

**51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

BevCanna Enterprises Inc. (the “**Company**”)  
PO Box 34061 Vancouver D CSC  
Vancouver, British Columbia V6J 4M1

**Item 2 Date of Material Change**

November 13, 2020.

**Item 3 News Release**

The news release dated November 13, 2020 was disseminated via Cision.

**Item 4 Summary of Material Change**

The Company announced that it proposes to complete a non-brokered private placement of up to 10 million units (the “**Units**”) at an offering price of \$0.50 per Unit, to raise gross proceeds of up to \$5.0 million (the “**Offering**”).

**Item 5 Full Description of Material Change.**

*5.1 Full Description of Material Change*

The Company announced that it proposes to complete a non-brokered private placement of up to 10 million Units at an offering price of \$0.50 per Unit, to raise gross proceeds of up to \$5.0 million.

Each Unit will consist of one (1) common share of the Company and one (1) share purchase warrant (the “**Warrants**”). Each Warrant will be exercisable to acquire one additional common share at an exercise price of \$0.75 per share for a period of two (2) years from the date of closing of the Offering. The terms of the Offering are subject to acceptance of the Canadian Securities Exchange.

The proceeds of the Offering will be used to provide working capital support for:

- Expansion of the Company’s Canadian cannabis operations in anticipation of receipt of its Health Canada issued Standard Processing License, and the subsequent commercialization of the Company’s house brand and white-label client products throughout Canada;
- Continued growth of Pure Therapy, the Company’s U.S. nutraceutical and hemp-CBD e-commerce platform;
- Progression of the Company’s retail commercialization strategy for its house brand beverages; and

- Evaluation of prospective M&A opportunities.

There is no minimum aggregate proceeds amount that is required to close the Offering. All securities issued in connection with the Offering will be subject to a statutory hold period expiring four months and one day from the date of issuance in accordance with applicable securities legislation. The Offering will be conducted under available exemptions from the prospectus requirements of applicable securities legislation. Qualifying subscribers who wish to participate in the Offering should contact the Company at the investor relations contact information.

The material change is fully described in Item 4 above and in the attached news release which has been filed on SEDAR.

*5.2 Disclosure for Restructuring Transactions*

Not Applicable.

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

N/A

**Item 7 Omitted Information**

None

**Item 8 Executive Officer**

John Campbell, Chief Financial Officer  
Telephone: 1-604-569-1414

**Item 9 Date of Report**

November 16, 2020.

## Press Release

THIS NEWS RELEASE IS NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES FOR DISSEMINATION IN THE UNITED STATES

### **BevCanna Announces \$5M Above Market Unit Offering**

*Investor interest signalling confidence in the cannabis-infused beverage expert*

VANCOUVER, B.C., November 13, 2020. Emerging leader in cannabis-infused beverages **BevCanna Enterprises Inc.** (CSE:BEV, Q:BVNNF, FSE:7BC) (“BevCanna” or the “Company”) announced today that the Company proposes to complete a non-brokered private placement of up to 10 million units (the “Units”) at an offering price of \$0.50 per Unit, to raise gross proceeds of up to \$5.0 million (the “Offering”).

“We’re very pleased with the show of confidence we’re seeing from prospective investors,” said John Campbell, Chief Financial Officer at BevCanna. “As we approach commercialization of our products in the Canadian market and are seeing significant progress in our U.S. cannabidiol and natural products strategy, we will use the funds to accelerate our cannabis and traditional CPG strategies in both markets. This will further solidify our leadership position within the North American beverage and natural products landscape.”

The proceeds of the Offering will be used to provide working capital support for:

- Expansion of the Company’s Canadian cannabis operations in anticipation of receipt of its Health Canada issued Standard Processing License, and the subsequent commercialization of BevCanna’s house brand and white-label client products throughout Canada
- Continued growth of Pure Therapy, BevCanna’s U.S. nutraceutical and hemp-CBD e-commerce platform
- Progression of the Company’s retail commercialization strategy for its house brand beverages
- Evaluation of prospective M&A opportunities

#### **The Offering**

Each Unit will consist of one (1) common share of the Company and one (1) share purchase warrant (the “Warrants”). Each Warrant will be exercisable to acquire one additional common share at an exercise price of \$0.75 per share for a period of two (2) years from the date of closing of the Offering. The terms of the Offering are subject to acceptance of the Canadian Securities Exchange.

There is no minimum aggregate proceeds amount that is required to close the Offering. All securities issued in connection with the Offering will be subject to a statutory hold period expiring four months and one day from the date of issuance in accordance with applicable securities legislation. The Offering will be conducted under available exemptions from the prospectus requirements of applicable securities legislation. Qualifying subscribers who wish to participate in the Offering should contact the Company at the investor relations contact information set forth below.

None of the securities issued in the Offering 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, OTCQB: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 owns the exclusive rights to a pristine spring water aquifer, access

to a world-class 40,000-square-foot, HACCP certified manufacturing facility, with a current bottling capacity of up to 210M bottles per annum. BevCanna also recently acquired US natural health and wellness e-commerce platform Pure Therapy. BevCanna's vision is to be a global leader in infused innovations.

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

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

**For media enquiries or interviews, please contact:**

Wynn Theriault, Thirty Dash Communications  
416-710-3370  
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**For investor inquiries, please contact:**

Luca Leone, BevCanna Enterprises Inc.  
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luca@bevcanna.com

Forward-Looking Information

This news release may include forward-looking information within the meaning of Canadian securities legislation. Forward-looking information is based on certain key expectations and assumptions made by the management of the Company, including the statements regarding: the Offering, including its terms and the completion thereof, the proceeds to be raised pursuant to the Offering and the intended use of the proceeds; and other statements regarding the business plans of the Company.

Forward-looking statements are based on certain assumptions regarding the completion of the Offering; issuances of licenses by Health Canada to the Company under the Cannabis Act; future positive legislative, tax and regulatory developments with respect to cannabis; a continued high regulatory barrier entry for cannabis-infused beverages; successful and timely commercialization of the company's products; successful and timely negotiation of various agreements; 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 inability of the Company to complete the Offering at all or on the terms announced; the Company not receiving all necessary approvals in respect of the Offering; use of proceeds from the Offering differing from the proposed uses; 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.