

## SBD Capital to Acquire Cannabis Beverage and Lifestyle Brand DRIP Beverages

TORONTO, Sept. 26, 2019 (GLOBE NEWSWIRE) -- SBD Capital Corp. (**CSE:SBD**), (The “**Company**” or “**SBD**”) is pleased to announce that it has executed a Non-binding Letter of Intent (“LOI”) with DRIP Beverages Inc. (“Drip”) dated September 19, 2019 where it is contemplated that SBD will acquire DRIP Beverages. The companies expect to enter into a definitive binding agreement in the coming weeks. This transaction will not result in a change of business for SBD.

Vancouver-based Drip Beverages will spearhead SBD’s efforts in entering the cannabis beverage industry and further strengthen SBD Capital’s scope of business.

Founded in 2018, Drip Beverages is a cannabis beverage and lifestyle brand with deep roots in both the cannabis and beverage alcohol space. Drip has brought together a best-in-class partner network, and a world class consortium of industry experts to become an emerging category leader in cannabis infused beverages.

Drip has spent approximately \$150,000 in startup costs to date in the current fiscal year.

Using a proprietary approach to formulating low calorie micro-dosed products, Drip Beverages has evolved its product lines to suit the tastes of both Cannabis and CBD beverage consumers. By leveraging partners with proprietary extraction IP, and a history of established sales brands, Drip Beverages will allow SBD Capital to move into the market at unparalleled speed and efficiency.

“Since 2018, Drip Beverages has been committed to creating highly effective, on trend solutions for the cannabis beverage space,” said SBD Capital Director Brian Stecyk. “We look forward to working closely with the Drip team to maintain momentum for the products as they take hold in the US Marketplace. We know that CBD has the potential to disrupt the beverage industry, and are confident that our suite of brands will build brand strength and category relevance with new product innovations, breakthrough marketing strategies, and industry education and advocacy”.

The proposed non-arm’s length transaction outlined in the non-binding LOI provides for provision of 10 million shares at a price of \$0.12 per common share to be issued over a three (3) year period with 1 million issued immediately and the balance to be released quarterly, 3 million warrants exercisable within two (2) years at a price of \$0.15 per common share and 1 million options exercisable within two (2) years at a price of \$0.15 per common share. These shares, warrants and options are to be provided to the principals of Drip. If all of the warrants and options are converted into SBD common shares along with the 10 million purchase shares of SBD the principals of Drip will effectively own 36% of the resulting outstanding common shares of SBD.

The acquisition will inject SBD Capital Corp, in the global Cannabis market which is estimated to reach \$32 billion by 2022. The vast majority of this growth will come from North America with Canada and California driving growth. (Source: GDS Analytics, 2018).

On behalf of SBD Capital Corp.  
John Dyer, Interim CEO & CFO  
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