

MEDIA RELEASE – FOR IMMEDIATE RELEASE

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DATE: March 9, 2007
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TREE BEER – THE GROWTH CONTINUES!

Last month Kelowna based Tree Brewing announced they achieved an increase in revenue of 54% over last year. This came at the same time as their announcement of their launch for a new beer in the spring called “REBEL” Original. The launch will include a contest give-away of a Harley Davidson motorcycle; a very aggressive campaign for this size of brewery.

This week Tree had even more news and announced spending \$120,000 on new equipment to keep up with tremendous growth it has experienced in the past and is projecting for the future. Tree originally projected an increase in HL (one HL is 100 liters) of 40% in 2007 and a 45% increase in revenue.

For Tree, the first two months of 2007 are up by 61% in HL over same period in 2006. Revenue is also up 66% for the same period.

Tree continues to grow and has reset goals for 2007 to 78% increase in HL over 2006 vs. original projection of 40% increase HL. This equates to a 83% increase in revenue vs. original projections of 45% increase.

Clements says the company's success is based on the new packaging and the simple principle of *Liquid to Lips*. “Once a consumer has tasted our beer we win new customers. The bottom line is our beer is excellent and it fits with what consumer's desire; quality and great taste,” says Clements. “The acceptance of the Character 8 pack has certainly helped in the *Liquid to Lips* approach as it offers the beer drinker two of each of our brands giving them a chance to taste all our quality beers.”

A lot of Tree's growth has been in Alberta; however, in the first two months of 2007, BC sales did spiked, and not in any one particular regions. “Alberta continues to be very strong and blazes an incredible sales path,” he says.

Craft style beer has been on a growth pattern in the US for the last few years. Canada appears to be following suit, which has assisted in Tree's growth.

Tree's new equipment will be in place by April of this year and includes a new water treatment system, a four roller Malt Mill, two – 65 HL bright beer tanks, and three - 120 HL conditioning tanks.

Tree, a strong supporter of community, has purchased all the equipment, with the exception of the malt Mill, from local providers. The conditioning tanks and part of the bright beer tanks are being manufactured by Interior Stainless in Summerland. This additional equipment will allow Tree to increase its HL growth by 100% in 2007. More equipment may be added in late summer, early fall to keep up with the anticipated phenomenal growth.

Visitors are invited to come and take a tour at the brewery and visit the Tap Room at 1083 Richter Street in Kelowna and have a taste.

