

# BevCanna Signs LOI for Exclusive White Labelling Agreement with BC's State B Beverage Co.

*Cannabis-infused beverage expert to manufacture and distribute the new brand's debut line of CBD and THC-infused beverages*

VANCOUVER, BC, July 20, 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") to manufacture white-label CBD and THC-infused beverages for rising British Columbian beverage brand State B Beverage Co. ("State B"). Launched by well-known B.C. mixologist and Master Drink Maker Kelly Ann Woods, State B is part of the Brujera Elixirs Incorporated ("Brujera") house of brands which currently includes Boozewitch (sober-curious mixers) and three additional functional human performance drinks in development.

Under the proposed agreement, BevCanna will leverage its extensive experience developing and launching beverages in the Canadian market to create the new State B beverage concept, which will be a merge of functional beverages and cannabis drinks. BevCanna will also maintain responsibility for regulatory compliance with Health Canada.

State B will hold responsibility for national sales and marketing efforts to launch the product line in Canada. The white label agreement will be for an initial term of three years with a subsequent three-year renewal option.

"The State B brand is an intriguing new concept, and we're excited to be the ones to launch the new line," said John Campbell, Chief Strategic Officer at BevCanna. "Our plan to create a sustainable consistent revenue stream through our white-label portfolio is well on track, and adding the State B brand will add to the momentum."

"BevCanna's experience in formulating functional yet very appealing beverages was exactly what we were looking for in a white-label partner," said Kelly Ann Woods, CEO of Brujera. "Their success in bringing great concepts to life, while maintaining strict regulatory compliance, convinced us that they were the right partner to work with on our new brand."

The Company also announces that it has granted 500,000 stock options to purchase up to 500,000 common shares of the Company to a consultant of the Company. All 500,000 options granted vest immediately upon the grant and are exercisable for a period of 2 years from the date of grant at a price of \$0.30 per common share. The options and the common shares issuable upon the exercise of the options held by the optionee are subject to a hold period of four months from the date of grant of the stock options. None of the securities acquired in the transactions noted above will be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act. This news release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

## **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 resonate 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 Brujera Elixirs Inc.**

Brujera Elixirs Inc. is an award-winning house of beverage brands that bring wellness to the party. Helmed by master formulator, mixologist, sommelier and award-winning business woman Kelly Ann Woods, Brujera is a revolutionary line including two current brands and an additional three products in research and development. Brujera initially introduced Boozewitch, a line of sober-curious mixers for cocktails and mocktails, and soon followed up with State B Essence Elixirs, a a merge of functional beverages and cannabis drinks.

### **On behalf of the Board of Directors:**

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

### Disclaimer for Forward-Looking Information

*This news release contains forward-looking information that involves various risks and uncertainties regarding future events. Such forward-looking information can include without limitation statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the Company. Forward-looking statements made in this news release relate to: the proposed agreement; that BevCanna will leverage its extensive experience developing and launching beverages in the Canadian market to create the new State B beverage concept, which will be a merge of functional beverages and cannabis drinks; that BevCanna will also maintain responsibility for regulatory compliance with Health Canada; that State B will hold responsibility for national sales and marketing efforts to launch the product line in Canada; that the proposed white label agreement will be for an initial term of three years with a subsequent three-year renewal option; that BevCanna will be responsible to launch the new line; that BevCanna's plan to create a sustainable consistent revenue stream through its white-label portfolio is well on track, that adding the State B brand will add to the momentum; and other matters relating to the Company's business plans.*

*There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information, including the inability of the parties to enter into the proposed agreement on the terms announced or at all; the inability of the Company to obtain necessary licences from Health Canada with respect to cannabis; and adverse market conditions. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. The Company disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws, and the Company does not assume any liability for disclosure relating to any other company mentioned herein.*

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CO: BevCanna Enterprises Inc.

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