

BevCanna Focused on Burgeoning U.S. Market for Functional Beverages and Natural Health Products

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The growing health and wellness products company to evaluate potential partnerships and acquisition targets with a view to expanding its growing portfolio

VANCOUVER, British Columbia--(BUSINESS WIRE)--December 16, 2020--Emerging leader in infused cannabis beverages, BevCanna Enterprises Inc. (CSE:BEV, Q:BVNNF, FSE:7BC) (“**BevCanna**” or the “**Company**”) announced its intention today to further expand into the U.S. market, and is evaluating a list of potential strategic partnership and acquisition targets.

BevCanna is actively targeting strategic partnerships and M&A opportunities within the American market, as well as the potential to expand further into the U.S. through internal growth projects. The Company is specifically seeking strong beverage brands, manufacturers and distributors that have a wide range of capabilities and established distribution networks.

"The U.S. market for plant-based functional beverages and consumer products is exploding," said Marcello Leone, CEO of BevCanna. "We're seeing exceptionally strong year over year growth across a number of wellness categories, and as we evolve into a comprehensive health and wellness company focused on plant-based functional beverages and natural health products, we see unlimited opportunities to bring our products and expertise to this burgeoning market."

The global functional beverages market anticipates a substantial 6.63 per cent CAGR during the 2018-2023 forecast period, with an estimated scaling of US \$234.48B valuation. Market Research Future's (MRFR) detailed report includes segments, competitions, and drivers for better predictive analysis of the future market. Functional beverages are gaining traction with consumers, who see benefits in their key ingredients, including minerals, vitamins, herbs, amino acids, antioxidants, and probiotics.

“BevCanna will now offer one of the most unique and diverse portfolios of beverage and wellness products within the cannabis, plant-based fulvic and humic, and natural health products categories,” added Mr. Leone. “We plan to bring this strength to global markets, including the expansive U.S. base.”

The global minerals supplements market is forecasted to grow at a more than 7.5 per cent CAGR between 2019-2026 and is anticipated to reach a total market value of approximately US \$19.2B by 2026.

One of BevCanna's key initiatives is accelerating the expansion of Naturo's market-leading fulvic and humic mineral beverage TRACE into the U.S. market, along with BevCanna's Anarchist Mountain all-natural ready to drink and ready to mix beverages.

BevCanna will also fully leverage its recently acquired Pure Therapy website, providing it with a proven e-commerce brand and platform to expand and launch proprietary plant-based natural products directly into the global health and wellness market, including the burgeoning U.S. CBD market.

As the Company identifies and forges additional strategic partnerships and acquisitions, it will continue to look for ways to leverage its strong and growing manufacturing, branding and distribution capabilities to capitalize on the increasing consumer demand for wellness-oriented products, by bringing new products to market and expanding upon the success of its current line-up.

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.

Forward-Looking Information

This news release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business of the Company. Forward-looking information is based on certain key expectations and assumptions made by the management of the Company, including the statements regarding: the Company's intention to further expand into the U.S. market, and that it is evaluating a list of potential strategic partnership and acquisition targets; that BevCanna is actively targeting strategic partnerships and M&A opportunities within the American market, as well as the potential to expand further into the U.S. through internal growth projects; that the Company is specifically seeking strong beverage brands, manufacturers and distributors that have a wide range of capabilities and established distribution networks; that the U.S. market for plant-based functional beverages and consumer products is exploding; that the Company sees exceptionally strong year over year growth across a number of wellness categories, and as the Company evolves into a comprehensive health and wellness company focused on plant-based functional beverages and natural health products, the Company sees unlimited opportunities to bring its products and expertise to this burgeoning market; the global functional beverages market anticipates a substantial 6.63 per cent CAGR during the 2018-2023 forecast period, with an estimated scaling of US \$234.48B valuation; that BevCanna will now offer one of the most unique and diverse portfolios of beverage and wellness products within the

cannabis, plant-based fulvic and humic, and natural health products categories; the Company plans to bring this strength to global markets, including the expansive U.S. base; the global minerals supplements market is forecasted to grow at a more than 7.5 per cent CAGR between 2019-2026 and is anticipated to reach a total market value of approximately US \$19.2B by 2026; that one of BevCanna's key initiatives is accelerating the expansion of Naturo's market-leading fulvic and humic mineral beverage TRACE into the U.S. market, along with BevCanna's Anarchist Mountain all-natural ready to drink and ready to mix beverages; that BevCanna will also fully leverage its recently acquired Pure Therapy website, providing it with a proven e-commerce brand and platform to expand and launch proprietary plant-based natural products directly into the global health and wellness market, including the burgeoning U.S. CBD market; the Company will continue to look for ways to leverage its strong and growing manufacturing, branding and distribution capabilities to capitalize on the increasing consumer demand for wellness-oriented products, by bringing new products to market and expanding upon the success of its current line-up; and other statements regarding the business plans of the Company.

Forward-looking statements are based on certain assumptions regarding the 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; the closing of the Company's previously announced acquisition of Naturo Group Investments Inc.; 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. 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.

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