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To Our Shareholders,

The Company continued to invest in its core supported brands and achieved double-digit volume improvement in the third quarter. Within its premium craft portfolio, Waterloo volumes increased 29%. Seagram cooler and cider volumes increased by 51% as consumers continue to look for more natural quality offerings. Laker volumes in the quarter improved versus year ago driven by aggressive promotional activity in the second quarter. Additionally, the quarter benefited from strong year-over-year improvement in co-pack production.

Net revenues of $9.6 million for the third quarter represented 27% growth versus the previous year. EBITDA for the third quarter of $1.9 million was up from $0.4 million last year.

Overall, we're very pleased with the results we're reporting today. In an environment where the overall beer category volume was largely flat in the third quarter, we've been able to show growth in our supported brands while also significantly improving our EBITDA performance. This is a testament to our focus on the category segments with higher growth and margin – premium craft beer as well as coolers and ciders. We did experience volatility in our earnings from second to third quarter, the result of the timing of our brand support activities. Moving forward, we would expect to return to more normalized quarterly performance. We continue to focus on execution, cost control and improved efficiency, all of which were central to the results we're reporting.

Financial highlights are as follows:

- Net Revenues for the third quarter of fiscal 2014 were $9.6 million compared to $7.5 million in the third quarter of fiscal 2013.

- Gross profit margin for the quarter increased to 31.6% from 18.7% in Q3 of fiscal 2013. Gross margin percentage improvement is driven by improved pricing, favorable product mix, cost control efforts, and overall efficiency on increasing volumes. Prior year Q3 was negatively impacted by a one-time supply chain disruption, impacting co-pack volume.

- Selling, Marketing and Administration ("SM&A") expenses increased nominally, to $1.8 million from $1.7 million in the prior year, driven by brand support for Waterloo, Seagram and Laker.

- EBITDA* for the third quarter of fiscal 2014 increased to $1.9 million compared to EBITDA* in the third quarter of fiscal 2013 of $0.4 million.

Yours truly,

George H. Croft
President and CEO, Brick Brewing Co. Limited

MANAGEMENT'S DISCUSSION & ANALYSIS

THIRD QUARTER FISCAL 2014

Quarter Ended October 27, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following management's discussion and analysis ("MD&A") provides a review of the activities, results of operations and financial condition of Brick Brewing Co. Limited ("Brick" or the "Company") for the quarterly period ended October 27, 2013 ("the third quarter of fiscal 2014") in comparison with the quarterly period ended October 28, 2012 ("the third quarter of fiscal 2013"). These comments should be read in conjunction with: (i) the unaudited condensed interim financial statements for the third quarters of fiscal 2014 and 2013 and accompanying notes included therein; and (ii) the annual report for the year ended January 31, 2013, including the sections on risks and uncertainties within the MD&A for fiscal 2013. The interim financial statements for the third quarter of fiscal 2014 have not been audited or reviewed by the Company's auditors, KPMG LLP. The comments were prepared as of December 11, 2013. Additional information relating to the Company, including its annual information form, is available at www.sedar.com or in the investor relations section of the Company's website at www.brickbeer.com.

FORWARD-LOOKING STATEMENTS

Except for the historical information contained herein, the discussion in this MD&A 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, EBITDA, 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. These forward-looking statements are not guarantees and reflect the Company's views as of December 11, 2013 with respect to future events. Future events 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, EBITDA, operating efficiencies and costs are based on, among other things, the following material factors and assumptions: sales volumes in the fiscal year ending January 31, 2014 ("fiscal 2014") will increase; no material changes in consumer preferences; brewing, blending, and packaging efficiencies will improve; the cost of input materials for brewing and blending will increase; the cost of packaging materials will decrease; competitive activity from other manufacturers 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 remainder of the discussion in this MD&A, the Company's annual information form and various other public filings as and when released by the Company. The forward-looking statements included in this MD&A are made only as of December 11, 2013 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.

DESCRIPTION OF THE BUSINESS

Products

The Company produces, sells, markets and distributes packaged and draft premium beer under the Waterloo brand name, and value beer under the Laker, Red Baron, Red Cap, and Formosa brand names (collectively, the "Brick Brands"). The Company produces, sells, markets and distributes the Seagram Coolers across Canada. The Seagram Coolers family consists of, among others, Wildberry, Iced Lemon Tea, Seagram 80, Malt-based coolers and ciders.

Under its co-packaging agreements, the Company produces, sells, markets and distributes various beer products on behalf of Loblaws Inc. ("Loblaws") under the licensed President's Choice® ("PC®") trademark. The Company produces the Mott's Caesar brand in bottles under a contract with Canada Dry Mott's, Inc. ("CDMI"). In addition to production, the Company also acts as the sales agent in Ontario for CDMI. The Company also has brewing and co-packaging agreements with other beer manufacturers. These customers are not separately identified, as per the terms of these contracts.

Geographic Distribution

The Company's products are sold primarily in Ontario. The Company's Waterloo packaged beer is also sold in Atlantic Canada, Western Canada and the USA. Seagram Coolers are sold across Canada.

Distribution Channels

In Ontario, distribution of packaged beer occurs through The Beer Store ("TBS") and the Liquor Control Board of Ontario ("LCBO"). Seagram Coolers are sold through the provincial liquor boards and TBS in Ontario. Consumers can purchase the Company's products through these channels as well as through licensed establishments (bars and restaurants) in Ontario and its retail store located in Waterloo, Ontario.

Operating Facilities

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 blending and packaging facility in Formosa which is presently dedicated to co-packing and production of Seagram Coolers. The Company's head office is in Kitchener, Ontario.

SELECTED QUARTERLY INFORMATION

The following table summarizes certain financial information of the Company for the third quarters indicated below:

(in thousands of dollars, except per share amounts)

	October 27, 2013	October 28, 2012	October 30, 2011
Income Statement Data			
Gross Revenue	**$ 19,927**	$ 16,826	$ 16,201
Net Revenue (after production taxes and distribution fees)	**$ 9,562**	$ 7,539	$ 7,112
Earnings before interest, taxes, depreciation and amortization, gain/loss on disposal of property, plant and equipment and share-based payments	**$ 1,892**	$ 386	$ 1,063
Net income (loss)	**$ 683**	$ (416)	$ 230
Earnings (loss) per share			
Basic	**$ 0.02**	$ (0.01)	$ 0.01
Diluted	**$ 0.02**	$ (0.01)	$ 0.01
Balance Sheet Data			
Total Assets	**$ 47,541**	$ 44,122	$ 36,397
Total Term Debt & Promissory Note	**$ 6,807**	$ 7,054	$ 3,331

RESULTS OF OPERATIONS

Results for the period ended:

(in thousands of dollars except per share amounts)	**Quarter ended**		**Fiscal year-to-date ended**	
	October 27, 2013	October 28, 2012	**October 27, 2013**	October 28, 2012
Gross revenue	**$ 19,927**	$ 16,826	**$ 60,692**	$ 57,182
Less: Production taxes and distribution fees	**10,365**	9,287	**30,973**	29,530
Net revenue	**9,562**	7,539	**29,719**	27,652
Cost of sales	**6,538**	6,130	**21,948**	20,209
Gross profit	**3,024**	1,409	**7,771**	7,443
	31.6%	18.7%	**26.1%**	26.9%
Selling, marketing and administration	**1,772**	1,665	**6,433**	5,239
Income (loss) before the undernoted	**1,252**	(256)	**1,338**	2,204
Other expenses	**194**	104	**494**	319
Finance costs	**148**	151	**475**	426
Income (loss) before tax	**910**	(511)	**369**	1,459
Income tax expense (recovery)	**227**	(95)	**89**	421
Net income (loss)	**683**	(416)	**280**	1,038
Earnings (loss) per share				
Basic	**$ 0.02**	$ (0.01)	**$ 0.01**	$ 0.04
Diluted	**$ 0.02**	$ (0.01)	**$ 0.01**	$ 0.03
Net revenue increase (decrease)	**26.8%**	(4.6%)	**7.5%**	3.4%
Net volume increase (decrease)	**18.4%**	(14.6%)	**7.9%**	(3.4%)
Consisting of:				
Increase (decrease) in Brick beer brand volume	**10.5%**	(7.9%)	**4.1%**	(4.3%)
Increase (decrease) in co-pack volume (1)	**40.6%**	(33.2%)	**15.1%**	(4.2%)
Increase (decrease) in Seagram volume	**51.4%**	(11.3%)	**15.4%**	12.4%

(1) Includes beer packaged under the licensed PC® trademark on behalf of Loblaws Inc. and Mott's Caesar packaged on behalf of CDMI.

*Reconciliation of Net Earnings to Earnings Before Interest, Taxes, Depreciation and Amortization, Gain/Loss on Disposal of Property, Plant and Equipment, and Share Based Payments (EBITDA)**

(in thousands of dollars)	Quarter ended **October 27, 2013**	 October 28, 2012	Fiscal year-to-date ended **October 27, 2013**	 October 28, 2012
Net income (loss)	**$ 683**	$ (416)	**$ 280**	$ 1,038
Add (deduct):				
Income tax expense (recovery)	**227**	(95)	**89**	421
Depreciation and amortization	**789**	678	**2,272**	1,940
Gain on disposal of property, plant and equipment	**-**	-	**(15)**	-
Share based payment	**45**	68	**146**	143
Finance costs	**148**	151	**475**	426
Subtotal	**1,209**	802	**2,967**	2,930
EBITDA*	**1,892**	386	**3,247**	3,968

NET REVENUE

Gross revenues were $19.9 million and $60.7 million for the third quarter and fiscal year-to-date periods ended October 27, 2013, respectively, compared to $16.8 million and $57.2 million in the same periods ended October 28, 2012. Net revenues for the third quarter and fiscal year-to-date periods ended October 27, 2013 were $9.6 million and $29.7 million, respectively, compared to $7.5 million and $27.7 million in the same periods ended October 28, 2012. Net revenues are calculated by deducting from gross revenues the costs of distribution fees paid to TBS and provincial liquor boards and production taxes. The Company benefited from increased pricing during the third quarter of fiscal 2014 in comparison to the pricing in effect during the third quarter of fiscal 2013.

In the third quarter of fiscal 2014, the Company's overall sales volume was approximately 70,600 hectolitres, comprised of 17,100 hectolitres of co-packaged product and 53,500 hectolitres of Brick Brands (including Seagram Coolers sales volume).

(in hectolitres)	Quarter ended **October 27, 2013**	 **October 28, 2012**	Fiscal year-to-date ended **October 27, 2013**	 **October 28, 2012**
Laker Brands	44,000	39,100	132,600	125,800
Waterloo Brands	2,500	2,000	8,100	5,900
Other Beer Brands	3,100	3,900	10,000	12,800
Total Brick Beer Brands	49,600	45,000	150,700	144,500
Seagram Coolers	3,900	2,500	16,200	14,000
Co-packaged Products	17,100	12,000	71,800	62,000
Total Sales Volume	70,600	59,500	238,700	220,500

BRICK BEER BRANDS

Sales volumes of Brick Beer Brands increased in the third quarter of fiscal 2014 by 10.5% from the same quarter in fiscal 2013 and, on a fiscal year-to-date basis, increased 4.1%. The Company achieved sales volume growth during the quarter and continues to perform better than the Ontario industry growth for the period. Ontario industry volumes were flat during the third quarter of fiscal 2014; decreasing 3.2% on a fiscal year-to-date basis. In the fourth quarter of the fiscal year, management expects industry volumes to remain soft.

During the quarter-ended October 27, 2013, the Laker family brand sales volumes increased by 12.5% over the same quarter in fiscal 2013, and 5.3% on a fiscal year-to-date basis. Year-to-date, the Company has invested in the Laker family with both advertising and a free can-in-case promotion within specially marked 12 and 24-packs. The Company completed its can-in-case promotional activity for the 12-packs during the third quarter of fiscal 2014.

The Company continued to drive growth of its Waterloo brand in the third quarter of fiscal 2014 with sales volumes increasing by 29.3% from the same period last fiscal year. On a fiscal year-to-date basis, the sales volumes have increased by 35.8%. In the first quarter, the Company introduced its Small Batch Brews, a new line of craft beer mix packs which include two traditional Waterloo craft brews and one seasonal specialty brew. In the third quarter, this line featured a seasonal Waterloo Belgian Ale. Recently, the Company introduced a Waterloo Porter as part of a Fall/Winter sample pack to round out the Waterloo portfolio for this fiscal year.

In the third quarter of fiscal 2014, the Company's total packaged beer volume consisted of 5% in the premium beer category which represents a 1% increase from the same quarter in fiscal 2013. The Company's total market share by volume of TBS retail sales in Ontario was approximately 4% during the third quarter in fiscal 2014, consistent with the same period in fiscal 2013.

SEAGRAM COOLERS

During the quarter and fiscal year-to-date periods ended October 27, 2013, sales volumes of the Seagram Coolers increased by 51.4% and 15.4%, respectively, compared to the same periods ended October 28, 2012. The growth was driven by the Company's new Seagram Cider mix pack which included Apple, Pear, and Amber ciders, the launch of Seagram 80, an 80-calorie naturally sweetened vodka cooler, and its Seagram malt-based coolers available at TBS.

CANNING CAPACITY

The Company completed the upgrade project in the first quarter of fiscal 2014, which began in the last quarter of fiscal 2013. The upgrade increased the annual canning capacity to 150,000 hectolitres from its previous capacity of 90,000 hectolitres. With the completion of additional modifications during the third quarter of fiscal 2014, the canning capacity has increased to 210,000 hectolitres.

CO-PACKING

PC® sales volumes declined by 8.2% in the third quarter of fiscal 2014, and 15.9% on a fiscal year-to-date basis. The volume of co-pack business in total increased by 40.6% during the third quarter of fiscal 2014 compared to a decrease of 33.2% in the third quarter of fiscal 2013. On a fiscal year-to-date basis, the volume of co-pack business increased by 15.1%.

PRODUCTION TAXES & DISTRIBUTION FEES

During the third quarter of fiscal 2014, the Company's production tax increased by 12.9% compared to the third quarter of fiscal 2013 due to the increase in sales volume of the Company's beer brands and annual increases to the rate of beer tax. There were no significant changes to the rates for distribution fees during the third quarter of fiscal 2014 and therefore, the cost of distribution fees remained fairly consistent with the same period in fiscal 2013 at approximately 17% of gross revenues.

COST OF SALES

Cost of sales was $6.5 million for the third quarter of fiscal 2014, an increase of $0.4 million from the third quarter of fiscal 2013. Cost of sales represented 68.4% of net revenue in the third quarter of fiscal 2014 compared to 81.3% in the third quarter of fiscal 2013; a decrease of 12.9% reflecting improved pricing, favourable mix, and cost saving efforts. On a fiscal year-to-date basis, cost of sales increased $1.7 million.

The increase in cost of sales is due primarily to the increase in sales volumes during the quarter in comparison to the same period in fiscal 2013. This increase was offset by favourable pricing on brewing and packaging materials, reduced labour costs, and a decrease in discretionary spending.

SELLING, MARKETING AND ADMINISTRATION

In the third quarter of fiscal 2014, selling, marketing and administration ("SM&A") expenses totalled $1.8 million and represents an increase of $0.1 million from the third quarter of fiscal 2013. SM&A expenses have increased by $1.2 million on a year-to-date basis. The increase in SM&A is driven by higher marketing spend aimed at supporting and growing the Company's core brands: Laker, Waterloo, and Seagram, coupled with higher promotional spending to support the launch of the Laker 12 pack bottles. With the end of the free can within the Laker 12 pack bottles during the third quarter of fiscal 2014, SM&A expenses were reduced in comparison to the first two quarters of fiscal 2014.

As a percentage of net sales, selling, marketing and administration expenses were 18.5% and 21.6% in the third quarter and fiscal year-to-date periods ended October 27, 2013, respectively, compared to 22.1% and 18.9% in the same periods of fiscal 2013 ended October 28, 2012.

DEPRECIATION AND AMORTIZATION

Total depreciation and amortization expense for the third quarter and fiscal year-to-date periods ended October 27, 2013 were $0.8 million and $2.3 million, respectively. This compares to $0.7 million and $1.9 million in the third quarter and fiscal year-to-date period ended October 28, 2012, respectively.

FINANCE COSTS

In the third quarter of fiscal 2014, finance costs were $0.2 million; consistent with the same quarter in fiscal 2013. On a fiscal year-to-date basis, finance costs totalled $0.5 million compared to $0.4 million in the same period of fiscal 2013.

INCOME TAX PROVISION

In the third quarter of fiscal 2014, the Company recorded an income tax provision of $0.2 million compared to a recovery of $0.1 million in the third quarter of fiscal 2013. On a fiscal year-to-date basis, the income tax provision is $0.1 million for fiscal 2014 and a provision of $0.4 million for fiscal 2013.

NET EARNINGS

The Company had net income of $0.7 million in the third quarter of fiscal 2014 compared to net loss of $0.4 million in the third quarter of fiscal 2013. For the fiscal year-to-date period ended October 27, 2013, net income was $0.3 million compared to net income of $1.0 million for the fiscal year-to-date period ended October 28, 2012.

Basic and diluted earnings per share for the third quarter and fiscal year-to-date periods ended October 27, 2013 were $0.02 per share and $0.01 per share, respectively. This compares to basic and diluted loss per share for the third quarter ended October 28, 2012 of $0.01 per share, and basic and diluted earnings per share of $0.04 and $0.03 per share, respectively, for the fiscal year-to-date period ended October 28, 2012.

LIQUIDITY AND CAPITAL RESOURCES

FINANCIAL POSITION

The Company has an operating line of credit, term debt, promissory note and a finance equipment lease outstanding at October 27, 2013. As at October 27, 2013, the Company is in compliance with all its covenants to its lenders. The Company expects to continue to be in compliance with these covenants at January 31, 2014.

The Company has an operating line of credit which provides for a maximum of $8.0 million credit (margined against accounts receivable and inventory of the Company) at an interest rate of prime plus 1.5%. At October 27, 2013, the Company had bank indebtedness of $1.9 million compared to $2.3 million at January 31, 2013.

The Company has a positive working capital position of $2.0 million at October 27, 2013 compared to a positive working capital position of $0.1 million at January 31, 2013.

Current assets of the Company were $11.4 million at October 27, 2013 compared to $9.5 million at January 31, 2013.

The Company's balance of accounts receivable increased by $1.7 million at October 27, 2013 and is a function of an overall increase in sales volumes compared to the third quarter of fiscal 2013, as well as favourable pricing. Amounts outstanding from new co-pack customers also contributed to the increase.

Inventory at October 27, 2013 increased by $0.2 million compared to the balance at January 31, 2013.

Property, plant and equipment remained flat at October 27, 2013 compared to the balance at January 31, 2013. The balance of property, plant and equipment included purchases of $2.5 million offset by depreciation of $2.3 million for the fiscal year-to-date period ended October 27, 2013 and the sale of three pieces of equipment for proceeds of $0.2 million. A nominal gain was realized on disposal of these assets. During the fourth quarter of fiscal 2013, the Company installed and began commissioning a new canning line which increased the Company's canning capacity from approximately 90,000 hectolitres to 150,000 hectolitres. The new canning line was fully operational in the first quarter of fiscal 2014. Since the first quarter, additional capital improvements have increased the capacity to 210,000 hectolitres.

Intangible assets increased by $0.3 million at October 27, 2013 from January 31, 2013. This is due to the purchase of new product listings.

Deferred income taxes at October 27, 2013 decreased by $0.1 million from January 31, 2013.

The Company's current liabilities were $9.5 million at October 27, 2013 compared to $9.4 million at January 31, 2013; an increase of $0.1 million.

Long-term debt and promissory note (including the current portions) at October 27, 2013 decreased by $0.9 million from the balance at January 31, 2013. The decrease is due to repayments of $2.1 million, which included a lump sum payment to HSBC representing a portion of the proceeds received from the exercise of warrants during the second quarter of fiscal 2014, offset by the receipt of the balance of the term debt obtained from GE Capital to finance the commissioning of the new canning line and new term debt of $0.5 million obtained from HSBC. Of the $2.1 million of repayments made during the first three quarters of fiscal 2014, $1.6 million was repaid during the third quarter of fiscal 2014.

As at October 27, 2013, the Company had 34,382,409 common shares, and 1,406,735 stock options outstanding. Each stock option is exercisable for one common share. As of October 27, 2013, 261,281 common shares were issued to date in fiscal 2014 as a result of the exercising of stock options, as well as shares issued under the employee share purchase program; 600 of which were issued in the third quarter of fiscal 2014. During the third quarter of fiscal 2014, 20,000 stock options were forfeited.

CASH FLOW

During the third quarter of fiscal 2014, the Company generated $0.1 million of cash from operations (generated $1.0 million on a fiscal year-to-date basis) compared to generating $0.7 million in the third quarter of fiscal 2013 ($1.9 million on a fiscal year-to-date basis). The Company's cash flow from operations in the third quarter decreased by approximately $0.6 million.

The amount of cash used in investing activities in the third quarter of fiscal 2014 was $0.5 million ($2.5 million on a fiscal year-to-date basis) compared to $0.7 million in the third quarter of fiscal 2013 ($2.1 million on a fiscal year-to-date basis). The spending in fiscal 2014 includes new can packing equipment which reduces operating costs.

The cash provided by financing activities in the third quarter of fiscal 2014 was $0.3 million ($1.5 million on a fiscal year-to-date basis) compared to $0.1 million of cash used in the third quarter of fiscal 2013 ($0.3 million of cash generated on a fiscal year-to-date basis). In the first two quarters of fiscal 2014, the Company received additional funding from GE Capital for completion of the installation of a new canning line as well as $0.5 million of term debt from HSBC to finance the purchase of equipment. In the second quarter of fiscal 2014, proceeds of $2.8 million were received from the exercise of the remaining warrants outstanding, and were used to extinguish the outstanding balance on the operating line of credit. In the third quarter of fiscal 2014, the Company utilized its operating line of credit in order to make a required payment on the HSBC long-term debt related to the warrant proceeds. In fiscal 2014, principal repayments on outstanding long-term debt totalled $2.1 million year-to-date.

The Company has an authorized operating line of credit of $8.0 million at prime plus 1.5%. The Company is in compliance with the financial covenants required for the operating line of credit facility. At October 27, 2013, $1.6 million was drawn on the operating line of credit. Bank indebtedness on the statement of financial position includes outstanding cheques.

COMMITMENTS

The Company utilizes several operating leases to finance office and computer equipment and software, warehouse and manufacturing equipment, and vehicles. The Company also leases the building in Kitchener where it has its warehousing and packaging operations. By entering into operating leases, the Company is able to update its equipment more frequently, not utilize its cash to invest in these assets and in so doing lower its overall average cost compared with purchasing the assets. All leases are evaluated at inception for appropriate accounting treatment. The total of the Company's future lease payments can be found in note 20 to the Company's condensed interim unaudited financial statements for the quarter ended October 27, 2013.

The Company has other purchase commitments which include amounts for natural gas, syrup, malt, and packaging materials. A summary of the Company's contractual obligations for future periods is as follows:

(in thousands of dollars)	**Long-term debt**	**Operating leases**	**Other purchase commitments**	**Total**
Due within one year	1,915	1,596	1,154	**4,665**
Due in one to five years	4,712	2,274	339	**7,325**
Due in over five years	180	-	-	**180**
	6,807	3,870	1,493	**12,170**

The Company does not currently pay dividends on its common shares. At the present time, the Board of Directors of the Company believes that the cash flow of the Company should be reinvested to finance current activities.

RISK FACTORS, STRATEGIES AND OUTLOOK

Risk Factors

Licensing

The Company requires various permits, licenses, and approvals from several government agencies in order to operate in its market areas. The Alcohol and Gaming Commission of Ontario ("AGCO") and the Canada Revenue Agency provide the necessary licensing approvals. Management believes that the Company is in compliance with all licenses, permits and approvals.

Consumer preference/trends

The beer industry is highly competitive and has experienced an overall decline in beer sales over the past several years. In Ontario, a recent trend has been towards canned beer. Prior to fiscal 2011, the Company was under-represented in cans. The installation of the canning line in fiscal 2010 has provided the Company with control over production and distribution and the result has been considerable growth in canned volume. The Company upgraded its canning line to significantly increase its capacity. The upgrade was completed in the first quarter of fiscal 2014 and expanded capacity further in the second quarter.

Pricing environment

Annual increases in the minimum retail price ("MRP") serve to reduce the price gap between value and mainstream brands, creating intense price competition. The MRP for beer was increased effective March 1, 2013. The Company's key competitors have continued to increase the price for value beer to a level above the legal minimum. The Company positions its brands at similar price points to achieve additional profit margin per unit. The Company is anticipating another increase in the MRP for beer in March 2014.

The Company expects future legislated price increases may erode the price gap between value brands and mainstream brands. Management believes that the Company will stay relevant and profitable by delivering a product that is consistently superior in look and taste to other domestic brands with comparable price. An example of the required innovation and differentiation is the Company's launch of Laker Lager, Light, Ice and Honey 24-bottle packs with a free tall can in every case.

The Company will continue to mitigate ongoing pressure on beer volumes by actively pursuing co-packing contracts that provide incremental volume and gross margin. As required, profits from co-pack arrangements are reinvested in selling and marketing initiatives to maintain brand loyalty.

Quality

With the backdrop of intense price competition driven by MRP changes, the quality of the Company's product is more important than ever. In addition to packaging upgrades in recent quarters, the Company has been measuring and demonstrating tremendous improvement in key areas of product quality. Management continues to work diligently to improve overall product quality and consistency delivered to the consumer.

The Company continues to receive recognition for its brewing quality and brands through both local and international brewing communities and expert panels. In April 2013, the Company announced that Waterloo Dark, IPA and Amber were recognized by Monde Selection, the International Institute for Quality Selections based in Belgium, with a gold medal for achieving superior quality based on the rigorous laboratory analysis and evaluations of expert tasting panels. Shortly thereafter, in May 2013, the Company was awarded a gold medal at the Canadian Brewing Awards in the North American Dark Lager category for its flagship craft beer, Waterloo Dark and a silver medal for Laker Light in the Light (Calorie Reduced) Lager category. Waterloo Dark also won a bronze medal with Laker Light receiving a silver medal at the Ontario Brewing Awards.

In fiscal 2012, the Company undertook to obtain certification under the internationally recognized Global Food Safety Standard. Certification under the stringent British Retail Consortium (BRC) Global Food Safety Standard was achieved in January 2012. The Company achieved an A-level certification rating – the highest rating possible under the standard. The Company successfully completed its annual re-certification audit in the third quarter of fiscal 2014 and received a provisional A-rating, subject to final confirmation by the governing certification body. The quality improvement resonates with existing and potential co-pack customers and will be a key factor in maintaining and growing co-pack business to utilize excess capacity.

The Beer Store/LCBO

TBS and LCBO are unionized organizations and a strike could have a significantly negative impact on the Company. In fiscal 2013, the TBS union contract was up for renewal and was ratified in March 2013 for a three year period. The LCBO contract ended March 31, 2013. A tentative agreement was reached in May 2013, and was ratified during the second quarter of fiscal 2014. There can be no assurance that a TBS or LCBO strike will not occur in the future.

Excise tax

During the year ended January 31, 2013, the Company was advised by Canada Revenue Agency to change its method of calculating excise tax payable effective February 1, 2013. As a result of this change, excise tax expense will increase by approximately $0.3 million annually, in fiscal 2014 and beyond.

Availability of financing

The Company requires continued support from its lenders to maintain its financial condition. The loss of this support could limit expansion opportunities and put strain on the Company's continuing operations. The ability to maintain current arrangements and secure future financing will depend, in part, upon the prevailing capital market conditions as well as the Company's business performance. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on satisfactory terms.

Commodity price risk

The Company is exposed to commodity price risk with respect to agricultural and other raw materials used to produce the Company's products, including malted barley, hops, corn syrup, water, and packaging materials (including glass, aluminum, cardboard and other paper products), where fluctuations in the market price or availability of these items could impact the Company's cash flow and production. The supply and price can be affected by a number of factors beyond management's control, including market demand, global events, frosts, droughts and other weather conditions, economic factors affecting growth decisions, plant diseases, and theft. To the extent any of the foregoing factors affect the prices of ingredients or packaging, the Company's results of operations could be materially and adversely impacted. To minimize the impact of this risk, the Company enters into contracts which secure supply and set pricing to manage the exposure to availability and pricing.

Strategy & Outlook

The Company continues to focus on filling excess capacity and optimizing our brand mix. While ensuring the Company's flagship brand, Laker, remains strong, this year includes an added focus on the Waterloo and Seagram Coolers trademarks. Both of these brands contribute a higher amount of profit per unit sold, and the Company recognizes the importance of growing these brands. The Laker family will require a sustained marketing investment to ensure retention of existing customers. During the first half of fiscal 2014, the Company increased its marketing spend to support the Laker, Waterloo, and Seagram Cooler brands in its peak summer months.

In the third quarter of fiscal 2014, the Company ended its promotional activity surrounding the free can within Laker 12-pack bottles. The Company continues to offer a free can within its 24-pack bottles and expects to continue this promotional activity for the balance of the fiscal year.

Management continues to expect volume growth of Seagram Coolers in fiscal 2014 through distribution of new beverage styles such as the launch of Seagram malt-based coolers at TBS and the launch of "Seagram 80" at the LCBO. The Company will continue to participate in LCBO programming which management expects will have a positive impact on raising awareness of new Seagram brands introduced in fiscal 2014.

Management expects that the overall beer industry sales volumes will continue to decline in comparison to the prior year, yet the Company will continue to strive to outpace the industry. During the balance of fiscal 2014, the Company will continue to focus on the following priorities:

Strong organic growth

Management is targeting strong organic growth. The Company is positioned well within its core Ontario beer business. The Company's ascension to the fourth largest brewer by volume in Ontario comes with additional point-of-sale opportunities.

Seagram and Waterloo volumes are expected to increase versus the comparable periods based on the new products introduced in early fiscal 2014. In the fourth quarter of fiscal 2014, the Company introduced another Waterloo Small Batch Brew sampler pack which features its Waterloo porter. A Waterloo Seagram Collection pack, which includes three Waterloo beers and three Seagram ciders, was also introduced at the LCBO in the fourth quarter.

The Company will continue to seek new co-packing relationships during the balance of fiscal 2014. The commissioning of the new canning line presents new opportunities for the Company to expand its co-pack business with respect to canned products.

Improving gross margin per unit

The Laker brand has performed well despite the presence of many beer brands at the same or similar pricing. Laker's fit and finish is on par with mainstream brands. Management believes that this share performance in a highly competitive pricing environment is correlated to both brand support and significant quality improvements at Brick in recent years.

Growth of Seagram Coolers and Waterloo beer brands will also contribute to margin improvement due to higher revenue per unit.

Cost reduction

Management believes that cost reduction is an ongoing initiative and forms part of the culture at Brick. In fiscal 2014, the Company continues to reduce costs to improve its bottom line. Through improving processes to gain efficiencies, sourcing materials at the lowest cost possible, and driving unnecessary costs out of the business, the Company is targeting $0.5 million in cost reductions in fiscal 2014 and is on track to achieve this target.

SUMMARY OF QUARTERLY RESULTS

$000's *except per share amounts*	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Q4 2012
Net Revenue	$ 9,562	$ 11,372	$ 8,785	$ 8,118	$ 7,539	$ 11,487	$ 8,626	$ 7,337
Selling, marketing & administration	1,772	2,741	1,920	1,732	1,665	2,026	1,548	1,279
EBITDA*	1,892	390	965	520	386	2,374	1,208	633
Net Income	683	(458)	55	(309)	(416)	1,112	342	(97)
EPS (Basic)	$ 0.02	$ (0.01)	$ -	$ (0.01)	$ (0.01)	$ 0.04	$ 0.01	$ -
EPS (Diluted)	$ 0.02	$ (0.01)	$ -	$ (0.02)	$ (0.01)	$ 0.04	$ 0.01	$ -

IMPACT OF NEW ACCOUNTING PRONOUNCEMENTS

The Company's accounting policies, and future accounting pronouncements, are discussed in detail within note 5 and 6, respectively, to the Company's annual audited financial statements for the year ended January 31, 2013.

CRITICAL ACCOUNTING ESTIMATES

The Company prepares its financial statements in accordance with IFRS, which requires management to make estimates, judgments, and assumptions that it believes are reasonable, based upon the information available. These estimates, judgments and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Management bases its estimates on historical experience and other assumptions, which it believes to be reasonable under the circumstances. Management also evaluates its estimates on an ongoing basis. Actual results could differ from those estimates.

Property, plant and equipment

The accounting for property, plant and equipment requires that management make estimates involving the life of the assets, the selection of an appropriate method of depreciation and determining whether an impairment of assets exists.

The Company reviews the residual values, useful lives of depreciable assets and depreciation method on an annual basis and where revisions are made the Company applies such changes in estimates on a prospective basis.

The net carrying amounts of property, plant and equipment are reviewed for impairment either individually or at the cash-generating unit level at the end of each reporting period. If there are indicators of impairment, an evaluation is undertaken to determine whether the carrying amounts are in excess of their recoverable amounts. An asset's recoverable amount is determined as the higher of its fair value less cost to sell and its value-in-use. To the extent that an asset's carrying amount exceeds its recoverable amount, the excess is fully provided for in the period in which it is determined to be impaired. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior periods. There is uncertainty in these estimates as the related recoverable amounts are projected for future years based on underlying assumptions such as volume growth, inflation factors and industry trends which may not materialize. Management uses its best estimates to forecast these amounts, but the actual amounts may vary from estimates. Should future results differ from management's estimates, an impairment of these assets and a related write-down may result. As at the date of this report, the Company believes that its estimates are materially correct.

Returnable containers

Returnable containers are recorded at cost net of deposit liabilities and are amortized over their useful lives. To estimate useful life, management uses historical trends and internal studies to obtain a reasonable estimate of the rates of return and usage. Actual results may vary from these estimates. As at the date of this report, the Company is not aware of any facts or circumstances that would cause it to believe that the estimates used are materially incorrect.

Intangible assets

Indefinite life intangible assets consist of trademarks and listing. These assets are recorded at cost and are not amortized but instead are reviewed for impairment at the end of each reporting period. If there are indicators of impairment, an evaluation is undertaken to determine whether the carrying amounts are in excess of their recoverable amounts. An asset's recoverable amount is determined as the higher of its fair value less cost to sell and its value-in-use. There is uncertainty in these estimates as the related recoverable amounts are projected for future years based on underlying assumptions such as volume growth, inflation factors and industry trends which may not materialize. Management uses its best estimates to forecast these amounts, but the actual amounts may vary from estimates. Should future results differ from management's estimates, an impairment of these assets and a related write-down may result. As at the date of this report, the Company believes that its estimates are materially correct.

Deferred income tax assets

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilized. The carrying amount of deferred income tax assets are reviewed at each period end date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. There is uncertainty in management's estimation of probable as it is based upon underlying assumptions such as volume growth, inflation factors and industry trends which may not materialize. Management uses its best estimates to forecast these amounts, but the actual amounts may vary from estimates. As at the date of this report, the Company believes that its estimates are materially correct.

Share-based reserves: share-based payments

The Company recognizes compensation expense when options with no cash settlement feature are granted to employees and directors under the option plan. Assumptions regarding expected stock volatility and risk free interest rates are required to calculate the fair value of the consideration received.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Given the uncertainty surrounding the nature of the underlying provision, actual results may vary from the estimates made by management. As at the date of this report, the Company believes that its estimates are materially correct.

DISCLOSURE CONTROLS AND PROCEDURES

The Company's management, with the participation of the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer (collectively, the "Officers") are responsible for establishing and maintaining disclosure controls and procedures as defined under Multilateral Instrument 52-109 for the Company. Management has designed such disclosure controls and procedures, or caused them to be designed under their supervision, to provide reasonable assurance that material information relating to the Company is made known to management by others within the Company. Management has evaluated the effectiveness of the Company's disclosure controls and procedures as of October 27, 2013 and has concluded that such procedures were effective, subject to the matters identified below under "Internal Control Over Financial Reporting", in providing such reasonable assurance as of such date and for the quarter then ended.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of its financial statements in accordance with IFRS.

The Company's internal control over financial reporting includes those policies and procedures that:

- pertain to maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Internal controls over financial reporting, no matter how well designed have inherent limitations. Therefore, internal control over financial reporting determined to be effective can provide only reasonable assurance with respect to financial statement preparation and may not prevent or detect all misstatements. Moreover, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management performed an assessment of the effectiveness of the Company's internal control over financial reporting as of October 27, 2013, based on the criteria set forth in the "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organization of the Treadway Commission ("COSO"). Based on this assessment, management has concluded that internal control over financial reporting was effective as of October 27, 2013.

In the course of evaluating its ICFR as at October 27, 2013, the Officers identified a disclosable weakness in the area of segregation of duties, caused by limited staffing resources. Specifically, given the size of the Company's staffing levels, certain duties within the accounting and finance department cannot be properly segregated. As a result there are identifiable instances where personnel had the ability to initiate transactions or accounting entries within certain financial reporting applications that may not be compatible with their other roles and responsibilities. However, none of the segregation of duty or access control deficiencies resulted in a misstatement to the financial statements as the Company relies on certain compensating controls, including periodic review of the financial statements by the Officers. This weakness is reported in accordance with National Instrument 52-109 and is considered to be a common area of deficiency for many smaller listed companies in Canada.

FINANCIAL INSTRUMENTS

The main risks arising from the Company's financial instruments are credit risk, liquidity risk, foreign currency risk and interest rate risk. These risks are from exposures that occur in the normal course of business and are managed by the Executive Team, consisting of the Officers of the Company. The responsibilities of the Executive Team include the recommendations of policies to manage financial instrument risk.

The overall objective of the Executive Team is to effectively manage credit risk, liquidity risk and other market risks in accordance with the Company's strategy. Other responsibilities of the Executive Team include management of the Company's cash resources and debt funding programs, approval of counter-parties and relevant transaction limits and the monitoring of all significant treasury activities undertaken by the Company.

The Company's significant financial instruments comprise cash and cash equivalents, bank indebtedness, finance leases, and long-term-debt and promissory note. The main purpose of these financial instruments is to finance the Company's growth and ongoing operations. The Company has various other financial assets and liabilities such as accounts receivables and accounts payables, which arise directly from its operations.

During the second quarter ended July 31, 2011, the Company entered into an interest rate swap agreement ("swap") under the terms of its term loan from HSBC Bank Canada, whereby it fixed $2.9 million of the original term loan at an interest rate of 7.2%. This instrument has been recorded at fair value in the annual financial statements, with any changes to fair value being recorded in income.

The Company enters into contracts involving non-financial items for the purchase of raw materials and packaging supplies. These contracts are held for the purposes of the receipt or delivery of a non-financial item in accordance with the Company's expected usage requirements.

A portion of the Company's purchases are in U.S. dollars. The Company does not sell any of its products in U.S. dollars.

The Company uses significant quantities of malt and hops. The Company uses fixed price contracts of less than one year to reduce the price exposures on these commodities. The Company has secured its required supply of malt and hops for fiscal 2014 and has entered into fixed price contacts, the balance of which are disclosed in the commitments schedule included in this MD&A.

SHARE CAPITAL

The Company has authorized an unlimited number of preferred shares. No preferred shares are issued.

The Company has authorized an unlimited number of common shares.

The Company has issued stock options to certain officers and key employees. The options may be exercised during periods of up to five years following the date of issue, at a price equal to the weighted average closing market price during the five days immediately preceding the date granted.

Each stock option is exercisable for one common share at prices ranging from $0.65 to $1.69.

All common share purchase warrants previously issued by the Company have been exercised.

The total number of common shares and stock options outstanding as of December 11, 2013 is as follows:

Number of shares	Number of options
34,382,409	1,406,735

* EBITDA is a non-IFRS earnings measure, therefore it does not have any standardized meaning prescribed by International Financial Reporting Standards and may not be similar to measures presented by other companies. EBITDA represents earnings before interest, income taxes, depreciation and amortization, gain on disposal of property, plant, and equipment, and share-based payments. Management uses this measurement to evaluate the operating results of the Company. This measure is also important to management since it is used by the Company's lenders to evaluate the ongoing cash generating capability of the Company and therefore the amounts those lenders are willing to lend to the Company. Investors find EBITDA to be useful information because it provides a measure of the Company's operating performance.

CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

THIRD QUARTER FISCAL 2014

Quarter Ended October 27, 2013

STATEMENTS OF COMPREHENSIVE INCOME

For the quarters ended October 27, 2013 and October 28, 2012

(Not audited or reviewed by the Company's external auditor)

		Quarter ended		Fiscal year-to-date ended	
	Notes	October 27, 2013	October 28, 2012	October 27, 2013	October 28, 2012
Revenue	**5**	**$ 9,561,744**	$ 7,539,336	**$ 29,718,744**	$ 27,652,162
Cost of sales	**6**	**6,537,642**	6,129,816	**21,947,508**	20,208,953
Gross profit		**3,024,102**	1,409,520	**7,771,236**	7,443,209
Selling, marketing and administration expenses	**6**	**1,771,749**	1,665,282	**6,433,112**	5,239,298
Other expenses	**6, 7**	**194,208**	103,835	**494,091**	318,686
Finance costs	**8**	**147,882**	151,470	**474,812**	426,395
Income (loss) before tax		**910,263**	(511,067)	**369,221**	1,458,830
Income tax expense (recovery)	**9**	**227,000**	(94,815)	**89,000**	421,142
Net income (loss) and comprehensive income (loss) for the period		**$ 683,263**	$ (416,252)	**$ 280,221**	$ 1,037,688
Basic earnings (loss) per share	**16**	**$ 0.02**	$ (0.01)	**$ 0.01**	$ 0.04
Diluted earnings (loss) per share	**16**	**$ 0.02**	$ (0.01)	**$ 0.01**	$ 0.03

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at October 27, 2013 and January 31, 2013

(Not audited or reviewed by the Company's external auditor)

	Notes	October 27, 2013	January 31, 2013
ASSETS			
Non-current assets			
Property, plant and equipment	10	$ 19,109,013	$ 19,109,603
Intangible assets	11	14,515,467	14,259,612
Other assets		30,000	25,000
Deferred income tax assets	9	2,444,925	2,533,925
		36,099,405	35,928,140
Current assets			
Accounts receivable	12	6,908,710	5,187,785
Inventories	13	4,236,101	4,013,375
Prepaid expenses		296,950	296,180
		11,441,761	9,497,340
TOTAL ASSETS		47,541,166	45,425,480
LIABILITIES AND EQUITY			
Equity			
Share capital	14	38,941,465	35,895,873
Share-based payments reserves	15	1,012,286	1,092,414
Deficit		(7,115,522)	(7,395,743)
TOTAL EQUITY		32,838,229	29,592,544
Non-current liabilities			
Provisions		340,676	326,646
Long-term debt and promissory note	17	4,892,526	6,078,719
		5,233,202	6,405,365
Current liabilities			
Bank indebtedness	18	1,934,615	2,310,809
Accounts payable and accrued liabilities		5,620,514	5,461,292
Current portion of long-term debt and promissory note	17	1,914,606	1,655,470
		9,469,735	9,427,571
TOTAL LIABILITIES		14,702,937	15,832,936
COMMITMENTS	20, 21		
TOTAL LIABILITIES AND EQUITY		$ 47,541,166	$ 45,425,480

The accompanying notes are an integral part of these financial statements.

On behalf of the Board:

"Peter J. Schwartz" Director "John H. Bowey" Director

[illegible]

[illegible]

	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Comprehensive income for the period		-	-	-	-	1,037,688	1,037,688
Shares issued	15	2,500	-	2,375	-	-	2,375
Stock options exercised	15	27,987		5,650	(5,650)		-
Share-based payments	15	-	-	-	142,129	-	142,129
[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Comprehensive loss for the remainder of the year		-	-	-	-	(308,655)	(308,655)
Shares issued	15	15,331	-	14,563	-	-	14,563
Share issues costs, net of tax		-	-	(59,350)	-	-	(59,350)
Warrants exercised		1,746,666	(1,746,666)	1,240,133	-	-	1,240,133
Stock options issued		-	-	-	-	-	[illegible]
Stock options exercised	15	129,956	-	39,475	(39,475)	-	-
Share-based payments	15	-	-	-	25,517	-	25,517
[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Comprehensive loss for the period		-	-	-	-	280,221	[illegible]
Warrants exercised	14	3,982,499	(3,982,499)	2,827,615	-	-	[illegible]
Share issues costs, net of tax		-	-	(25,502)	-	-	[illegible]
Stock options exercised	15	248,681	-	226,469	(226,469)	-	[illegible]
Shares issued	15	12,600	-	17,010	-	-	[illegible]
Share-based payments	15	-	-	-	146,341	-	[illegible]
[illegible]		[illegible]	-	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

STATEMENTS OF CASH FLOWS

For the quarters ended October 27, 2013 and October 28, 2012

(Not audited or reviewed by the Company's external auditor)

		Quarter ended		Fiscal year-to-date ended	
	Notes	October 27, 2013	October 28, 2012	October 27, 2013	October 28, 2012
Operating activities					
Net income (loss)		**$ 683,263**	$ (416,252)	**$ 280,221**	$ 1,037,688
Adjustments for:					
Income tax expense (recovery)	9	**227,000**	(94,815)	**89,000**	421,142
Finance costs	8	**147,882**	151,470	**474,812**	426,395
Depreciation and amortization of property, plant and equipment and intangibles	10, 11	**789,426**	677,846	**2,271,642**	1,940,322
Loss (gain) on disposal of property, plant and equipment		**-**	-	**(15,093)**	-
Share-based payments		**44,538**	68,864	**146,341**	142,129
Change in non-cash working capital related to operations		**(1,699,060)**	458,587	**(1,835,966)**	(1,761,530)
Less:					
Interest paid		**(128,579)**	(115,799)	**(403,742)**	(349,803)
Cash provided by operating activities		**64,469**	728,915	**1,007,215**	1,856,343
Investing activities					
Purchase of property, plant and equipment	10	**(478,855)**	(697,670)	**(2,452,931)**	(1,862,571)
Proceeds from sale of property, plant and equipment		**-**	-	**203,000**	-
Purchase of intangible assets	11	**(1,447)**	(225)	**(261,883)**	(254,163)
Cash used in investing activities		**(480,302)**	(697,895)	**(2,511,814)**	(2,116,734)
Financing activities					
Increase/(decrease) in bank indebtedness	18	**1,934,615**	(136,279)	**(379,599)**	580,276
Decrease in obligation under financial lease		**-**	(6,166)	**-**	(16,398)
Issuance of long-term debt		**-**	321,884	**1,185,912**	321,884
Repayment of long-term debt	17	**(1,609,806)**	(210,459)	**(2,120,837)**	(627,746)
Change in share capital	14	**-**	-	**-**	2,375
Proceeds from warrants		**-**	-	**2,827,615**	-
Share issue costs paid		**(12,388)**	-	**(25,502)**	-
Issurance of shares		**810**	-	**17,010**	-
Cash provided by/(used in) financing activities		**313,231**	(31,020)	**1,504,599**	260,391
Net increase/(decrease) in cash		**(102,602)**	-	**-**	-
Cash, beginning of period		**102,602**	-	**-**	-
Cash, end of period		**$ -**	$ -	**$ -**	$ -

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Brick Brewing Co. Limited ("Brick" or the "Company") is a Canadian-owned and Canadian-based publicly held brewery incorporated in Canada. Brick's shares are listed on the Toronto Stock Exchange under the symbol "BRB". Brick's head office is located in Kitchener, Ontario at 400 Bingemans Centre Drive, N2B 3X9.

The Company's primary business relates to the production and distribution of alcohol-based products. To this end, the Company operates three Ontario-based facilities and serves primarily the Ontario market. Brick's products are distributed to end consumers primarily through The Beer Store and Provincial Liquor Boards in Canada.

2. DATE OF AUTHORIZATION FOR ISSUE

The financial statements of the Company were authorized for issue on December 11, 2013 by the Company's Board of Directors.

3. BASIS OF PRESENTATION

3.1. STATEMENT OF COMPLIANCE

These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). The unaudited condensed interim financial statements do not include all of the information required for full annual financial statements. These unaudited condensed interim financial statements are based on consistent accounting policies and methods of computation as those of the annual financial statements for the year ended January 31, 2013.

3.2. BASIS OF MEASUREMENT

Depending on the applicable IFRS requirements, the measurement basis used in the preparation of these financial statements is cost, net realizable value, fair value or recoverable amount. These financial statements, except for the statements of cash flows are based on the accrual basis.

3.3. FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency. All values are presented in actual dollars unless otherwise stated.

3.4. SEASONALITY

The alcoholic beverage industry in Canada is seasonal in nature. Accordingly, Brick has historically experienced a seasonal pattern in its operating results, with the first and last quarters historically exhibiting lower revenues. Therefore, the results in any one quarter are not indicative of results in any other quarter, or for the year as a whole.

4. USE OF ESTIMATES AND JUDGMENT

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of revenue, expenses, assets, liabilities and disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates and may result in a material adjustment to the related asset or liability.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies have the most significant effect on the following accounting balances: property, plant and equipment, intangible assets, deferred income taxes, inventories, share-based payment reserves and provisions.

5. REVENUE

The Company's revenue consists of the following streams:

	Quarter ended		Fiscal year-to-date ended	
	October 27, 2013	October 28, 2012	**October 27, 2013**	October 28, 2012
Revenue from the sale of goods:				
Gross revenue	**$ 18,947,207**	$ 16,186,821	**$ 56,452,754**	$ 53,846,619
Less: Production taxes and distribution fees	**10,364,992**	9,286,949	**30,973,337**	29,529,715
Revenue (net)	**8,582,215**	6,899,872	**25,479,417**	24,316,904
Revenue from the rendering of services:				
Gross revenue	**979,529**	639,464	**4,239,327**	3,335,258
Total revenue	**$ 9,561,744**	$ 7,539,336	**$ 29,718,744**	$ 27,652,162

6. EXPENSES BY NATURE

Expenses relating to depreciation, amortization, impairment and personnel expenses are included within the following line items on the statements of comprehensive income:

	Quarter ended		Fiscal year-to-date ended	
	October 27, 2013	October 28, 2012	**October 27, 2013**	October 28, 2012
Depreciation of property, plant & equipment				
Cost of sales	**$ 659,345**	$ 571,421	**$ 1,907,777**	$ 1,636,209
Other expenses	**124,052**	97,007	**357,836**	275,863
Amortization of intangible assets				
Other expenses	**6,028**	9,418	**6,028**	28,250
Gain on disposal of property, plant and equipment				
Cost of sales	**-**	-	**(15,092)**	-
Salaries, benefits and other personnel-related expenses				
Cost of sales	**1,599,507**	1,582,150	**5,307,926**	4,897,027
Selling, marketing and administrative expenses	**653,878**	435,168	**1,987,853**	1,793,945
Other expenses	**53,303**	-	**84,851**	1,320

7. OTHER EXPENSES

The Company's other expenses consist of the following amounts:

	Quarter ended		Fiscal year-to-date ended	
	October 27, 2013	October 28, 2012	**October 27, 2013**	October 28, 2012
Depreciation of property, plant & equipment	**$ 124,052**	$ 97,007	**$ 357,836**	$ 275,863
Amortization of intangible assets	**6,028**	9,418	**6,028**	28,250
Other personnel-related expenses	**53,303**	-	**84,851**	1,320
Foreign exchange losses/(gains)	**10,825**	(2,590)	**45,376**	13,253
	$ 194,208	$ 103,835	**$ 494,091**	$ 318,686

8. FINANCE COSTS

The Company's finance costs consist of the following amounts:

	Quarter ended		Fiscal year-to-date ended	
	October 27, 2013	October 28, 2012	**October 27, 2013**	October 28, 2012
Interest on long-term debt and promissory note	**$ 116,911**	$ 117,370	**$ 386,345**	$ 355,971
Interest on finance leases	**-**	40	**-**	151
Interest on bank indebtedness	**24,964**	28,726	**84,806**	89,113
Other interest expense	**1,329**	2,410	**3,539**	4,607
Unwinding of discount on provisions	**4,678**	2,924	**14,030**	8,773
Fair value adjustments on financial instruments	**-**	-	**(13,908)**	(32,220)
	$ 147,882	$ 151,470	**$ 474,812**	$ 426,395

9. INCOME TAXES

The operations of the Company and related tax interpretations, regulations and legislation are subject to change. The Company believes that the amounts reported as deferred income tax assets adequately reflect management's current best estimate of its income tax exposure.

10. PROPERTY, PLANT & EQUIPMENT

	Assets owned by the Company								Assets held under finance leases	
	Land	Buildings and leasehold improvements	Returnable containers	Machinery and equipment	Computer equipment	Furniture and fixtures	Vehicles	Major spare parts	Computer equipment	Total property, plant and equipment
Cost or deemed cost										
Balance at February 1, 2012	$ 2,626,748	$ 4,253,471	$ 6,248,059	$ 15,475,327	$ 958,791	$ 437,104	$ 235,775	$ 375,415	$ 336,301	$ 30,946,991
Additions	-	511,370	55,196	3,210,741	87,662	3,861	-	48,447	-	3,917,277
Disposals	(5,260)	-	-	-	-	-	-	(78,258)	-	(83,518)
Other changes	-	-	-	-	-	-	-	-	-	-
Balance at January 31, 2013	**2,621,488**	**4,764,841**	**6,303,255**	**18,686,068**	**1,046,453**	**440,965**	**235,775**	**345,604**	**336,301**	**34,780,750**
Cumulative depreciation and impairment										
Balance at February 1, 2012	-	(1,804,472)	(5,162,135)	(4,159,031)	(903,441)	(371,573)	(225,611)	(271,448)	(296,105)	(13,193,816)
Depreciation charge for the period	-	(267,291)	(380,603)	(1,757,273)	(29,782)	(15,709)	(3,588)	(56,758)	(21,925)	(2,532,929)
Depreciation on:										-
Disposals	-	-	-	-	-	-	-	55,598	-	55,598
Other changes	-	-	-	-	-	-	-	-	-	-
Balance at January 31, 2013	**-**	**(2,071,763)**	**(5,542,738)**	**(5,916,304)**	**(933,223)**	**(387,282)**	**(229,199)**	**(272,608)**	**(318,030)**	**(15,671,147)**
Net book value as at January 31, 2013	**$ 2,621,488**	**$ 2,693,078**	**$ 760,517**	**$ 12,769,764**	**$ 113,230**	**$ 53,683**	**$ 6,576**	**$ 72,996**	**$ 18,271**	**$ 19,109,603**
Cost or deemed cost										
Balance at February 1, 2013	$ 2,621,488	$ 4,764,841	$ 6,303,255	$ 18,686,068	$ 1,046,453	$ 440,965	$ 235,775	$ 345,604	$ 336,301	$ 34,780,750
Additions	-	215,428	57,680	2,011,173	56,593	90,155	-	21,902	-	2,452,931
Disposals	-	-	-	(231,785)	-	-	-	(20,562)	-	(252,347)
Other changes	-	-	-	-	-	-	-	-	-	-
Balance at October 27, 2013	**2,621,488**	**4,980,269**	**6,360,935**	**20,465,456**	**1,103,046**	**531,120**	**235,775**	**346,944**	**336,301**	**36,981,334**
Cumulative depreciation and impairment										
Balance at February 1, 2013	-	(2,071,763)	(5,542,738)	(5,916,304)	(933,223)	(387,282)	(229,199)	(272,608)	(318,030)	(15,671,147)
Depreciation charge for the period	-	(264,039)	(246,082)	(1,635,557)	(61,620)	(18,472)	(2,691)	(23,450)	(13,703)	(2,265,614)
Depreciation on:										
Disposals	-	-	-	59,018	-	-	-	5,422	-	64,440
Balance at October 27, 2013	**-**	**(2,335,802)**	**(5,788,820)**	**(7,492,843)**	**(994,843)**	**(405,754)**	**(231,890)**	**(290,636)**	**(331,733)**	**(17,872,321)**
Net book value as at October 27, 2013	**$ 2,621,488**	**$ 2,644,467**	**$ 572,115**	**$ 12,972,613**	**$ 108,203**	**$ 125,366**	**$ 3,885**	**$ 56,308**	**$ 4,568**	**$ 19,109,013**