

# BevCanna Enters into Letter of Intent to form Exclusive European Joint Venture Agreement with Mota Ventures

*Cannabis infused beverage expert enters into LOI with prominent Global CBD company*

VANCOUVER, Feb. 6, 2020 /CNW/ - Emerging leader in infused cannabis beverages, BevCanna Enterprises Inc. (CSE:BEV, Q:BVNNF, FSE:7BC) ("**BevCanna**" or the "**Company**") announced today that it has entered into a non-binding letter of intent (the "**LOI**") dated February 6<sup>th</sup>, 2020 to partner with Global CBD operator company, Mota Ventures Corp. (CSE:MOTA, FSE:1WZ:GR, OTC:PEMTF) ("**Mota**"), to manufacture, market, and distribute BevCanna branded hemp-derived CBD products in the European market. Mota will manufacture, market, and distribute BevCanna branded products, including proprietary water-soluble powder beverage mix, and ready to drink beverages, in Europe.

"The JV with Mota is an excellent opportunity for BevCanna to partner with a strong, reputable brand in the Global CBD category," said John Campbell, Chief Strategy Officer at BevCanna. "This agreement will leverage BevCanna's expertise in manufacturing infused cannabinoid products and Mota's reputation for creating safe, effective, high quality CBD products. The European health and wellness market is growing vastly, and Europeans are eager to see more reputable North American brands and options from trust-worthy producers, and we're excited to be able to provide that."

## **Letter of Intent**

Pursuant to the LOI, the parties agreed to negotiate in good faith comprehensive terms in a definitive agreement (the "**Definitive Agreement**") over the next 30 days. The Definitive Agreement will include the terms and conditions set forth below, and additional warranties, representations, covenants and terms and conditions that are customary and consistent with industry standards for this type of transaction.

### **I. Purpose**

- BevCanna and Mota wish to enter into a joint venture to distribute and manufacture BevCanna house brand lines of products in Europe for hemp-derived CBD products.
- The Parties' respective ownership interests in the joint venture will be:  
BevCanna: 50%  
Mota: 50%
- Costs associated with the venture will be allocated proportionate to the ownership interests.
- BevCanna will provide: house brands, formulations, proprietary IP for water-soluble powders, RTD marketing and manufacturing expertise.
- Mota will provide or source: European manufacturing, marketing, and distribution infrastructure.

### **II. European Agreement**

- The parties will work together to jointly determine the appropriate product launch mix and timing for each individual European market, based on existing offerings and market dynamics.
- The initial commercialization territories of the venture will be, but is not limited to, Spain, Portugal, Austria, Germany, France, and the UK.
- The parties will work together to create and sign-off on a comprehensive 5-year launch program forecast.

- The maintenance of exclusivity is subject to mutually agreed upon forecast milestones being met.
- The venture will be for an initial term of 5 years with a subsequent 5-year renewal option.

### III. Conditions

- The venture is subject to satisfactory completion of:
  - a. Due diligence investigations by each party into the other party's business.
  - b. BevCanna demonstrating that its trademarks are transferable to the European market.
  - c. Negotiation and execution of the Definitive Agreement.
  - d. Approval by each party's board of directors.

The Company also announces that it has entered into a marketing and investor relations agreement (the "**Agreement**") dated January 27, 2020 with Aktiencheck.de AG (the "**Consultant**") pursuant to which the Consultant has agreed to provide certain corporate branding, marketing, online corporate communications and investor relations services to the Company for a term of one month for total cash consideration of €50,000, which was paid upon entry into the Agreement.

The Company and the Consultant maintain an arm's length relationship, and the Consultant does not have any interest, directly or indirectly, in the securities of the Company.

### About BevCanna Enterprises Inc.

BevCanna Enterprises Inc. (CSE:BEV, Q:BVNNF, FSE:7BC) 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 292-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 210M bottles per annum.

### About Mota Ventures Corp.

Mota Ventures Corp. (CSE:MOTA, FSE:1WZ:GR, OTC:PEMTF) is seeking to become a vertically integrated global CBD brand. Its plan is to cultivate and extract CBD into high-quality value-added products from its Latin American operations and distribute it both domestically and internationally. Its existing operations in Colombia consist of a 2.5-hectare site that has optimal year-round growing conditions and access to all necessary infrastructure. Mota is looking to establish sales channels and a distribution network internationally through the acquisition of the Sativida and First Class CBD brands. Low cost production, coupled with international, direct to customer sales channels will provide the foundation for the success of Mota Ventures.

### On behalf of the Board of Directors:

John Campbell, Chief Strategy Officer  
Director, BevCanna Enterprises Inc.

### Disclaimer for Forward-Looking Information

Certain information in this news release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact are forward-looking statements. Forward looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend", "estimate" or the negative of these terms and similar expressions. Forward-looking statements in this news release

include, but are not limited to: statements with respect to the proposed venture between BevCanna and Mota; that the JV with Mota is an excellent opportunity for BevCanna to partner with a strong, reputable brand in the Global CBD category; the venture will leverage BevCanna's expertise in manufacturing infused cannabinoid products and Mota's reputation for creating safe, effective, high quality CBD products; that the European health and wellness market is growing vastly, and Europeans are eager to see more reputable North American brands and options from trust-worthy producers and BevCanna will provide that; statements with respect to the proposed Definitive Agreement; statements with respect to Mota, including that it is seeking to become a vertically integrated global CBD brand, its plan is to cultivate and extract CBD into high-quality value-added products from its Latin American operations and distribute it both domestically and internationally, it is looking to establish sales channels and a distribution network internationally through the acquisition of the Sativida and First Class CBD brands, and that low cost production, coupled with international, direct to customer sales channels will provide the foundation for the success of Mota Ventures; statements with respect to the development and manufacturing of cannabinoid-infused beverages and consumer products for in-house brands and white label clients; the emerging cannabis beverage category; and the business plans of the Company.

Forward-looking statements are based on certain assumptions regarding the issuances of licences by Health Canada to the Company under the Cannabis Act; anticipated commercialization of products in 2020; climate conditions; agricultural conditions; and expectations with respect to the future growth of recreational cannabis products. While the Company considers these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Readers are cautioned not to place undue reliance on forward-looking statements. The assumptions of the Company, 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, the Company not being issued licenses by Health Canada; risks associated with general economic conditions; risks associated with climate and agriculture; changes in consumer preferences; adverse industry events; future legislative, tax and regulatory developments; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the inability to implement business strategies; competition; currency and interest rate fluctuations and other risks. Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. 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. For more information on the risk, uncertainties and assumptions that could cause anticipated opportunities and actual results to differ materially, please refer to the public filings of the Company which are available on SEDAR at [www.sedar.com](http://www.sedar.com). Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and reflect our expectations as of the date hereof, and thus are subject to change thereafter. The Company 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. and the Company does not assume any liability for disclosure relating to any other company mentioned herein.

SOURCE BevCanna Enterprises Inc.

View original content to download multimedia:

<http://www.newswire.ca/en/releases/archive/February2020/06/c2611.html>

%SEDAR: 00045480E

**For further information:** For media enquiries or interviews, please contact: Wynn Theriault, Thirty Dash Communications Inc., 416-710-3370, [wynn@thirtydash.ca](mailto:wynn@thirtydash.ca); For investor enquiries, please

contact: Luca Leone, BevCanna Enterprises Inc., 604-880-6618, [luca@bevcanna.com](mailto:luca@bevcanna.com)

CO: BevCanna Enterprises Inc.

CNW 03:05e 06-FEB-20