

PYRAMID BREWERIES INC.
DIRECTOR SELECTION GUIDELINES

The Charter of the Nominating and Corporate Governance Committee (the "*Committee*") of the Board requires the Committee to develop and periodically review and recommend to the Board appropriate revisions to these Director Selection Guidelines. The following guidelines have been adopted by the Board upon the recommendation of the Committee.

Director Qualifications

When considering potential director candidates for nomination or election, directors should consider the following qualifications, among others, of each director candidate:

1. High standard of personal and professional ethics, integrity and values;
2. Training, experience and ability at making and overseeing policy in business, government and/or education sectors;
3. Willingness and ability to keep an open mind when considering matters affecting interests of the Company and its constituents;
4. Willingness and ability to devote the required time and effort to effectively fulfill the duties and responsibilities related to Board and committee membership;
5. Willingness and ability to serve on the Board for multiple terms, if nominated and elected, which will enable the development of a deeper understanding of the Company's business affairs;
6. Willingness not to engage in activities or interests that may create a conflict of interest with a director's responsibilities and duties to the Company and its constituents; and
7. Willingness to act in the best interests of the Company and its constituents, and objectively assess Board, committee and management performances.

Board Composition Selection Criteria

The Board believes that its effectiveness depends on the overall mix of the skills and characteristics of its directors. Accordingly, the following factors, among others, relating to overall Board composition should be considered when determining Board needs and evaluating director candidates to fill such needs:

1. Independence;
2. Diversity (e.g., age, geography, professional, other);
3. Professional experience;

4. Industry knowledge (e.g., relevant industry or trade association participation);
5. Skills and expertise (e.g., accounting or financial);
6. Leadership qualities;
7. Public company board and committee experience;
8. Non-business-related activities and experience (e.g., academic, civic, public interest);
9. Board continuity (including succession planning);
10. Board size;
11. Number and type of committees, and committee sizes; and
12. Legal and other applicable requirements and recommendations, and other corporate governance-related guidance regarding board and committee composition.

Selection Procedures

Potential director candidates should be referred to the Chairperson of the Committee for consideration by the Committee and possible recommendation to the Board. The Committee will maintain a list of director candidates to consider and propose to the Board, as required. If necessary or desirable in the opinion of the Committee, the Committee will determine appropriate means for seeking additional director candidates, including engagement of any outside consultant to assist the Committee in the identification of director candidates.

The Committee will consider candidates recommended by shareholders. Shareholders wishing to suggest director candidates should submit their suggestions in writing to the Chairperson of the Committee, c/o the Corporate Secretary, providing the candidate's name, biographical data and other relevant information.

The Committee will decide on the appropriate means for the review and approval of individual director candidates, including current directors, and the recommendation of director candidates to the Board. In the event of a vacancy on the Board, the Chairperson of the Committee will initiate the effort to identify appropriate director candidates unless the vacancy is eliminated by action of the Board or shareholders.