

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

BevCanna Enterprises Inc. (the “**Company**”)
PO Box 33957 Vancouver D CSC
Vancouver, BC, V6J 4L7

Item 2 Date of Material Change

October 14, 2021.

Item 3 News Release

The news release dated October 14, 2021 was disseminated via Cision.

Item 4 Summary of Material Change

The Company announced that it has entered into an agreement to manufacture and distribute white-label cannabis beverages for Averi Health Products (“Averi”).

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company announced that it has entered into an agreement to manufacture and distribute white-label cannabis beverages for Averi.

Averi is a new adult alternative beverage company founded by Terry Donnelly, creator and former CEO of the award-winning Hill Street Beverage Co. With millennials choosing to consume 20 per cent less alcohol than their parents’ generation, Averi is focused on creating cannabis and hemp-infused adult beverage options for those consumers who desire alternate beverage options, without compromising on taste, complexity, sophistication, or social experiences.

Drawing from a library of more than 6,000 flavours and more than three years of research and development, Averi creates sophisticated classic cocktails that replicate both the flavour profile and mouth feel of the world’s best-selling cocktails, but with zero alcohol content.

Averi will launch a portfolio of cannabis-infused beverages into the Canadian market. Averi is employing the Company’s white-label partnership model, which allows non-licensed partners to enter the Canadian cannabis market seamlessly and compliantly. Averi will leverage the Company’s extensive experience in producing beverages at scale as well as its sales license partnership for distribution to Canadian provincial buying groups. The white-label agreement is subject to MOQs (minimum order quantities).

The material change is fully described in Item 4 above and in the attached news release which has been filed on SEDAR.

5.2 Disclosure for Restructuring Transactions

Not Applicable.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

John Campbell, Chief Financial Officer
Telephone: 1-604-569-1414

Item 9 Date of Report

October 14, 2021.

BevCanna Signs White-Label Agreement to Produce Cannabis-Infused Beverages for Averi Health Products

BevCanna signs a sixth client to its growing roster of high-profile white-label infused cannabis clients

VANCOUVER, BC, October 14, 2021. Emerging leader in innovative health and wellness beverages and products, [BevCanna Enterprises Inc. \(CSE:BEV, Q:BVNNE, FSE:7BC\)](#) (“**BevCanna**” or the “**Company**”) announces today that it has entered into an agreement to manufacture and distribute white-label cannabis beverages for Averi Health Products (“Averi”).

Averi is a new adult alternative beverage company founded by Terry Donnelly, creator and former CEO of the award-winning Hill Street Beverage Co. With millennials choosing to consume 20 per cent less alcohol than their parents’ generation, Averi is focused on creating cannabis and hemp-infused adult beverage options for those consumers who desire alternate beverage options, without compromising on taste, complexity, sophistication, or social experiences.

Drawing from a library of more than 6,000 flavours and more than three years of research and development, Averi creates sophisticated classic cocktails that replicate both the flavour profile and mouth feel of the world’s best-selling cocktails, but with zero alcohol content.

Averi will launch a portfolio of cannabis-infused beverages into the Canadian market. Averi is employing BevCanna’s white-label partnership model, which allows non-licensed partners to enter the Canadian cannabis market seamlessly and compliantly. Averi will leverage BevCanna’s extensive experience in producing beverages at scale as well as its sales license partnership for distribution to Canadian provincial buying groups. The white-label agreement is subject to MOQs (minimum order quantities).

“Averi is a great example of this next generation of beverage creators that are coming to BevCanna to bring their cannabis-infused concepts to life,” said Melise Panetta, President of BevCanna. “Our white-label program gives these brands confidence that their beverages will be produced to the highest quality standards and widely distributed through our extensive Canadian network.”

About BevCanna Enterprises Inc.

[BevCanna Enterprises Inc. \(CSE:BEV, Q:BVNNE, FSE:7BC\)](#) is a diversified health & wellness beverage and natural products company. BevCanna develops and manufactures a range of alkaline, plant-based, and cannabinoid beverages and supplements for both in-house brands and white-label clients.

With decades of experience creating, manufacturing and distributing iconic brands that resonate with consumers on a global scale, the team demonstrates an expertise unmatched in the nutraceutical and cannabis-infused beverage categories. Based in British Columbia, Canada, BevCanna owns a pristine alkaline spring water aquifer and a world-class 40,000-square-foot, HACCP certified manufacturing facility, with a bottling capacity of up to 210M bottles annually. BevCanna’s extensive distribution network includes more than 3,000 points of retail distribution through its market-leading [TRACE](#) brand, its [Pure Therapy](#) natural health and wellness e-commerce platform, its fully licensed Canadian cannabis manufacturing and distribution network, and a partnership with #1 U.S. cannabis beverage company [Keef Brands](#).

About Averi Health Products

Averi is a new cannabis and hemp beverage company with a leadership team whose experience spans the globe. Based on years of research and development, Averi’s products are developed through remarkable alcohol-free emulations of the world’s best-selling spirits, including whisky, rum, gin, tequila, and a wide variety of liqueurs, all of which have been formulated to deliver the complexity and mouth feel of their alcohol counterparts. Averi Infusions are re-creations of the world’s most popular cocktails, infused with THC and/or CBD, providing adults with sophisticated and delicious alternatives to alcohol. Averi’s brands are expected to launch globally in markets where CBD and/or THC beverage products are legal for adult consumption.

On behalf of the Board of Directors:

John Campbell, Chief Financial Officer and Chief Strategy Officer
Director, BevCanna Enterprises Inc.

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Disclaimer for Forward-Looking Information

This news release contains forward-looking statements. All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements in this news release include statements regarding: the agreement with Averi, its terms, anticipated benefits, and the parties' commitments under the agreement; and other statements regarding the business plans of the Company. The forward-looking statements reflect management's current expectations based on information currently available and are subject to a number of risks and uncertainties that may cause outcomes to differ materially from those discussed in the forward-looking statements.

Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to their inherent uncertainty. Factors that could cause actual results or events to differ materially from current expectations include, among other things: general market conditions; changes to consumer preferences; and volatility of commodity prices; and other factors beyond the control of the parties. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law, and the Company does not assume any liability for disclosure relating to any other company mentioned herein.