



AREV NANOTEC BRANDS INC.
PRESS RELEASE

AREV ENTERS INTO JOINT VENTURE TO EXTRACT FUNCTIONAL MUSHROOMS

VANCOUVER, BC / July 9, 2020 / AREV Nanotec Brands Inc. (CSE: AREV) (OTC: AREVF) (“AREV”) is pleased to announce that it has entered into a Joint Venture Agreement with Absolem Mushroom Extraction Inc. (“Absolem”) dated June 18, 2020.

The Transaction involves two stages. During the first stage (“Stage 1”), Absolem will make the cash and share payments to Arev described below, and Arev will undertake the development work described below. In the second stage (“Stage 2”), informed in part by the results of the development work undertaken by Arev in Stage 1, Absolem and Arev will produce and sell mushroom extracts and mushroom-based products. Each of Stage 1 and Stage 2 of the Transaction is subject to receipt of applicable regulatory and stock exchange approvals. This JV Agreement replaces the Letter Agreement, as announced November 2019.

Absolem will pay \$100,000 to Arev, of which \$20,000 will be paid in cash (the “Cash Payment”), and \$80,000 will be paid by the issuance to Arev of common shares of Absolem at a price of \$0.075 per share (the “Payment Shares”). Subject to AREV’s satisfaction of due diligence under subsection 1(a), Arev agrees forthwith to apply the Cash Payment to the purchase of specific additional extraction equipment, particulars of which have been provided to Absolem prior to the date of this Letter Agreement (the “New Equipment”). The estimated purchase price of the New Equipment is US \$40,000. Arev will pay the difference between the Cash Payment and the purchase price of the New Equipment. The New Equipment will be owned by Arev. In consultation with Absolem, Arev will conduct research and will develop methods for deriving extracts from mushrooms utilizing the New Equipment and other extraction equipment which it owns (the “Extraction Methods Research”), which research shall not involve any prohibited activities unless official authorization in writing has been granted to Arev for such prohibited activities under Part J of the Canada Food and Drug Regulations. Arev shall not perform nor allow on its premises any illegal activities. Other than the supply of mushrooms, which will be provided by Absolem at Absolem’s expense, the cost of the Extraction Methods Research shall be borne by Arev, but shall not exceed a total investment in the Joint Venture Partnership of \$100,000. All intellectual property generated through the Extraction Methods Research which relates to mushroom extraction methods will vest in Absolem, and all other intellectual property shall vest in Arev, which intellectual property shall include any scientific information related to organic chemistry extraction technologies. The Parties will make their reasonable best efforts to do all things required from each of them to complete the Extraction Methods Research by the end of the year 2020.

Michael Withrow, CEO of AREV, commented: “We are honored to have been selected to be the extraction company of choice by Absolem. The team at Absolem has identified the next big trend in natural medicines and we are delighted to be part of this innovation. This collaboration will potentially lead to another line of branded ingredients and formulations produced by AREV and build on our revenue stream.”

Ken Kuiper, CEO of Absolem, commented; “We are delighted to be partnering with AREV, as our extraction company. As the demand for natural medicine and mushrooms is growing and gaining in popularity, we believe that investing in the research and development of the extraction process will set us apart and help us better serve our customers. We will in-



novate new patented extraction methods, explore alternative analogs of the mushrooms and increase the bio-availability of extracted compounds.”

This transaction is subject to the approval of the CSE.

For further information, contact Mike Withrow, mike@AREVBrands.com 778-379-8551.

On behalf of the Board,

Mike Withrow
CEO & Director

About AREV NanoTec Brands Inc.

AREV NanoTec Brands Inc. (“AREV”) produces and sells functional ingredients produced via its proprietary extraction systems. These premium ingredients and products are targeted for the natural health, medical, functional food, nutraceutical, sport nutrition markets. AREV’s model is to toll process extraction of targeted essential and functional oils and license its formulations to Licensed Producers in Canada. The company utilizes toll processors in foreign countries to encapsulate and package its formulations that can be sold in traditional distribution channels and online.

About Absolom Mushroom Extraction Inc.

Absolom is a company focused on the health and wellness benefits derived from extracts from a variety of mushroom types.

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FORWARD LOOKING INFORMATION

Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in policies of the CSE) accepts responsibility for the adequacy or accuracy of this release. This news release may include forward-looking statements that are subject to risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forward looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements except as required under the applicable laws. This press release contains forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. Although the Company believes that the expectations and assumptions



on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. These statements speak only as of the date of this press release. Actual results could differ materially from those currently anticipated due to a number of factors and risks various risk factors discussed in the Company's Management's Discussion and Analysis under the Company's profile on www.sedar.com.