

Entheos Enters into Definitive Share Exchange Agreement for the Acquisition of the BC Bud Corporation, Provides Transaction Update

Trading symbol: TSX-V-NEX: ENTH.H

VANCOUVER, BC, June 25, 2021 /CNW/ - Entheos Capital Corp. (the "Company"), announces that, further to its press release dated February 11, 2021, it has entered into a definitive share exchange agreement dated for reference March 15, 2021 with the BC Bud Corporation ("BCBC") and all of its shareholders for the acquisition of all of the issued and outstanding shares of BCBC (the "Transaction").

Upon the successful completion the proposed acquisition of the securities of BCBC (the "Transaction"), it is anticipated that the Company will carry on the business of BCBC (the "Resulting Issuer") and will seek to delist its common shares from the TSX Venture Exchange ("TSXV") and list its common shares on the Canadian Securities Exchange ("CSE") such that on the date of closing, the common shares of the Resulting Issuer would be listed on the CSE as a life science issuer in the cannabis industry. The Transaction constitutes a 'reverse takeover' of the Company.

Transaction Summary

As previously announced, pursuant to the Transaction, the Company will issue 26,250,000 common shares in its capital ("ENTH Shares") to the holders of common shares in the capital of BCBC ("BCBC Shares").

The Transaction is subject to a number of terms and conditions, including, but not limited to, the approval of a majority of the minority shareholders in the Company at a meeting of shareholders to be held on July 29, 2021, and the approval of the CSE and other applicable regulatory authorities. Additionally, the delisting of the ENTH Shares in advance of the listing on the CSE will also require the approval of a majority of the minority shareholders in the Company.

As previously noted, two directors of the Company, being CEO Brayden Sutton and Director Josh Taylor are each the holders of 40% of the issued and outstanding shares of BCBC, the Transaction constitutes a 'related party transaction' as defined in Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"). As a result, the completion of the Transaction will be subject to the valuation and majority of the minority shareholder approval requirements of MI 61-101.

The Transaction has been reviewed and considered by the Company's independent director. Malahat Valuation Group has prepared an initial valuation report dated December 21, 2020 in respect of BCBC which concludes that the fair market value of BCBC is in the range of \$7.9-\$8.7 million.

Management and Board of Directors of Resulting Issuer

As previously announced, upon completion of the Transaction, Corey Larricq will resign as a Director of the Company and Samantha Shorter will resign as Chief Financial Officer of the Company. Brayden Sutton will remain as CEO and a Director and Josh Taylor will remain as a Director and be appointed as President.

In addition, the Company is pleased to announce that Dayna Lange and Justin Chorbajian will join the board of the Company on completion of the Transaction.

Ms. Lange is a founding partner, the Managing Director, Chief Financial Officer and Chair of the Board of Tricanna Industries Inc., a Standard Processor in the cannabis industry, located in Mission, British Columbia. She is also the Alternate Responsible Person on the Company's Health Canada license, assisting the Responsible Person with regulatory compliance reporting. In her journey from transforming a 'pipe dream' that started in 2018 to the business that it is today, she has grown to a team of over 30 employees in just a few short months since obtaining their Health Canada license. The many challenges and roadblocks encountered along the way has fed her soul and ignited her passion to push forward and not give up in times when that would have been the easier choice. She is proud to be working with some of the top growers and brands in the Canadian Cannabis industry as their processing partner and is excited to continue to grow Tricanna's top tier customer base by way of delivering high quality, trusted and reliable packaging and processing solutions to the industry. Dayna is currently filling not only the role of Managing Director, but also CFO, in charge of all financial and accounting functions, budgeting, safeguarding of assets, sales and customer relationships, vendor relationships, and human resource functions of the company. Previous to Tricanna, Ms. Lange spent the last 15 years working as a public practice accountant. She obtained her Chartered Accounting designation in 2009 and went on to complete her In Depth Tax Course with the BC Institute of Chartered Accountants. Ms. Lange is a Chartered Professional Accountant

Mr. Justin Chorbajian is the co-owner of the largest chain of privately owned hydroponic shops in Canada and has operated in the retail market for over 20 years, including co-creating Green Plant Nutrients and Green Planet Wholesale. These companies complete his vertical integration in the cannabis industry, including both manufacturing and distributing hydroponic equipment. His companies operate in the UK, Australia and North America. Mr. Chorbajian is a frequent contributor on 'Growing Exposed' a leading video series on cannabis cultivation.

The Company will identify a new Chief Financial Officer and Corporate Secretary and provide an update once confirmed.

Shareholder Meeting

Approval for the Transaction will be sought from the Company's shareholders at the annual and special meeting of shareholders currently scheduled for July 29, 2021, which will be held electronically. Materials for the meeting will be mailed to shareholders of the Company on July 2, 2021 and posted under the Company's profile on SEDAR at www.sedar.com.

Information Concerning BCBC

BCBC is incorporated under the laws of Canada and is an early-stage company pursuing premium recreational cannabis products in the cannabis industry through licensing, manufacturing and joint venture agreements with licensed producers under the *Cannabis Act*. BCBC is not a licensed producer. Its expected branded products will include The BC Bud Co. flower products, edibles under the brand 'Canna Beans', concentrates sold as Solventless Solutions, 'Buds' beverages line and select lifestyle apparel.

Trading Halt

The Company's shares continue to be halted from trading and are expected to remain halted pending completion of the Transaction. The Company does not anticipate that trading of its shares will resume on the NEX and will only re-commence upon listing with the CSE.

Forward-Looking Statements

This news release contains certain "forward looking statements" including, for example, statements relating to the completion of the Transaction and the Resulting Issuer's anticipated share capital. Such forward-looking statements involve risks and uncertainties, both known and unknown. The results or events depicted in these forward-looking statements may differ materially from actual

results or events. In addition to other factors and assumptions which may be identified herein, assumptions have been made regarding and are implicit in, among other things: receipt of regulatory approvals, the Company's ability to complete the Transaction, the state of the capital markets, the impact of the COVID-19 pandemic, the ability of the Resulting Issuer to successfully manage the risks inherent in pursuing business opportunities in the cannabis industry, and the ability of the Resulting Issuer to obtain qualified staff, equipment and services in a timely and cost efficient manner to develop its business. Any forward-looking statement reflects information available to the Company as of the date of this news release and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

Entheos Capital Corp.

"Brayden R. Sutton"

Brayden R. Sutton, Chief Executive Officer

Neither the TSX Venture Exchange nor its Regulation Services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Completion of the Transaction is subject to a number of conditions, including stock exchange acceptance and majority of the minority Shareholder approval. The Transaction cannot close until the required Shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the Information Circular and Listing Statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative. The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

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