

Form 62-103F1

Required Disclosure under the Early Warning Requirements

State if this report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

ITEM 1 – SECURITY AND REPORTING ISSUER

- 1.1 *State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.*

This report relates to common shares (each, a “**Share**”) in the capital of Bevcanna Enterprises Inc. (the “**Issuer**”), having a head office address located at Suite 200 - 1672 West 2nd Avenue, Vancouver, British Columbia, V6J 1H4.

- 1.2 *State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.*

On March 16, 2020, Naturo Group Investments Inc. (“**Naturo**”), a company controlled by Marcello Leone (the “**Acquiror**”), the Chief Executive Officer, Chairman and a director of the Issuer, acquired 1,537,411 Shares in connection with the entry into a second amendment (the “**Lease Amendment Agreement**”) dated February 14, 2020 by and among the Issuer, Naturo, and Naturo Springs Inc. (“**Naturo Springs**”), a majority owned subsidiary of Naturo. The Lease Amendment Agreement amended a lease agreement dated June 12, 2018, as amended on August 24, 2018 (the “**Lease**”) among the parties (the “**Transaction**”).

ITEM 2 – IDENTITY OF THE ACQUIROR

- 2.1 *State the name and address of the acquiror.*

Marcello Leone (the “**Acquiror**”)
200 - 1672 West 2nd Avenue
Vancouver, BC, V6J 1H4

- 2.2 *State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.*

The Transaction closed on March 16, 2020 and triggered the requirement of the Acquiror to file this report.

- 2.3 *State the names of any joint actors.*

Please see item 3.1 below.

ITEM 3 – INTEREST IN SECURITIES OF THE REPORTING ISSUER

3.1 *State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's securityholding percentage in the class of securities.*

Prior to the Transaction, the Acquiror directly and indirectly owned and controlled the following securities:

- 1,502,050 Shares held directly;
- 7,095,000 Shares held indirectly by Naturo; and
- 1,600,000 options held directly to purchase an additional 1,600,000 Shares.

Prior to the Transaction, the Acquiror directly and indirectly owned and controlled 10,197,050 Shares, on a partially diluted basis (assuming exercise of all options), which represented 16.63% of the issued and outstanding Common Shares as of March 13, 2020, based on 59,707,827 Common Shares issued and outstanding as of such date.

Following the Transaction, the Acquiror directly and indirectly owned and controlled an aggregate of:

- 1,502,050 Shares held directly;
- 8,632,411 Shares held indirectly by Naturo; and
- 1,600,000 options held directly to purchase an additional 1,600,000 Shares.

After the issuance of the Shares pursuant to the Transaction, the Acquiror directly and indirectly owned and controlled 11,734,461 Shares, on a partially diluted basis (assuming exercise of all options), which represented 18.67% of the issued and outstanding Shares as of March 16, 2020 based on 61,245,238 Shares issued and outstanding as of such date.

3.2 *State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.*

Not applicable.

3.3 *If the transaction involved a securities lending arrangement, state that fact.*

Not applicable.

3.4 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.*

Please see item 3.1 above.

3.5 *State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which*

(a) *the acquiror, either alone or together with any joint actors, has ownership and control,*

Not applicable.

(b) *the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and*

Not applicable.

(c) *the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.*

Not applicable.

3.6 *If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.*

Not applicable.

3.7 *If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.*

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

3.8 *If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.*

Not applicable.

ITEM 4 – CONSIDERATION RECEIVED

4.1 *State the value, in Canadian dollars, of any consideration paid or received per security and in total.*

In connection with the Transaction, Naturo was issued 1,537,411 Shares at a deemed price of \$0.425 per Share for aggregated deemed consideration of \$653,400.

4.2 *In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.*

Please see item 4.1 above.

- 4.3 *If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.*

Please see item 4.1 above.

ITEM 5 – PURPOSE OF THE TRANSACTION

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) *the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;*
- (b) *a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;*
- (c) *a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;*
- (d) *a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;*
- (e) *a material change in the present capitalization or dividend policy of the reporting issuer;*
- (f) *a material change in the reporting issuer's business or corporate structure;*
- (g) *a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;*
- (h) *a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;*
- (i) *the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;*
- (j) *a solicitation of proxies from securityholders;*
- (k) *an action similar to any of those enumerated above.*

The Acquiror acquired the Shares for investment purposes and in consideration under the terms of the Lease Amendment Agreement. The Acquiror has a long-term view of the investments and may acquire additional securities or dispose of securities either on the open market or through private acquisitions in the future depending on market conditions, reformulation of plans and/or other relevant factors and subject to applicable securities laws.

Subject to the release of Shares owned by the Acquiror from escrow pursuant to the Escrow Agreement (as defined below) and the Voluntary Pooling Agreement (as defined below), the Acquiror may, from time to time and at any time, dispose of any or all of such Shares and engage in transactions with respect to such Shares, subject to applicable securities laws.

ITEM 6 – AGREEMENTS, ARRANGEMENTS, COMMITMENTS OR UNDERSTANDINGS WITH RESPECT TO SECURITIES OF THE REPORTING ISSUER

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

3,000,100 Shares beneficially and directly owned and controlled by the Acquiror are subject to an escrow agreement (the "**Escrow Agreement**") dated March 29, 2019 among the Issuer, Odyssey Trust Company, as escrow agent and certain securityholders of the Company, including the Acquiror. 1,300,050 of the Shares owned by the Acquiror are subject to a voluntary pooling agreement (the "**Voluntary Pooling Agreement**") dated September 13, 2018 among the Issuer, Bevcanna Operating Corp., a voluntary pooling agent, and certain securityholders of the Company, including the Acquiror.

ITEM 7– CHANGE IN MATERIAL FACT

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

ITEM 8 – EXEMPTION

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

ITEM 9 – CERTIFICATION

Certificate

I, as the Acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Date: March 18, 2020

“Marcello Leone”

MARCELLO LEONE