

Granite City Food & Brewery Ltd. Announces One-for-Six Reverse Stock Split

MINNEAPOLIS (January 13, 2010) — **Granite City Food & Brewery Ltd. (NASDAQ: GCFB)** today announced that its one-for-six reverse stock split was completed effective on the close of business on January 13, 2010. Trading of the Company's common stock on the NASDAQ Capital Market will begin on a split-adjusted basis at the open of trading on January 14, 2010.

On December 29, 2009, the Company's Board of Directors approved a one-for-six share combination of its common stock, also known as a reverse stock split, to be effective at 5:00 p.m. EST on January 13, 2010. The Company filed an amendment to its Articles of Incorporation to effect the reverse stock split.

The reverse stock split is intended to enable the per share trading price of the Company's common stock to increase to satisfy the minimum bid price requirement for continued listing set forth in NASDAQ Listing Rule 5550(a)(2). The Company previously announced that it had until January 29, 2010, to satisfy its minimum bid price deficiency.

As a result of the reverse stock split, every six shares of the Company's common stock that were issued and outstanding as of the effective time were automatically combined into one issued and outstanding share without any change in the par value of such shares, and the number of authorized but unissued shares of the Company's common stock was proportionally reduced. A proportionate adjustment also was made to the Company's outstanding derivative securities. To reflect the reverse stock split, NASDAQ will append the fifth character "D" to the ticker symbol of the Company's common stock for 20 business days.

No fractional shares of common stock will be issued as a result of the reverse stock split. Shareholders of record who would otherwise be entitled to fractional shares will receive cash in lieu of fractional shares.

Following the reverse stock split, the Company expects to have approximately 7.4 million shares of common stock outstanding.

About Granite City

Granite City Food & Brewery Ltd. is a Modern American upscale casual restaurant chain that operates 26 restaurants in 11 states. The menu features affordable yet high quality family favorite menu items prepared from made-from-scratch recipes and served in generous portions. The sophisticated yet unpretentious restaurants, proprietary food and beverage products, attractive price points and high service standards combine for a great dining experience. Granite City opened its first restaurant in St. Cloud, Minnesota in 1999.

Certain statements made in this press release of a non-historical nature constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated. Such factors include, but are not limited to, changes in economic conditions, changes in consumer preferences or discretionary consumer spending, a significant change in the performance of any existing restaurants, the

ability to maintain sufficient capital for continued operations, the risks and uncertainties described in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 19, 2009, and our Quarterly Report on Form 10-Q filed on August 14, 2009; and risks related to our ability to restructure leases, obtain rent reductions and obtain additional capital for operations; and the risk that we may be required to reduce the scale of our operations if we cannot successfully restructure leases or raise additional capital; and the risk that our stock may be delisted from the Nasdaq Stock Market.

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