



T-Rex Distillery
24a Rayborn Crescent
St. Albert, AB, Canada T8N 4B1

2024-04-08

T-Rex Distillery acknowledges the comments by the public and the honorable Minister Dale Nally. We would like to express our position regarding the 4 Liter Vodka Jugs that have been sold at an Alberta liquor store, and answer your questions:

- The product was reviewed & approved by AGLC and follows all their regulatory requirements. AGLC has also approved the pricing.
- As of today, T-Rex Distillery has not received any communications from AGLC, the government of Alberta, or minister Dale Nally.
- The product that was photographed at Super Value Liquor is a private-label product which was specifically produced & bottled for that customer at their own requested price. In general, there are no rules or guidelines provided by AGLC to how a product should be priced.
- T-Rex Distillery also offers a T-Rex-branded version of the 4 Liter jug, primarily produced for wholesale purposes, such as bars and restaurants. The product has been for sale for approximately a year.
- The public feedback on the jugs has been fairly split. About half of the comments express concern, while the other half praises the jugs for innovation and convenience. Please rest assured, that you've been heard loud and clear by the T-Rex family.

In response to the feedback T-Rex Distillery has received, we are halting the production of the jugs.

In response to minister Dale Nally's comments:

Albertan craft distilleries have suffered from a lack of responsible pricing for a while now and, in fact, there are multiple distilleries out there that are selling their spirits even cheaper than T-Rex. We have often voiced our concerns with the current system to AGLC:

This era of unsustainable prices began when AGLC removed the 80/20 rule for craft distilleries a few years ago: The 80/20 rule required craft distilleries to produce at least 80% of their own spirits in-house, and only 20% was allowed to be purchased/imported in bulk. When this rule was unexpectedly removed by AGLC, it meant that anyone can just blend and sell bulk-purchased vodka without even owning a single piece of distillery equipment. This forced T-Rex and other craft distilleries to lower their prices to stay in business, especially after making heavy investments into their distillery equipment, which these new companies didn't need to do.

We recommend that AGLC and minister Dale Nally should consider reinstating this rule, as we are confident that the great majority of Albertan craft distillers would support this. With the rule back in place, craft distillers could get back to producing higher quality craft spirits, return jobs to the industry, and return prices to fair levels. **It's time to put the "craft" back in Albertan craft distilleries.**

We would be happy to work with minister Dale Nally and AGLC on this solution that would benefit all Albertan craft distilleries, liquor stores, and consumers.

Kind regards,

The T-Rex Family
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