

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

**Item 1 Name and Address of Company**

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

**Item 2 Date of Material Change**

March 23, 2021.

**Item 3 News Release**

The news release dated March 23, 2021 was disseminated via Cision.

**Item 4 Summary of Material Change**

The Company announced that it has added two veteran CPG senior sales leaders to the organization. Raffael Kapusty will join the company as Vice-president of Sales and Insights and Bill Niarchos will hold the role of Vice-president of Sales and Sales Operations.

**Item 5 Full Description of Material Change**

*5.1 Full Description of Material Change*

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**

March 23, 2021.

## **BevCanna Further Strengthens CPG Expertise with the Addition of Former Colgate and Unilever Executives to the Team**

*The appointment of Raffael Kapusty and Bill Niarchos to sales leadership roles will accelerate the Company's CPG expansion*

VANCOUVER, British Columbia--(BUSINESS WIRE)--March 23, 2021--Diversified health and wellness, beverage and natural products company, BevCanna Enterprises Inc. (CSE:BEV, Q:BVNNF, FSE:7BC) ("**BevCanna**" or the "**Company**") announced today that it has added two veteran CPG senior sales leaders to the organization. Raffael Kapusty will join the company as Vice-president of Sales and Insights and Bill Niarchos will hold the role of Vice-president of Sales and Sales Operations.

Ms. Kapusty and Mr. Niarchos will play a critical role in the BevCanna's transformation into a diversified beverage and natural products company, working in tandem to lead the Company's domestic and international sales execution and scale the points of distribution. Priorities will include further bolstering BevCanna's white-label clientele and expanding its international CPG distribution network of Canadian and U.S. big box retailers.

"We are very excited about Raffael and Bill joining the team and further strengthening our CPG expertise," said Melise Panetta, President of BevCanna. "As we continue our transformation into a diversified beverage and natural products company, we're adding capabilities in a number of key areas, and Raffael's and Bill's extensive experience across the North American retail sector will be invaluable to us as we move ahead with our expansion strategies."

### **About Raffael Kapusty**

Raffael Kapusty is an accomplished CPG industry leader with more than 25 years of experience in both the Canadian and U.S. retail spaces. Most recently, Raffael led sales and marketing at Ice Age Glacial Water Company, successfully growing points of distribution in the natural products sector and expanding into mainstream grocery.

Prior to Ice Age Glacial, Raffael held a number of progressively senior sales and insight roles at Lassonde, a North American leader in the sale of fruit and vegetable juices. As a 'Fact Based' seller, connecting category, consumer and customer, she developed and executed profitable customer solutions aligned with retail strategies, and was successful in growing both branded and in-house portfolios.

With a solid foundation at ACNielsen Canada (NYSE:NLSN), Raffael has developed a deep understanding of the CPG space, working with over 100 leading Canadian & global CPG manufacturers. She has also held senior category and key account management roles at Kruger (NYSE:KR), SC Johnson and Unilever Canada (NYSE:UL).

### **About Bill Niarchos**

Bill Niarchos has over 20 years of experience in the CPG goods industry/retail environment. In his most recent role as Director of Sales with Bayer Consumer Health, Bill managed the strategic direction and growth of Loblaw & SDM.

Prior to his position with Bayer (ETR:BAYN), Bill held a number of progressive roles at Colgate Palmolive (NYSE:CL) for more than 14 years. Bill is experienced in managing trade channels in various capacities, including as National Account Manager - Walmart (NYSE:WMT) and Costco (NASDAQ:COST), Director of Sales - Drug Channel, Director Customer Development - Mass and Club and Director of Customer Development - Loblaw Companies Limited (TSX:L) (including SDM).

Previous to his tenure at Colgate Palmolive Bill worked with The Great Atlantic and Pacific Company (Dominion and Food Basics) as a Category Manager. He managed total revenues, net and gross profits for all in-aisle, and seasonal programs for a number of grocery categories. Bill was also employed by Loblaw Companies Limited where he gained the knowledge, experience and infrastructure in relation to the retail environment.

### **About BevCanna Enterprises Inc.**

BevCanna Enterprises Inc. (CSE:BEV, Q:BVNNF, FSE:7BC) is a diversified health & wellness beverage and natural products company. BevCanna develops and manufactures a range of plant-based and cannabinoid beverages and supplements for both in-house brands and white-label clients.

With decades of experience creating, manufacturing and distributing iconic brands that resonate with consumers on a global scale, the team demonstrates an expertise unmatched in the nutraceutical and cannabis-infused beverage categories. Based in British Columbia, Canada, BevCanna owns a pristine alkaline spring water aquifer and a world-class 40,000-square-foot, HACCP certified manufacturing facility, with a bottling capacity of up to 210M bottles annually. BevCanna's extensive distribution network includes more than 3,000 points of retail distribution through its market-leading TRACE brand, its Pure Therapy natural health and wellness e-commerce platform, its fully licensed Canadian cannabis manufacturing and distribution network, and a partnership with #1 U.S. cannabis beverage company Keef Brands.

### **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 statements. All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements in this news release include statements regarding: the new executives will accelerate the Company's CPG expansion and will play a critical role in the BevCanna's transformation into a diversified beverage and natural products company; that their priorities will include further

bolstering BevCanna's white-label clientele and expanding its international CPG distribution network of Canadian and U.S. big box retailers; that their extensive experience across the North American retail sector will be invaluable to the Company as it moves ahead with its expansion strategies; the intended use of the net proceeds of the Placement; and other statements regarding the business plans of the Company. The forward-looking statements reflect management's current expectations based on information currently available and are subject to a number of risks and uncertainties that may cause outcomes to differ materially from those discussed in the forward-looking statements.

Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to their inherent uncertainty. Factors that could cause actual results or events to differ materially from current expectations include, among other things: general market conditions; changes to consumer preferences; and volatility of commodity prices; and other factors beyond the control of the Company. The Company expressly 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 applicable law.

The Company also announces that it has published an updated corporate presentation that may be viewed at: <https://bevcanna.s3.us-east-2.amazonaws.com/BevCanna+Corporate+Presentation-Final.pdf>.

The Company also announces that it has closed a non-brokered private placement (the "Placement") consisting of the issuance of 100,000 common shares (each, a "Share") of the Company at a price of \$1.00 per Share for gross proceeds of \$100,000. The Company intends to use the net proceeds of the Placement for general working capital purposes. The securities issued in the Placement are subject to resale restrictions imposed by applicable law or regulation, including a statutory hold period expiring four months and one day from the date of closing of the Placement. No finder's fees were paid in connection with the Placement.

None of the securities issued in the Placement 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.

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## **Contacts**

**For media enquiries or interviews, please contact:**  
Wynn Theriault, Thirty Dash Communications Inc.

416-710-3370  
wynn@thirtydash.ca

**For investor enquiries, please contact:**  
Bryce Allen, BevCanna Enterprises Inc.  
778-766-3744  
bryce@bevcanna.com