expected volumes, operating efficiencies and costs are based on, among other things,

the following material factors and assumptions: volumes in the fiscal year ending January 31, 2013 (“fiscal 2013”) will increase, no material changes in consumer preferences, brewing, blending and packaging efficiencies will improve, input costs for brewing and blending materials will increase, the cost of packaging materials will decrease, competitive activity from other brewers will continue, no material change to the regulatory environment in which the Company operates and no material supply, cost or quality control issues with vendors. Readers are urged to consider the foregoing factors and assumptions when reading the forward-looking statements and, for more information regarding the risks, uncertainties and assumptions that could cause the Company’s actual financial results to differ from the forward-looking statements, to also refer to the rest of the discussion in this annual information form, the Company’s Management Discussion and Analysis and various other public filings. The forward-looking statements included in this annual information form are made only as of April 25, 2012 and, except as required by applicable securities laws, the Company does not undertake to publicly update such forward-looking statements to reflect new information, future events or otherwise.

ADDITIONAL INFORMATION

Additional information concerning the Company, including directors’ and officers’ remuneration and indebtedness, principal holders of the Company’s securities and securities authorized for issuance under equity compensation plans, will be contained in the Company’s Management Information Circular for its annual and special meeting of shareholders to be held on June 6, 2012. Additional financial information is provided in the Company’s comparative financial statements and management discussion and analysis for the year ended January 31, 2012. Copies of such documents and the AIF may be obtained upon request from the Secretary of the Company.

All requests for additional information should be made to the Secretary at the principal office of the Company at 400 Bingemans Centre Drive, Kitchener, Ontario N2B 3X9.

Additional information concerning the Company, including the materials listed in the preceding paragraphs, may be found on SEDAR at www.sedar.com.

APPENDIX A
AUDIT COMMITTEE MANDATE AND CHARTER
BRICK BREWING CO. LIMITED

I. The Board of Directors' Mandate for the Audit Committee

I. The Board of Directors ("Board") bears responsibility for the stewardship of Brick Brewing Co. Limited (the "Corporation"). To discharge that responsibility, the Board is obligated by the Ontario Business Corporations Act to supervise the management of the business and affairs of the Corporation. The Board's supervisory function involves Board oversight or monitoring of all significant aspects of the management of the Corporation's business and affairs.

Financial reporting and disclosure by the Corporation constitute a significant aspect of the management of the Corporation's business and affairs. The objective of the Board's monitoring of the Corporation's financial reporting and disclosure (the "Financial Reporting Objective") is to gain reasonable assurance of the following:

- a) that the Corporation complies with all applicable laws, regulations, rules, policies and other requirements of governments, regulatory agencies and stock exchanges relating to financial reporting and disclosure;
- b) that the accounting principles, significant judgments and disclosures which underlie or are incorporated in the Corporation's financial statements are the most appropriate in the prevailing circumstances;
- c) that the Corporation's quarterly and annual financial statements are accurate and present fairly the Corporation's financial position and performance in accordance with International Financial Reporting Standards ("IFRS"); and
- d) that appropriate information concerning the financial position and performance of the Corporation is disseminated to the public in a timely manner.

The Board is of the view that the Financial Reporting Objective cannot be reliably met unless the following activities (the "Fundamental Activities") are conducted effectively:

- a) the Corporation's accounting functions are performed in accordance with a system of internal financial controls designed to capture and record properly and accurately all of the Corporation's financial transactions;
- b) the Corporation's internal financial controls are regularly assessed for effectiveness and efficiency;
- c) the Corporation's quarterly and annual financial statements are properly prepared by management;
- d) the Corporation's annual financial statements are reported on by an external auditor appointed by the shareholders of the Corporation; and

- e) the financial components of the Corporation's Disclosure Policy are complied with by management and the Board.

To assist the Board in its monitoring of the Corporation's financial reporting and disclosure, the Board has established, and hereby continues the existence of, a committee of the Board known as the Audit Committee (the "Committee"). The Committee shall develop and present to the Board for the Board's approval a Charter which, among other things, will describe the activities in which the Committee will engage for the purpose of gaining reasonable assurance that the Fundamental Activities are being conducted effectively and that the Financial Reporting Objective is being met.

2. Composition of Committee

- a) The Committee shall be appointed annually by the Board and consist of at least three (3) members from among the directors of the Corporation, each of whom shall be independent as required by applicable securities legislation and stock exchange regulations and free from any direct or indirect relationship that, in the opinion of the Board, could reasonably interfere with the exercise of his or her independent judgment as a member of the Committee. Officers of the Corporation, including the Chairman of the Board, may not serve as members of the Audit Committee.
- b) The Board shall appoint the Chairman of the Committee.

3. Reliance on Experts

In contributing to the Committee's discharging of its duties under this mandate, each member of the Committee shall be entitled to rely in good faith upon:

- a) financial statements of the Corporation represented to him or her by an officer of the Corporation or in a written report of the external auditors to present fairly the financial position of the Corporation in accordance with IFRS; and
- b) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

4. Limitations on Committee's Duties

In contributing to the Committee's discharging of its duties under this mandate, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this mandate is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject. The essence of the Committee's duties is monitoring and reviewing to gain reasonable assurance (but not to ensure) that the Fundamental Activities are being conducted effectively and that the Financial Reporting Objective is being met and to enable the Committee to report thereon to the Board.

II. Audit Committee Charter

The Audit Committee's Charter outlines how the Committee will satisfy the requirements as set forth by the Board in its mandate. This Charter comprises:

- Operating Principles;

- Operating Procedures;
- Specific Responsibilities and Duties

A. *Operating Principles*

The Committee shall fulfill its responsibilities within the context of the following principles:

1) *Committee Values*

The Committee expects the management of the Corporation to operate in compliance with corporate policies; with laws and regulations governing the Corporation; and to maintain strong financial reporting and control processes.

2) *Communications*

The Chairman (and others on the Committee) expects to have direct, open and frank communications throughout the year with management, other Board Committee Chairmen, the external auditors, and other Committee advisors as applicable.

3) *Financial Literacy*

All Committee Members shall be financially literate and sufficiently versed in financial matters to understand the Corporation's accounting practices and policies and the major judgments involved in preparing the financial statements.

4) *Annual Audit Committee Work Plan*

The Committee, in consultation with management and the external auditors, shall develop an annual Audit Committee Work Plan responsive to the Committee's responsibilities as set out in this Charter. In addition, the Committee, in consultation with management and the external auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Corporation's financial disclosure.

5) *Meeting Agenda*

Committee meeting agendas shall be the responsibility of the Chairman of the Committee in consultation with Committee members, senior management and the external auditors.

6) *Committee Expectations and Information Needs*

The Committee shall communicate its expectations to management and the external auditors with respect to the nature, timing and extent of its information needs. The Committee expects that written materials will be received from management and the external auditors at least three days in advance of meeting dates.

7) *External Resources*

To assist the Committee in discharging its responsibilities, the Committee may in addition to the external auditors, at the expense of the Corporation, retain independent counsel and other

advisors having special expertise as it deems necessary to carry out its duties. The Committee shall set and pay the compensation for any such advisors.

8) **In Camera Meetings**

At each meeting of the Committee, the members of the Committee shall meet in private session with the external auditors; or with management; or with the Committee members only.

9) **Reporting to the Board**

The Committee, through its Chairman, shall report after each Committee meeting to the Board at the Board's next regular meeting.

10) **Committee Self Assessment**

The Committee shall annually review, discuss and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities.

11) **The External Auditors**

The Committee requires that, in discharging its responsibilities, the external auditors shall report directly to the Committee and be accountable to the Committee. The external auditors shall report all material issues or potentially material issues directly to the Committee.

B. *Operating Procedures*

1) The Committee shall meet at least four times annually, or more frequently as circumstances dictate. Meetings shall be held at the request of the Chairman, upon the request of two (2) members of the Committee or at the request of the external auditors.

2) A quorum shall be a majority of the members.

3) Unless the Committee otherwise specifies, the Secretary of the Corporation shall act as Secretary of all meetings of the Committee.

4) In the absence of the Chairman of the Committee, the members shall appoint an acting Chairman.

5) A copy of the minutes of each meeting of the Committee shall be provided to each member of the Committee and to each director of the Corporation in a timely fashion.

C. *Specific Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

Financial Reporting

1) Review the Corporation's annual and quarterly financial statements with management and the annual financial statements with the external auditors to gain reasonable assurance that the statements are accurate, complete, represent fairly the Corporation's financial position and performance and are in accordance with IFRS and report thereon to the Board before such financial statements are approved by the Board;

- 2) Receive from the external auditors reports on their audit of the annual financial statements;
- 3) Receive from management a copy of the representation letter provided to the external auditors and receive from management any additional representations required by the Committee;
- 4) Review and, if appropriate, recommend approval to the Board of news releases and reports to shareholders issued by the Corporation with respect to the Corporation's annual and quarterly financial statements and any financial information derived from such statements, including earnings; and
- 5) Review and, if appropriate, recommend approval to the Board of prospectuses, material change disclosures of a financial nature, management discussion and analysis, annual information forms and similar disclosure documents to be issued by the Corporation.

Accounting Policies

- 1) Review with management and the external auditors the appropriateness of the Corporation's accounting policies, disclosures, reserves, key estimates and judgments, including changes or variations thereto and obtain reasonable assurance that they are in compliance with IFRS and report thereon to the Board; and
- 2) Review with management and the external auditors the degree of conservatism of the Corporation's underlying accounting policies, key estimates and judgments and reserves.

Risk and Uncertainty

- 1) Acknowledging that it is the responsibility of the Board, in consultation with management, to identify the principal business risks facing the Corporation, determine the Corporation's tolerance for risk and approve risk management policies, the Committee shall focus on financial risk and gain reasonable assurance that financial risk is being effectively managed or controlled by:
 - a) reviewing with management the Corporation's tolerance for financial risks;
 - b) reviewing with management its assessment of the significant financial risks facing the Corporation;
 - c) reviewing with management the Corporation's policies and any proposed changes thereto for managing those significant financial risks; and
 - d) reviewing with management its plans, processes and programs to manage and control such risks;
- 2) Ascertain that policies and procedures are in place to minimize environmental, occupational health and safety and other risks to asset value and mitigate damage to or deterioration of asset value and review such policies and procedures periodically;
- 3) Review policies and compliance therewith that require significant actual or potential liabilities, contingent or otherwise, to be reported to the Board in a timely fashion;
- 4) Review foreign currency, interest rate and commodity price risk mitigation strategies, including the use of derivative financial instruments;

- 5) Review the adequacy of insurance coverage's maintained by the Corporation; and
- 6) Review regularly with management, the external auditors and the Corporation's legal counsel, any legal claim or other contingency, including tax assessments, that could have a material effect upon the financial position or operating results of the Corporation and the manner in which these matters have been disclosed in the financial statements.

Financial Controls and Control Deviations

- 1) Review the plans of management and the external auditors to gain reasonable assurance that the combined evaluation and testing of internal financial controls is comprehensive, coordinated and cost effective; and
- 2) Receive regular reports from management, the external auditors, or, if requested, the Corporation's legal counsel on all significant deviations, or indications/detection of fraud and the corrective activity undertaken in respect thereto.

Compliance with Laws and Regulations

- 1) Review regular reports from management and others (e.g. external auditors) with respect to the Corporation's compliance with laws and regulations having a material impact on the financial statements including:
 - a) tax and financial reporting laws and regulations;
 - b) legal withholding requirements;
 - c) environmental protection laws and regulations; and
 - d) other laws and regulations which expose directors to liability;
- 2) Review reports with respect to occupational health and safety matters having a potential significant financial impact and to gain reasonable assurance annually that the Corporation's reserves with respect to such matters are sufficient and appropriate; and
- 3) Review the status of the Corporation's tax returns and, if applicable, those of its subsidiaries.

Relationship with External Auditors

- 1) Recommend to the Board the nomination of the external auditors;
- 2) Recommend to the Board the remuneration of the external auditors and approve the terms of engagement of the external auditors as set forth in the auditors' engagement letter;
- 3) Be directly responsible for overseeing the work of the external auditors;
- 4) Review the performance of the external auditors annually or more frequently as required;
- 5) Receive annually from the external auditors an acknowledgement in writing that the shareholders, as represented by the Board and the Committee, are their primary client;

- 6) Receive a report annually from the external auditors with respect to their independence, such report to include disclosure of all engagements (and fees related thereto) for non audit services provided to the Corporation;
- 7) Review with the external auditors the scope of the audit, the areas of special emphasis to be addressed in the audit, the extent to which the external audit can be coordinated with management's activities and the materiality levels which the external auditors propose to employ;
- 8) Meet regularly with the external auditors in the absence of management to determine that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditors or the reporting of their findings to the Committee;
- 9) Establish effective communication processes with management and the Corporation's external auditors to assist the Committee to monitor objectively the quality and effectiveness of the relationship among the external auditors, management and the Committee;
- 10) Resolve disagreements between management and the external auditors regarding financial reporting; and
- 11) Pre-approve all non-audit services to be provided to the Corporation by the external auditors and shall establish a pre-approval policy to do so.

Other Responsibilities

- 1) Periodically review the form, content and level of detail of financial reports to the Board;
- 2) Approve annually the reasonableness of the expenses of the Chairman of the Board and the President and Chief Executive Officer;
- 3) After consultation with the Chief Financial Officer and the external auditors, gain reasonable assurance, at least annually, of the quality and sufficiency of the Corporation's accounting and financial personnel and other resources;
- 4) Review in advance the appointment of the Corporation's senior financial executives;
- 5) Investigate any matters that, in the Committee's discretion, fall within the Committee's duties; and
- 6) Perform such other functions as may from time to time be assigned to the Committee by the Board.

Accountability

- 1) Review and update this Charter on a regular basis for approval by the Board;
- 2) From time to time, as requested by the Board, disclose its Mandate and this Charter in the Corporation's statement of corporate governance practices;
- 3) Review the description of the Committee's activities as set forth in the Corporation's statement of corporate governance practices; and

- 4) Ensure adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and periodically assess those procedures.

Procedures

The Committee shall establish procedures for:

- 1) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
- 2) the confidential anonymous submission by employees of the Corporation of concerns regarding questionable accounting or audit matters.

The Committee shall also review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors.