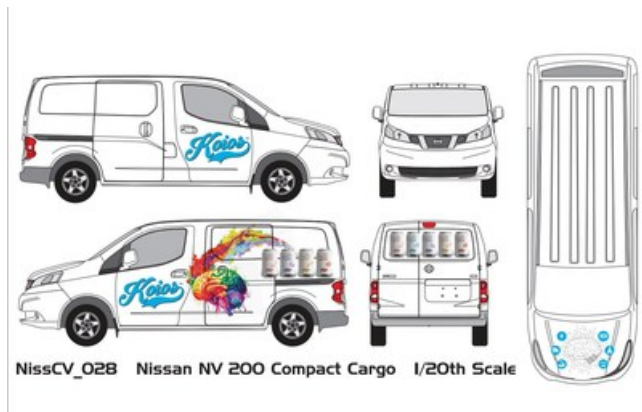


Koios adopts direct delivery for cannabis and CBD-infused beverages

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VANCOUVER, Sept. 6, 2018 /CNW/ - Koios Beverage Corp. (CSE: KBEV)(OTC: KBEVF) (the "Company" or "Koios") today unveiled the Company's plans to market its line of cannabis and CBD-infused beverages through an innovative distribution model, generally known as Direct Store Delivery (DSD) and Direct to Customer (D2C) sales.



Koios Beverage Corp. is preparing a fleet of branded delivery vans as part of its plan to adopt a Direct Store Delivery model of distribution in its home state of Colorado. (CNW Group/Koios Beverage Corp.)

Cannabis beverages are produced and distributed through the Company's wholly owned subsidiary, Cannavated Beverage Corp. in partnership with Keef Brands.

Direct Store Delivery involves selling and shipping directly to retail stores that carry Koios products, with no use of any independent third party – neither an independent wholesaler, nor the retailer's own warehouses.

"We're a company that thrives on innovation, and we're not afraid to do things differently when it makes sense to do so," said Koios CEO Chris Miller. "Building out distribution partnerships takes a lot of time and a lot of money, and adds additional cost to your products as you pay the middleman.

"By shipping directly to our retail partners and to our customers, we avoid a lot of these costs, and at the same time we better control our sales, our marketing and our business relationships."

Koios has now purchased the first of what will be a fleet of branded delivery vans that will soon be seen travelling the streets and highways of Colorado.

"Many of the other companies in this space don't employ their own sales teams and rely instead on third parties," Miller explains. "In our experience, this can hurt your brand in the early days as you hand over the important job of building relationships at all levels to someone else.

"Instead, we've chosen to own those relationships. Our branded vans and delivery routes create more awareness as we build out our retail and Direct to Consumer channels, and if you ever spend a day in the field with our route sales staff, you can see the relationships we've built at the store level are very strong."

Miller said Koios is also seeing growing success with its Direct to Consumer online sales, which

doubled this month over last month.

"We're building relationships with our stores and our customers, and this process also allows us to cut our costs and pass those savings on to the consumer," Miller said.

The direct distribution model is particularly important, Miller explains, as Cannavated begins to distribute its CBD-infused or cannabis beverages. While cannabis is legal in Colorado and several other states, very few distributors are knowledgeable about cannabis and CBD beverages.

The Direct to Consumer model is growing rapidly, and in 2015 comprised 9.4 per cent of the entire retail market in the United States. ("The Rise of the 21st Century Brand Economy," February, 2018, Interactive Advertising Bureau)

"This is particularly important to us in this very new industry, where we're still figuring out what consumers really want in a CBD or cannabis infused beverage," said Miller. "By controlling our own production, our own distribution, and our relationship with the consumer, we can constantly improve our products based on the input from our customers and our retailers, while reducing our cost of managing our inventory."

The first Koios direct delivery van is already rolling on the streets of Denver today, Miller said, and the Company has also introduced an improved Direct to Customer experience on its online portal at koiosbeveragecorp.com.

On behalf of the Board of Directors of the Company
Chris Miller, CEO and Director, KOIOS BEVERAGE CORP.

About Koios Beverage Corp.

The Company, through its wholly-owned subsidiary Koios, Inc., is an emerging functional beverage company which has an available distribution network of more than 2,000 retail locations across the United States in which to sell its products. Koios has relationships with some of the largest and most reputable distributors in the United States, including Europa Sports, Muscle Foods USA, KeHE, and Wishing-U-Well. Koios is also the sole owner of Cannavated Beverage Corp., a subsidiary that develops beverage products and formulas for the growing cannabis market. Through its agreement with Keef Brands, the largest producer of cannabis beverages in North America, Cannavated enjoys distribution throughout the State of Colorado and is preparing for distribution in additional US states where cannabis use is legal.

Koios uses a proprietary blend of nootropics and natural organic compounds to enhance human productivity without using harmful chemicals or stimulants. Koios products can enhance focus, concentration, mental capacity, memory retention, cognitive function, alertness, brain capacity and create all day mental clarity. Its ingredients are specifically designed to target brain function by increasing blood flow, oxygen levels and neural connections in the brain.

Koios is one of the only drinks in the world to infuse its products with MCT oil. MCT oil is derived from coconuts and has been shown to help the body burn fat more effectively, create lasting energy from a natural food source, produce ketones in the brain, allowing for greater brain function and clarity, support healthy hormone production and improve immunity. For more information, please visit our website: koiosbeveragecorp.com

Forward-Looking Statements

This news release contains forward-looking statements. All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements in this news release include: (i) the statement that the Company plans to market its line of cannabis and CBD-infused beverages through Direct Store Delivery and Direct to Customer

sales; (ii) the statement that the Company plans to have a fleet of branded delivery vans in Colorado; (iii) the statement that direct shipping methods will lower the Company's costs and allow the Company to pass those savings on to its customers; (iv) the statement that the direct shipping methods will enable the Company to constantly improve its products; and (v) the statement with respect to the growth of the Direct to Consumer model. The forward-looking statements reflect management's current expectations based on information currently available and are subject to a number of risks and uncertainties that may cause outcomes to differ materially from those discussed in the forward-looking statements. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to their inherent uncertainty. Factors that could cause actual results or events to differ materially from current expectations include: (i) adverse market conditions; (ii) changes to the growth and size of the functional beverage market, the cannabis-infused beverage market and the cannabis market generally; (iii) consumer acceptance and adoption of functional beverages and cannabis-infused beverages as compared to other beverages; (iv) changes to the regulations that apply to the Company and licensed producers, cultivators or other regulated cannabis companies; (v) regulatory changes which may impact the functional beverage and cannabis-infused beverage market; and (vi) other factors beyond the control of the Company. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.

Koios has not conducted any scientific studies on the effects of Koios' products which have been evaluated by Health Canada or the U.S. Food and Drug Administration. As each individual is different, the benefits, if any, of taking Koios' products will vary from person to person. No claims or guarantees can be made as to the effects of Koios' products on an individual's health and wellbeing.

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