

WATERLOO BREWING LTD.

CODE OF BUSINESS CONDUCT

INTRODUCTION

This Code of Business Conduct applies to all directors, officers and employees of Waterloo Brewing Ltd. (the “Company” or “Waterloo Brewing”) whenever and wherever they are working for the Company. It is the responsibility of all directors, officers and employees to familiarize themselves with this Code, ask for guidance as needed, and to report any violations of it. Compliance with this Code is mandatory, and it is ultimately the responsibility of the Board of Directors of Waterloo Brewing to monitor compliance with this Code.

Simply stated, Waterloo Brewing expects all directors, officers and employees to comply with the laws and regulations governing the conduct of the Company’s business and to maintain the highest standards of honesty, integrity and ethical behaviour in their business affairs.

In the course of our work, each of us has dealings with some or all of our fellow employees, customers, competitors, suppliers, government authorities, investors and the public. Whatever the area of activity, we should be honest and responsible in our relations with others. In general, we should consider whether any proposed action is likely to compromise Waterloo Brewing’s record for integrity. If it would, then that action should not be taken.

If an employee has any doubts whether a particular course of action is proper or about the application or interpretation of any legal or other requirement in this Code or otherwise regarding the Company, they should discuss it with their supervisor, and if required, with either the President and Chief Executive Officer, Chief Financial Officer, or Chief Operating Officer (the “Executive Committee”), as appropriate. Any member of the Executive Committee, other than the President and Chief Executive Officer, should discuss any questions they have concerning the application of this Code or any legal requirement regarding the Company with the President and Chief Executive Officer. The Chairman of the Board, the President and Chief Executive Officer and any director should discuss any questions they have concerning the application of this Code or any legal requirement regarding the Company with the Board of Directors. Any waiver from the application of the requirements of this Code regarding any officer or director is to be granted only by the Board of Directors. This Code may be amended or modified from time to time by the Board of Directors.

No policy like this can offer a complete guide to cover all possible situations that might be encountered. This Code of Business Conduct is intended to lay out the general principles by which Waterloo Brewing and its representatives are expected to conduct themselves, there are many corporate policies and legal requirements that apply to specific matters.

1. OUR RESPONSIBILITY TO EMPLOYEES

1.1 Health & Safety

Waterloo Brewing makes every effort to provide a safe work environment, including conducting regular inspections to identify and eliminate any dangerous conditions or behaviour and their causes and developing programs dedicated to employee safety and well-being. Every employee is expected to: (a)

observe all the requirements of applicable occupational health and safety legislation; (b) follow Waterloo Brewing's standards in safety matters; (c) do their part in maintaining a safe work environment; and (d) take all necessary steps to ensure their own safety and the safety of others at Waterloo Brewing. We are also committed to a violence-free work environment, and we will not tolerate any level of violence or the threat of violence in the workplace. Any employee who is found to have engaged in workplace violence or other occupational health and safety violations may be subject to discipline, up to and including immediate discharge. Waterloo Brewing's commitment to health and safety is explained in greater detail in our health and safety policy.

1.2 Human Rights, Diversity and Inclusion

Waterloo Brewing values the diversity of its employees and values and respects people of different backgrounds, capabilities and opinions. Waterloo Brewing is committed to providing a work environment that is free of any form of discrimination or harassment, sexual or otherwise, and to ensuring that each employee is treated with fairness and dignity. We abide by all applicable labour, employment and human rights laws, including those prohibiting discrimination and harassment and those providing for reasonable accommodation of differences. We are committed to providing equal employment and career advancement opportunities to everyone, without discrimination based on race, gender, age, religion ethnic or national origin, family status, disability, sexual orientation or any other personal characteristic protected by law. We also make all reasonable accommodations to meet our obligations under laws protecting the rights of the disabled. We will not tolerate any discriminatory practices based on any personal characteristics or ground prohibited in law. Any employee who is found to have engaged in behaviour that constitutes discrimination or harassment may be subject to discipline, up to and including immediate discharge. No retaliation or reprisals will be undertaken or tolerated against any employee, officer or director who, in good faith, complains of, reports or participates in the investigation of any allegation of discrimination or harassment.

1.3 Privacy

Waterloo Brewing will collect, use and disclose personal information or for legitimate business or employment purposes or if required by law. Employees have the right to privacy and to security of their personal information. Waterloo Brewing will protect and preserve these rights by not releasing or disclosing personal information relating to an employee without the consent of that employee, unless required for such legitimate business or employment purposes or as required by law.

1.4 The Right to be Heard

Our "Open Door" Policy is Waterloo Brewing's way of resolving employee complaints. Every employee has the right to discuss their complaints with higher levels of management without fear of reprisal. If an issue cannot be resolved with an employee's supervisor, the issue can be reported by the employee directly to the next level of management with the supervisor's knowledge. If the employee feels that a satisfactory solution is not achieved the employee is encouraged to discuss the issue with a Senior Company Officer who will make a final decision.

2. OUR RESPONSIBILITY TO CUSTOMERS, SUPPLIERS AND COMPETITORS

2.1 Commercial Decision Making

It is our policy to make commercial decisions acting in our best interest, while avoiding any illegal understandings or agreements with any other person, organization or company.

Waterloo Brewing complies with all applicable competition and antitrust laws, we will not engage in conduct which violates any laws, in particular laws which prohibit any kind of understanding or agreement with others regarding prices, terms of sales, division of markets, allocation of customers or any other practice which illegally restrains competition or is otherwise prohibited.

2.2 Relations with Customers and Suppliers

Customers and suppliers of all sizes will be dealt with in a fair and even-handed manner by being given every reasonable and fair opportunity for success. We will avoid doing anything which would give a current or potential customer or supplier any unfair or improper advantage when dealing with Waterloo Brewing. If an employee has anything to do with, directly or indirectly, a decision on whether Waterloo Brewing does business with a particular customer or supplier, and that employee has any direct or indirect personal interest in the customer's or supplier's business, then the employee has a conflict of interest. In that event, the employee must inform the President and Chief Executive Officer of the conflict of interest before the decision is made by Waterloo Brewing to deal with that customer or supplier.

Employees are prohibited from paying or accepting any type of bribe, kickback or other unlawful payment or benefit of any kind to secure any concession, contract or other favourable treatment. Reasonable business entertainment and gifts or favours of nominal value which are appropriate in the circumstances will not be considered a breach of our commitment to fair dealing, as long as such entertainment or gifts are consistent with reasonable business practice, are occasional and of modest value, not contrary to applicable law and will not embarrass Waterloo Brewing if disclosed publicly.

3. OUR RESPONSIBILITY TO SHAREHOLDERS AND INVESTORS

3.1 Conflicts of Interest

Waterloo Brewing recognizes and respects the right of its directors, officers and employees to engage in outside activities which they may deem proper and desirable, provided that directors, officers and employees fulfill their obligations to act in the best interests of Waterloo Brewing and avoid situations that present a potential or actual conflict between their interests and Waterloo Brewing's interests.

A "conflict of interest" occurs when a person's private interest interferes, or appears to interfere, in any way with the interests of Waterloo Brewing. Conflicts of interest can arise in many ways, for example, when a director, officer or employee has an outside interest, responsibility or obligation that may make it difficult for that person to perform the responsibilities of their position objectively and/or effectively in the best interests of Waterloo Brewing. A conflict of interest may also occur when an employee or a member of the employee's family receives some improper personal benefit as a result of their position with Waterloo Brewing. Employees are not permitted to use Waterloo Brewing resources for personal gain, if an employee discover a business opportunity because of their position with Waterloo Brewing or

through the use of Waterloo Brewing property or confidential information they must not take personal advantage of it.

Conflicts of interest can exist in many other situations as well and the foregoing guidance is not intended to represent the only activities that could constitute such a conflict. All Waterloo Brewing directors, officers and employees are reminded to observe the highest standards of business and personal ethics in the discharge of their duties and responsibilities.

If an employee has any questions as to whether or not a specific act or situation represents, or appears to represent, a conflict of interest, the employee should consult their supervisor and, if required, senior management, as appropriate. Any material transaction, agreement or relationship that reasonably could be expected to give rise to a conflict of interest for an employee other than an officer should be reported promptly to the Executive Committee, who shall notify the Board of Directors as appropriate. Any member of the Executive Committee, other than the President and Chief Executive Officer shall, in addition to complying with any requirements under applicable law, report promptly to the President and Chief Executive Officer, who shall notify the Board of Directors as appropriate, any material transaction, agreement or relationship that reasonably could be expected to give rise to a conflict of interest for such officer. The Chairman of the Board, the President and Chief Executive Officer and any director shall, in addition to complying with any requirements under applicable law, report promptly to the Board of Directors any material transaction, agreement or relationship that reasonably could be expected to give rise to a conflict of interest for such person.

3.2 Use and Protection of Waterloo Brewing's Property

Every employee is responsible for the protection of Waterloo Brewing's property, ensuring it is used appropriately and preventing theft and damage. Waterloo Brewing is committed to the use of information technology by employees in a legal, ethical and responsible manner, and for work-related purposes. Waterloo Brewing's assets and equipment must be used exclusively for company business and must not be used for any other purpose without proper authorization.

Intangible property such as inventions, ideas, documents, software, patents and other forms of intellectual property related to Waterloo Brewing's business, which are created or conceived by employees in connection with their work, belong to Waterloo Brewing. Employees may not profit from or apply for patents or trade marks on their own behalf for any creation or invention conceived of or made in the course of performing their duties at Waterloo Brewing. Developing or helping to develop outside inventions that a) relate to Waterloo Brewing's existing or reasonably anticipated products and services, b) relate to your position at Waterloo Brewing, or c) are developed using Waterloo Brewing's corporate resources may create conflicts of interest.

Software developed or acquired by Waterloo Brewing may not be reproduced or tampered with, nor may it be used for any purposes other than those intended by Waterloo Brewing. Software that is not owned or licensed by the Company is not to be used at Waterloo Brewing.

3.3 Software Licensing

Waterloo Brewing owns and monitors the e-mail and internet systems used in the workplace. Employees are expected to use these systems primarily for work-related communications and are strictly prohibited from using them for any improper or illegal purpose, including (i) the viewing or transmission of messages

or images that may be considered to be disparaging or offensive to any other person, (ii) engaging in any form of communication that constitutes harassment of any other person; or (iii) accessing inappropriate websites or information.

3.4 Disclosure of Information

It is Waterloo Brewing's policy to make full, timely and complete disclosure to shareholders and the investing public of important information concerning its activities. Details concerning our procedures and practices for managing the disclosure and publication of information regarding the Company to shareholders and investors as well as for releasing all such information to the media are set out in Waterloo Brewing's Disclosure Policy.

Unless required by law, Waterloo Brewing will not disclose information which might either impair our competitive effectiveness or violate the privacy of others. Certain records, reports, papers, processes, plans, methods and equipment are confidential and information from these sources is not to be released or revealed by any employee without proper authorization from management. If an employee is in doubt about any particular situation, he or she should discuss it with their supervisor and with a member of the Executive Committee.

Employees must not use for their own personal gain, or disclose for the use of others, confidential information obtained from Waterloo Brewing sources. Misusing such information that is not generally known to the public could violate certain laws. For example, securities laws prohibit employees from trading or suggesting others trade in the Company's securities or in those of another company based on confidential Waterloo Brewing information which, if generally known, might reasonably be expected to materially affect the value of those securities.

Employees are also prohibited from passing on any such information to others, except in the necessary course of business.

Waterloo Brewing expects you to treat as confidential all proprietary information and trade secrets relating to Waterloo Brewing, its customers, suppliers and potential business opportunities. You may not disclose confidential information, except as required by law or as approved in advance by the appropriate supervisor, to anyone outside Waterloo Brewing, including family and friends. You may also not disclose confidential information to colleagues at Waterloo Brewing unless they need to know the information to carry out their duties. You are responsible for protecting confidential information in your custody against theft, loss, unauthorized access, destruction or misuse.

3.5 Payments, Accounting Records and Practices

Waterloo Brewing follows all applicable laws related to financial reporting, and the credibility and accuracy of our financial reports is dependent upon full and accurate disclosure. Waterloo Brewing has various financial controls in place to prevent false or misleading reporting of financial information. Waterloo Brewing's books and records will reflect, in an accurate and timely manner, all of its transactions. All funds and assets will be recorded and will not be used for any unlawful or improper purposes.

4. OUR RESPONSIBILITY TO OTHER STAKEHOLDERS AND THE PUBLIC

4.1 Conservation and Protection of the Natural Environment

Waterloo Brewing takes an integrated approach to sustainable development by improving our environmental performance and the quality of life of our employees and our community, while continuing to achieve our financial goals.

We optimize the use of resources by reducing, reusing, recovering and recycling energy, raw materials, water and by-products.

We minimize our environmental impact through innovative design and practices to improve our processes and our products.

We meet environmental standards set by legislation and go beyond compliance where appropriate through voluntary commitments to stakeholders.

4.2 Political Contributions and Involvement

Waterloo Brewing's policy is to support our democratic system of government by making political contributions as permitted by law. Political contributions by Waterloo Brewing of a significant amount are reviewed annually by the Board of Directors. No lobbying with any level of government may be made on behalf of Waterloo Brewing and no contributions of any kind may be made on behalf of Waterloo Brewing to any political party, candidate or campaign without the prior written approval of the President and Chief Executive Officer.

Waterloo Brewing does not interfere in the political activities of employees other than to encourage their involvement as citizens in the political process. Political involvement by employees is based on the understanding that it is undertaken solely on their own behalf and not as representatives of the Company.

5. CONCLUSION

Each of us is responsible for making every effort to ensure that Waterloo Brewing's Code of Business Conduct is followed at all times. Employees who fail to conduct themselves in accordance with this Code will be subject to disciplinary action up to and including dismissal.

Employees who become aware of any breach of this Code of Business Conduct should report the facts immediately to their supervisor, who will advise a member of the Executive Committee. As required, the President and Chief Executive Officer will advise Chairman of the Board, the Corporate Secretary and the Chair of the Audit Committee. Waterloo Brewing will not permit or condone any form of retaliation against employees who report such misconduct.

While every Waterloo Brewing director, officer and employee is required to comply with this Code of Business Conduct, all officers and directors of Waterloo Brewing and its subsidiaries are also required to file with the Corporate Secretary an annual declaration confirming their understanding of and compliance with this Code.