

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: **BevCanna Enterprises Inc.** (the "Issuer").

Trading Symbol: **BEV**

Number of Outstanding Listed Securities: **59,707,827**

Date: **March 6, 2020**

#### Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.
  - **On February 6, 2020, the Issuer announced that it entered into a non-binding letter of intent (the "LOI") dated February 6, 2020 to partner with Global CBD operator company, Mota Ventures Corp.(CSE:MOTA, FSE:1WZ:GR, OTC:PEMTF) ("Mota"), to manufacture, market, and distribute the Issuer branded hemp-derived CBD products in the European market. Mota will manufacture, market, and distribute the Issuer branded products, including proprietary water-soluble powder beverage mix, and ready to drink beverages, in Europe.**
  - **On February 11, 2020, the Issuer announced that it is working with partner Nextleaf Solutions Ltd. (Nextleaf) (CSE: OILS, OTCQB:OILFF, FSE: LOMA), to employ their nano-delivery technology in the Issuer's upcoming lines of cannabis infused beverages. the Issuer will have the exclusive rights to commercialize this unique technology. Nextleaf, the Issuer's exclusive provider of water-soluble cannabinoids, has completed its acquisition of the intellectual property pertaining to the nano-delivery of cannabinoids. The acquisition includes the foundational processing methodology and two water-soluble formulations. Nextleaf intends to seek patent protection around the acquired IP and to partner with the Issuer to develop a new patent family around infused beverages.**
  - **On February 17, 2020, the Issuer announced that it entered into a definitive joint venture agreement with Mota Ventures Corp. (CSE:MOTA FSE: 1WZ:GR OTC: PEMTF), to exclusively distribute the Issuer's hemp derived cannabidiol (CBD) products in the European market. Under the agreement, the Issuer and Mota have agreed to share equal ownership in the Joint Venture and be jointly responsible for developing and funding its operations. In addition to capital, the Issuer has agreed to**

contribute proprietary brands, product formulations, formulas for nan encapsulated water-soluble powders, and marketing and manufacturing expertise to the Joint Venture. Mota has agreed to provide manufacturing, marketing and distribution infrastructure in the European market.

- On February 18, 2020, the Issuer announced it is significantly expanding its manufacturing premises, in anticipation of the Issuer receiving its standard processing license and initiating full-scale commercialization this year. Pursuant to a second amendment agreement (the "Second Amendment") dated February 14, 2020, the Issuer's current 5,235 square foot of dedicated cannabis production premises has doubled to 10,378 square feet. The Second Amendment was entered into with Naturo Group Investments Inc. ("Naturo"), and Naturo Springs Inc., a majority owned subsidiary of Naturo ("Naturo Springs" and together with Naturo, the "Lessor"). The Issuer agreed to pay \$600,000 in cash, which has been paid; and \$653,400 in common shares in the capital of the Issuer (each, a "Share") at a deemed price of \$0.425 per Share.

2. Provide a general overview and discussion of the activities of management.

- **Developing new infused cannabis beverage brands**
- **Developing water-soluble powder drink mix in California.**
- **Forming R&D relationships with multiple Canadian Licensed Producers and established US entities looking to enter the Canadian market with their infused product portfolio.**
- **Continuing ongoing discussions with multiple Canadian Licensed Producers for white-label manufacturing of cannabis infused beverages for the Canadian market.**

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**None.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**None.**

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether

the relationship is with a Related Person of the Issuer and provide details of the relationship.

The Company also entered into a marketing and investor relations agreement (the "Agreement") dated February 11, 2020 with Aktiencheck.de AG (the "Consultant") pursuant to which the Consultant has agreed to provide certain corporate branding, marketing, online corporate communications and investor relations services to the Issuer for a term of one month for total cash consideration of €50,000, which was paid upon entry into the Agreement. The Company and the Consultant maintain an arm's length relationship.

The Company entered into an amendment agreement dated February 12, 2020 (the "Amendment Agreement") to the consultant agreement (the "Consultant Agreement") dated September 16, 2019 which was described in a news release dated September 17, 2019. Under the new agreement, Joey Bedard-Brunet, the principal of Clearwater, has agreed to become a director of the Issuer. In exchange, the Issuer has agreed to:

- (a) issue 1,000,000 common shares in the capital of the Issuer to Clearwater Cannngrow Ltd. at a deemed price of \$0.50 per share in consideration for the amendments to the Consultant Agreement;
  - (b) one-time reimbursement to Clearwater for certain expenses up to \$3,400,000 incurred in connection with the performance of the services under the Consultant Agreement, including initial expected debt settlements in the amount of \$500,000 at a deemed price of \$0.50 per share and \$362,000 at a deemed price of \$0.425 per share;
  - (c) pay Clearwater an operational cost of \$10,000 per acre of outdoor cultivation site, payable only from potential revenue from cannabis cultivated at the Issuer's outdoor cultivation site, instead of the cash fees previously payable under the Consultant Agreement;
  - (d) increase the share of potential revenue from cannabis cultivated at the Issuer's outdoor cultivation site payable to Clearwater, from 15 percent to 50 percent;
  - (e) reimburse Clearwater for certain expenses in the event of a change of control of the Issuer; and
  - (f) pay Clearwater the previously mentioned operational fee and 50% revenue share in the event of a change of control, for any current year in which the change of control occurs and for the subsequent year
6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**None.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**See #1.**

8. Describe the acquisition of new customers or loss of customers.

**None.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**None**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**None.**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**None.**

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**None.**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**See #5.**

14. Provide details of any securities issued and options or warrants granted.

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds<sup>(1)</sup></b>
<b>None.</b>			

*(1) State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons.

**None.**

16. Provide details of any changes in directors, officers or committee members.

**None.**

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**None.**

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated **March 6, 2020**

**Marcello Leone**

Name of Director or Senior  
Officer

**"Marcello Leone"**

Signature

**CEO and Director**

Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer <b>the Issuer Enterprises Inc.</b>	For Month End <b>February 2020</b>	Date of Report YY/MM/D <b>20/03/06</b>
Issuer Address <b>200 – 1672 West 2nd Avenue</b>		
City/Province/Postal Code <b>Vancouver, BC, V6J 1H4</b>	Issuer Fax No. <b>N/A</b>	Issuer Telephone No. <b>604-569-1414</b>
Contact Name Marcello Leone	Contact Position CEO and Director	Contact Telephone No. <b>604-569-1414</b>
Contact Email Address <b>info@bevcanna.com</b>	Web Site Address <b>www.bevcanna.com</b>	