

## **Granite City Food & Brewery Ltd. Creates Additional Revenue Day Part**

### **Begins Roll-out of New Saturday Morning Brunch**

**MINNEAPOLIS (January 25, 2010)** — Granite City Food & Brewery Ltd. (**NASDAQ: GCFBD**) today announced the roll-out of a new Saturday morning breakfast offering. Since its inception, Granite City has offered a popular Sunday brunch that has made Sunday the third largest revenue day of the week for the Company. The roll-out of a Saturday morning brunch is a synergistic fit for the Company as many of the same items will be offered. The cornerstone of Granite City's brunch is its Made to Order Omelet Station. The Saturday Brunch is available from 9 am to noon and is attractively priced at \$10.99. The concept was first tested at its Des Moines, Iowa location and the results have been positive. The Company believes that as this new segment of operations becomes established in all of its markets, new revenues of approximately \$1.0 million can be generated on an annual basis.

"This is an exciting time for everyone at Granite City," said Steven J. Wagenheim, Chief Executive Officer of Granite City Food & Brewery Ltd. "As our operational margins have continued to improve we feel that we can be more aggressive in our approach toward generating greater revenues. The Saturday morning breakfast initiative is the first of many potential opportunities and fits nicely with our guests' desires. In addition to new food opportunities we hope to explore ways to improve beer sales by expanding upon our patented brewing process to other types of venues later this year.

The Saturday Brunch was tested in December at the Company's Des Moines location with great success. The Company is currently working on a roll-out schedule for its other 25 locations.

### **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 obtain financing for, and complete construction of, additional restaurants at acceptable costs, 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 our debt and leases 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 our debt and leases or raise additional capital.*

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