

BevCanna Signs Definitive Agreement with Higharchy Ventures to Create and Manufacture Cannabis Infused Beverages in Canada

VANCOUVER, British Columbia--(BUSINESS WIRE)--October 3, 2019--Emerging leader in infused cannabis beverages, BevCanna Enterprises Inc. (CSE:BEV, Q:BVNNF, FSE:7BC), announced today the signing of a definitive agreement with Higharchy Ventures Ltd., a private company incorporated under the laws of the Province of British Columbia (“Higharchy”), to develop, manufacture and launch a portfolio of cannabis beverage brands for distribution in Canada through Higharchy’s growing retail cannabis network. Drinks infused with cannabis or cannabis-derived cannabidiol (CBD) are expected to disrupt the beverage industry as these beverages are projected to be legalized in Canada in October 2019.

“This partnership is a great opportunity to work closely with another emerging leader in the Canadian cannabis space,” said Emma Andrews, Chief Commercialization Officer at BevCanna. “We’ll leverage our existing manufacturing expertise and facilities to help Higharchy realize their vision of producing world-class brands and products, and we will in turn benefit from Higharchy’s retail holdings as we launch our own beverage brands in Canada.”

Under the agreement, BevCanna agreed to manufacture Higharchy’s beverage-related brands, including both in-house and established brands to which Higharchy has or will acquire the Canadian rights. In turn, BevCanna will be a preferred supplier through Higharchy’s cannabis retail holdings where regulations permit. BevCanna will also be the manufacturer of choice, through first right of refusal for additional products and brands outside of the beverage category which Higharchy may develop or acquire.

“At Higharchy, our team brings experience from some of the today’s most respected and loved consumer brands and as a result, intuitively knows the importance and value of building and delivering on consumer-centric experiences,” says Matt Christopherson, Higharchy CEO & Founder and a BevCanna board director. “As we grow and shape cannabis brands, our Higharchy team is committed to delivering beyond shareholder value and serving by doing good for both people and planet.”

Higharchy invests both capital and expertise to the cannabis industry to create and build purpose-led brands that deliver profitable growth and which also contribute to the sustainability and vitality of people, the communities where they live, work and play, and the planet. Higharchy’s flagship investment, West Coast Cannabis Store, is set to open in fall 2019 in both British Columbia and Alberta; is currently the largest shareholder in Suprette, a cannabis retailer in Ottawa, Ontario where in its first five months of business, generated over \$7M in sales; and, through a loan provided to Higharchy Brands (US) Ltd., is an investor in Keef Brands – one of the largest infused beverage brands in the United States.

As infused beverages are expected to be legalized in Canada October 2019, BevCanna plans to establish an industry-leading retail education and training program focused on educating store staff on the infused beverage category and responsible consumption.

About BevCanna Enterprises Inc.

BevCanna Enterprises Inc. (CSE:BEV) develops and manufactures cannabinoid-infused beverages and consumer products for in-house brands and white label clients. With decades of experience creating, branding and distributing iconic brands that have resonated with consumers on a global scale, the team demonstrates an expertise unmatched in the emerging cannabis beverage category. Based in British Columbia, Canada, BevCanna has a 130-acre outdoor cultivation site in the fertile Okanagan Valley and the exclusive rights to a pristine spring water aquifer, as well as a world-class 40,000-square-foot, HACCP certified manufacturing facility, with a current bottling capacity of up to 72M bottles per shift/per annum.

About Higharchy Ventures Ltd.

Higharchy is a Canadian-owned company that creates, launches and grows purpose-led retail and consumer cannabis brands with the foundational belief of highly original possibilities. The company is guided by a strategic framework, its Possibility Pillars, that deliver results for its business, brands, people, communities, and the planet. The company holds an investment in Superette, a cannabis retailer in Ottawa, with Keef Brands (through a loan provided to Higharchy Brands (US) Ltd.) which develops, produces and distributes multiple cannabis-infused product lines, and also has a flagship investment in the West Coast Cannabis Store, with locations in British Columbia and Alberta Canada set to open in the fall 2019. For more information, visit www.Higharchy.com or follow on Twitter [@HigharchyGroup](https://twitter.com/HigharchyGroup) or Instagram [@HigharchyGroup](https://www.instagram.com/HigharchyGroup).

Disclaimer for Forward-Looking Information

This news release contains forward-looking statements under applicable securities laws, including the statements that: drinks infused with cannabis or CBD are expected to disrupt the beverage industry; BevCanna will leverage its existing manufacturing expertise and facilities to help Higharchy realize their vision for producing world-class brands and products, and in turn benefit from Higharchy's retail holdings as BevCanna launches its own beverage brands in Canada; West Coast Cannabis Store is set to open fall 2019 in both British Columbia and Alberta; BevCanna plans to establish an industry-leading retail education and training program; and infused beverages are expected to be legalized in Canada October 2019. These statements are based on certain assumptions, including regarding anticipated changes to Canadian federal legislation to legalize infused beverages. Readers are cautioned not to place undue reliance on forward-looking statements. The assumptions of BevCanna, although considered reasonable by it at the time of preparation, may prove to be incorrect. In addition, forward-looking statements necessarily involve known and unknown risks, including, without limitation, risks associated with future legislative and regulatory developments and other risks. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. BevCanna 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 law.

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