



17 December 2008

Company Announcements Office
Australian Stock Exchange
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

**RELEASE OF SHARES FROM ESCROW
CANCELATION OF UNLISTED OPTIONS**

Gage Roads Brewing Co Limited (ASX Code: GRB) announced on the 11 December 2006 the following shares and options issued to the directors of the Company were subject to voluntary escrow for a period of 24 months from the date of official quotation of the securities of the Company (Listing Date).

Security description	Number	Escrow period
Ordinary fully paid shares	8,901,474	24 months from the listing date
Options exercisable at \$0.50 on or before 4 December 2011	3,850,000	24 months from the listing date

Accordingly, we wish to advise that these shares and options were released from escrow on 15 December 2008, being the first business day 24 months from the listing date.

Furthermore, we advise that on the 16 December the 3,850,000 unlisted options have been cancelled and or voluntarily forfeited under the terms of the options and have been removed from the company's register of securities.

Please find attached the Appendix 3B relating to the quotation of the 8,901,474 ordinary shares.

-END-

For further information please contact:

John Hoedemaker
Company Secretary
Gage Roads Brewing Co Ltd

Tel: (08) 9331 2300

AUSTRALIA'S CRAFT BREWERY

GAGE ROADS BREWING CO LTD
ABN 22 103 014 320

14 ABSOLON STREET PALMYRA WESTERN AUSTRALIA 6157 PO Box 2024 PALMYRA DC WESTERN AUSTRALIA 6961
TELEPHONE: (08) 9331 2300 FACSIMILE: (08) 9331 2400 EMAIL: brewery@gageroads.com.au WEB: www.gageroads.com.au

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

GAGE ROADS BREWING CO LIMITED

ABN

22 103 014 320

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

--

5 Issue price or consideration

--

6 Purpose of the issue
 (If issued as consideration for the acquisition of assets, clearly identify those assets)

--

7 Dates of entering +securities into uncertificated holdings or despatch of certificates

--

8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
Please see Item 42.	

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	750,000	UNL OPTS 40 cents EXP 12/07/12
	750,000	UNL OPTS 20 cents EXP 19/12/12
	750,000	UNL OPTS 30 cents EXP 19/12/12
	750,000	UNL OPTS 40 cents EXP 19/12/12
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	None	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	
16 Will holdings on different registers (or sub-registers) be aggregated for calculating entitlements?	
17 Policy for deciding entitlements in relation to fractions	
18 Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19 Closing date for receipt of acceptances or renunciations	

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- | | | |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders | |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |
| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker? | |

+ See chapter 19 for defined terms.

- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a) Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of securities for which +quotation is sought

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

39 Class of ⁺securities for which quotation is sought

Ordinary Shares

40 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?

 If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Yes

41 Reason for request for quotation now
 Example: In the case of restricted securities, end of restriction period

 (if issued upon conversion of another security, clearly identify that other security)

Restriction period ended on the 13/12/08. The shares were subject to voluntary escrow for 24 months from 13/12/06 being the date of official quotation of the securities.

	Number	⁺ Class
42 Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 38)	220,850,169	Ordinary Shares

+ See chapter 19 for defined terms.

