

Press Release

BevCanna Announces Conversion of Strategic Advance into Shares

Exchange of debt for equity indicates long-term confidence in the infused beverage manufacturer

VANCOUVER, B.C., April 29, 2020. Emerging leader in cannabis-infused beverages [BevCanna Enterprises Inc.](#) (CSE:BEV, Q:BVNNF, FSE:7BC) (“BevCanna” or the “Company”) announced today that they have settled debt in exchange for 492,750 common shares in the capital of the Company (each, a “Share”) with Naturo Group Investments Inc. (“Naturo”), in repayment of a strategic advance. The payment settles debt in the amount of \$197,100 owed by the Company to Naturo. The Shares were acquired at a deemed price of \$0.40 per Share. Naturo is a company controlled by Marcello Leone, the Chief Executive Officer, Chairman and a director of the Company.

“Repaying the strategic advance through equity represents a good opportunity to strengthen our balance sheet and preserve liquidity during these uncertain times,” said John Campbell, Chief Financial Officer of BevCanna. “We’re pleased to have Naturo Group as a continued partner, and their interest in acquiring additional equity is a strong indicator of their long-term confidence in the solid market position we are building in this emerging industry.”

The securities acquired by Naturo in the debt settlement are subject to resale restrictions imposed by applicable law or regulation, including a statutory hold period expiring four months and one day from the date of closing of the transaction.

None of the securities acquired by Naturo in the debt settlement will be registered under the United States Securities Act of 1933, as amended (the “1933 Act”), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This news release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

The debt settlement with Naturo (the “Settlement”) was a “related party transaction” within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“MI 61-101”). The Settlement was exempt from the valuation requirement of MI 61-101 by virtue of the exemptions contained in section 5.5(b) of MI 61-101 as the Company’s Shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(1)(a) of MI 61-101 in that the fair market value of the Settlements did not exceed 25% of the Company’s market capitalization. As the material change report disclosing the Settlement is being filed less than 21 days before the transaction, there is a requirement under MI 61-101 to explain why the shorter period was reasonable or necessary in the circumstances. In the view of the Company it was necessary to immediately close the Settlement and therefore, such

shorter period was reasonable and necessary in the circumstances to improve the Company's financial position.

BevCanna also announced today that it has entered into a marketing and investor relations agreement (the "Agreement") dated April 27, 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 Company for a term of one month (the "Term"), for total cash consideration of €125,000, €25,000 of which was paid upon entry into the Agreement, with the remaining amount payable over the Term.

About BevCanna Enterprises Inc.

[BevCanna Enterprises Inc.](#) (CSE: BEV, Q:BVNNF, FSE:7BC) develops and manufactures cannabinoid-infused beverages and consumer products for in-house brands and white label clients. With decades of experience creating, branding and distributing iconic brands that have resonated with consumers on a global scale, the team demonstrates an expertise unmatched in the emerging cannabis beverage category. Based in British Columbia, Canada, BevCanna has a 292-acre outdoor cultivation site in the Okanagan Valley and the exclusive rights to a pristine spring water aquifer, access to a world-class 40,000-square-foot, HACCP certified manufacturing facility, with a current bottling capacity of up to 210M bottles per annum. BevCanna's vision is to be a global leader in infused innovations.

On behalf of the Board of Directors:

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

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