

THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR PUBLICATION, RELEASE OR DISSEMINATION IN THE UNITED STATES.

## **BZAM LTD. ANNOUNCES \$2 MILLION BROKERED PRIVATE PLACEMENT LED BY CHAIRMAN AND LARGEST SHAREHOLDER**

**Vancouver, BC and Toronto, ON, October 2, 2023** – BZAM Ltd. (the “**Company**” or “**BZAM**”) (**CSE: BZAM (US-OTC:BZAMF)**), a leading Canadian cannabis producer, has entered into an engagement letter with Clarus Securities Inc. (the “**Agent**”), pursuant to which the Agent has agreed to conduct, on a “best-efforts” marketed basis, a private placement (the “**Offering**”) of at least 15,384,615 units (each, a “**Unit**”) at an issue price of C\$0.13 per Unit (the “**Offering Price**”) for aggregate gross proceeds of approximately C\$2,000,000. The Units will be offered by way of the listed issuer financing exemption under Part 5A of National Instrument 45-106 – *Prospectus Exemptions* (the “**Listed Issuer Financing Exemption**”).

Matt Milich, the Chief Executive Officer of the Company, stated: “We are incredibly grateful for the support of our Chairman throughout the post-merger integration process. Now that we have effectively completed our post-merger plan, we look forward to the next chapter as we target positive free cashflow in the first quarter of 2024.”

Each Unit will consist of one common share (each, a “**Share**”) and one Share purchase warrant (each, a “**Warrant**”), with each Warrant entitling the holder thereof to acquire one Share (each, a “**Warrant Share**”) at an exercise price of C\$0.18 per Warrant Share for a period of three years from the Closing Date (as defined below).

Further to the engagement letter, the Agent may offer up to a maximum of 21,153,846 Units for aggregate gross proceeds of approximately C\$2,750,000 and the Company has granted the Agent an option (the “**Over-Allotment Option**”), exercisable in whole or in part, to purchase up to an additional 3,173,076 Units for a period of 30 days from and including the Closing Date to cover over-allotments, if any, and for market stabilization purposes. The Agent shall be under no obligation whatsoever to exercise the Over-Allotment Option in whole or in part. If the Over-Allotment Option is exercised in full, the aggregate gross proceeds of the Offering will be approximately C\$3,162,500.

The Company intends to use the proceeds of the Offering for general corporate expenses and working capital purposes.

The Offering is expected to close on or about October 12, 2023, or such other date as may be agreed upon by the Company and the Agent (the “**Closing Date**”) and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals, including the approval of the Canadian Securities Exchange (“**CSE**”). There can be no assurances that the Offering will be completed on the terms set out herein, or at all, or that the proceeds of the Offering will be sufficient for the purposes of the Company set out herein.

Subject to compliance with applicable regulatory requirements and in accordance with the Listed Issuer Financing Exemption, the Units will be offered for sale to purchasers resident in Canada, except Québec, and other qualifying jurisdictions. Since the Offering is being completed pursuant to the Listed Issuer Financing Exemption, the securities issued in the Offering will not be subject to a hold period pursuant to applicable Canadian securities laws.

There is an offering document prepared in the form prescribed by Form 45-106F19 under Canadian securities laws, relating to the Offering (the “**Offering Document**”) that can be accessed under the Company’s profile at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company’s website at [www.bzam.com](http://www.bzam.com). Prospective investors should read the Offering Document before making an investment decision.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), and may not be offered or sold to, or for the account or benefit of, persons in the “United States” or “U.S. persons”(as such terms are defined in Regulation S under the U.S. Securities Act) absent registration under the U.S. Securities Act and all applicable state securities laws or pursuant to an exemption from such registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The Company expects certain insiders of the Company to purchase Units issued as part of the Offering. As such, the Offering is considered to be a “related party transaction” for purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). Pursuant to MI 61-101, the Company will file a material change report providing disclosure in relation to each “related party transaction” on SEDAR under BZAM’s issuer profile at [www.sedarplus.ca](http://www.sedarplus.ca). The Company did not file the material change report more than 21 days before the expected Closing Date as the details of the Offering and the participation therein by the “related parties” of the Company were not settled at such time. The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements available under MI 61-101. The Company is exempt from the formal valuation requirement in section 5.4 of MI 61-101 in reliance on section 5.5(a) of MI 61-101 as the fair market value of the transaction, insofar as it involves interested parties, is not more than the 25% of the Company’s market capitalization. Additionally, the Company is exempt from minority shareholder approval requirement in section 5.6 of MI 61-101 in reliance on section 5.7(1)(a) as the fair market value of the transaction, insofar as it involves interested parties, is not more than the 25% of the Company’s market capitalization.

*This news release is not for publication or distribution, directly or indirectly, in or into the United States. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities of BZAM Ltd. in the United States, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities offered have not been and will not be registered under the United States Securities Act of 1933, as amended, or any U.S. state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons unless registered under the United States Securities Act of 1933, as amended, and applicable state securities laws or unless an exemption from such registration is available. No public offering of securities is being made in the United States.*

#### **About BZAM Ltd.**

BZAM Ltd. (CSE: BZAM) (US-OTC: BZAMF) is a leading Canadian cannabis producer with a focus on branded consumer goods, innovation, quality, consistency, integrity and transparency. The BZAM family includes core brands BZAM™, TGOD™, ness™, Highly Dutch Organic™, TABLE TOP™, and partner brands Dunn Cannabis, FRESH and Wyld. BZAM operates facilities in BC, Alberta, Ontario and Quebec, as well as a retail store in Regina, Saskatchewan.

BZAM's Shares and certain warrants issued under the indentures dated June 12, 2020, October 23, 2020 and December 10, 2020 currently trade on the CSE under the symbol "BZAM", "BZAM.WR", "BZAM.WA", and "BZAM.WB" respectively. BZAM's Shares trade in the U.S. on the OTCQX under the symbol "BZAMF". For more information on BZAM Ltd., please visit [www.bzam.com](http://www.bzam.com).

## **CONTACT INFORMATION**

Matt Milich, CEO  
[mmilich@bzam.com](mailto:mmilich@bzam.com)  
778-655-6335

Lisa Stewart, Investor Relations  
[lstewart@bzam.com](mailto:lstewart@bzam.com)  
604-341-8177

## **Cautionary Statements**

*This news release includes statements containing certain "forward-looking information" within the meaning of applicable securities law ("forward-looking statements"). Forward looking statements in this release include, but are not limited to, statements with respect to the size and terms of the Offering; the timing and ability of the Company to achieve positive free cash flow; the actual Closing Date for the Offering; the ability of the Company to obtain all necessary corporate and regulatory approvals, including Board approval, and any approval required from the CSE; the Company's anticipated use of proceeds from the Offering; the expected participation by insiders in the Offering; the exemption from formal valuation and minority shareholder approval requirements under MI 61-101; and whether the proceeds of the Offering will be sufficient for the purposes of the Company moving forward. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "should", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties (including market conditions) and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements, including those risk factors described in the Company's most recent Annual Information Form filed with Canadian securities regulators and available on the Company's issuer profile on SEDAR at [www.sedarplus.ca](http://www.sedarplus.ca). Although the Company believes that the assumptions and factors used in preparing the forward-looking information or forward-looking statements in this news release are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. The forward-looking information and forward-looking statements included in this news release are made as of the date of this news release. The Company is under no obligation, and 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 expressly required by applicable law.*

*Neither the CSE nor the CSE's Regulation Services Provider (as that term is defined in the policies of CSE) accept responsibility for the adequacy or accuracy of this release.*