

BevCanna's Naturo Group Signs Exclusive Distribution Agreement for TRACE in Japan and the Philippines

Market entry will address pent-up demand in the Japanese & Philippine markets for TRACE proprietary plant-based mineral formulation and wellness-focused products

VANCOUVER, BC, April 19, 2021. Emerging leader in innovative health and wellness beverages and natural products, [BevCanna Enterprises Inc. \(CSE:BEV, Q:BVNNE, FSE:ZBC\)](#) (“BevCanna” or the “Company”) announces today that has entered into an exclusive sales agency distribution agreement with Yokohama-based Mirai Marketing Inc. (“Mirai”) to bring Naturo Group's TRACE proprietary plant-based mineral consumer products to Mirai’s extensive Japanese and Philippine sales and distribution networks.

Mirai will assist BevCanna with their entry into the new markets, providing connections to established companies with robust distribution networks. Mirai has significant knowledge and relationships in the wellness products market and has facilitated over \$100M in transactions with some of Asia’s largest trading companies and retail chains. The well-known distributor will leverage this extensive experience to rapidly scale the TRACE brand throughout the territories. The initial term of the agreement will be two years, with exclusivity subject to a minimum net revenue of C\$1.0M over the course of the term and incentives to reach over C\$5.0M during the term.

“We’re in active discussions with a number of distributors, wholesalers, trading companies and retailers to determine the best fit for the TRACE brand in the Japanese and Philippine markets,” said Melise Panetta, President of BevCanna. “Japanese consumers in particular are very health-conscious, and prospective partners have confirmed that the wellness benefits of our TRACE portfolio will be very appealing to this demographic.”

With over 40 years of experience working with some of Asia’s largest corporations, Mirai Marketing was founded by a team of Canadian and Japanese principals who have extensive experience in international sales, management and project development in a range of industries. Mirai is actively focusing on expanding sales of Naturo Group’s beverage and natural wellness products throughout Asia.

“We’re very excited to represent the TRACE products in the Japanese and Philippine marketplaces,” said Hideaki Sakuma, COO of Mirai. “We’ve seen an incredible growth in the demand for wellness-focused products by Asian consumers in recent years and an eagerness to participate in the evolution of health products. The TRACE line is certain to be a strong performer in this emerging market.”

About BevCanna Enterprises Inc.

[BevCanna Enterprises Inc. \(CSE:BEV, Q:BVNNE, FSE:ZBC\)](#) 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:

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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 Company's agreement with Mirai, including the potential benefits thereof; the Japanese market for TRACE products and that the Company's products will be very appealing to Japanese consumers; that there has been incredible growth in the demand for wellness-focused products by Japanese consumers in recent years and an eagerness to participate in the evolution of health products; that the TRACE line is certain to be a strong performer in this emerging market; 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; volatility of commodity prices; 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; inability to successfully negotiate and enter into commercial arrangements with other parties; and other factors beyond the control of the Company and its commercial partners. 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.

Stock Option Grant

In connection with the sales agency distribution agreement with Mirai, the Company has granted (the "Grant") an aggregate of 1,000,000 stock options (each, an "Option") to purchase up to 1,000,000 common shares of the Company to Mirai. The Options granted vest upon the achievement of certain sales performance milestones and are exercisable for a period of 25 months from the date of Grant at a price of \$1.50 per common share.

None of the securities acquired in the Grant 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.