

HeavenlyRx Announces Strategic Investment In Iconic Beverage Brand Jones Soda And Designates Former Kelloggs President Paul Norman To The Jones Soda Board

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HeavenlyRx's Investment Gives It A Substantial Interest In Jones Soda With An Additional Option To Increase To 51%

HeavenlyRx Will Drive Jones Soda CBD Strategy And Accelerate Its Launch Into The Highly Lucrative Infused Beverage Market

TORONTO, July 11, 2019 /CNW/ - International hemp and CBD company HeavenlyRx Ltd.

("HeavenlyRx" or the "Company") is pleased to announce a significant investment in Jones Soda Co. ("Jones Soda") (OTCQB: JSDA), a leading premium soda-maker based in Seattle, Washington.

HeavenlyRx has acquired from Jones Soda 15 million common shares, representing approximately 25% of the total issued and outstanding common shares of Jones Soda after giving effect to the issuance. As part of its investment, HeavenlyRx was issued a warrant to acquire 15 million common shares that, if exercised, would increase HeavenlyRx's common share ownership of Jones Soda to approximately 39%. Additionally, from time to time prior to the exercise in full of the warrant, HeavenlyRx may purchase Jones Soda shares in the open market of up to 50 percent of the number of shares purchased upon partial exercise of the

warrant. The contractual restrictions on HeavenlyRx's purchase of additional shares of Jones Soda terminate upon the earlier of full exercise of the warrant or two years after the issuance of the warrant (or earlier with approval of Jones Soda's board of directors), at which time HeavenlyRx may make additional purchases of shares, whether in the open market or otherwise, to acquire a majority controlling interest in Jones Soda.

Upon closing of the initial share purchase, Heavenly Rx is entitled to designate two members to Jones Soda's board of directors. With their designation of key industry leaders to Jones Soda's board of directors, the first of which will be their CEO Paul Norman, HeavenlyRx intends to provide Jones Soda with vital industry connections and high-level counsel to positively shape the outlook and future of Jones Soda as a leading premium soda maker.

HeavenlyRx believes there are numerous operational and strategic opportunities to maximize shareholder value in Jones Soda. Paul Norman, CEO of HeavenlyRx, stated "I and the rest of the HeavenlyRx team are fully committed to investing in accelerating the growth of the existing core business of the iconic Jones Soda brand as well as developing a range of CBD-infused products. Jones Soda is in an ideal position to become a market leader in cannabinoid wellness beverages. The Jones Soda leadership has built an incredible brand, and we're excited to help them enter this new growth phase."

The Seattle-based Jones Soda Co., founded in 1986, is known for its wide variety of flavored craft sodas, made with pure cane sugar and other high-quality ingredients. Jones Soda's most recent product launch, Jones Ginger Beer - as well as two new sugar-free soda flavors - join its core brands including its Jones Soda product line, Jones Carbonated Candy, and Lemoncocco, a premium non-carbonated drink made with high-quality lemon and coconut flavors. Jones Soda is sold in eye-catching glass bottles and cans and fountains at restaurants with distribution throughout North America. Jones Soda continues to innovate its core brands as demand for healthier sodas that contain high-quality ingredients grows. They have redeveloped the majority of their product lines using colors derived from natural sources.

HeavenlyRx will review its investment in Jones Soda continually and reserves the right to take any action with respect to its investment it deems appropriate, including, but not limited to selling some or all of the common shares that HeavenlyRx holds, or otherwise modifying its investment strategy concerning Jones Soda.

About HeavenlyRx Ltd.

HeavenlyRx holds controlling ownership interests in various industry-leading assets in the hemp/CBD and THC-free cannabinoid wellness space, with a focus on hemp cultivation, processing and the manufacturing of a diverse range of traditional CBD products including oils, tinctures, balms, and vape-ready products. HeavenlyRx's portfolio will include several proprietary brands across numerous consumer product group verticals, including cosmetics and beauty products, bath and body products, and infused foods.

Cautionary Statements

This press release contains "forward-looking information" within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking information. In some cases, forward-looking information can be identified by words or phrases such as "may", "will", "expect", "likely", "should", "would", "plan", "anticipate", "intend", "potential", "proposed", "estimate", "believe" or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy.

By their nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual results to differ materially from the forward-looking information in this press release. Such factors include, but are not limited to: the Company's ability to comply with all applicable governmental regulations in a highly regulated business; investing in target companies or projects which have limited or no operating history and are engaged in activities currently considered illegal under US federal laws; changes in laws; limited operating history; reliance on management; requirements for additional financing; competition; inconsistent public opinion and perception regarding the medical-use and adult-use marijuana industry; and regulatory or political change.

Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information. The forward-looking information contained herein is made as of the date of this press release and is based on the beliefs, estimates, expectations and opinions of management on the date such forward-looking information is made. The Company undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

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