

BevCanna Recognizes Milestone of Generating First Revenue Since Company's Inception

Infused beverage expert pleased with progress since acquisition and anticipates a strong Q4 and 2021

VANCOUVER, BC, Oct. 9, 2020 /CNW/ - Emerging leader in infused cannabis beverages, BevCanna Enterprises Inc. (CSE: BEV) (OTCQB: BVNNF) (FSE: 7BC) ("**BevCanna**" or the "**Company**") announced today that its wholly owned subsidiary, Pure Therapy Products Corp. ("Pure Therapy") has generated C\$1.53 million in unaudited gross revenue over the first nine months of 2020 and a net profit of C\$104,000. Pure Therapy has also acquired more than 3,000 new customers over the same period. The acquisition will now provide BevCanna with a steady and growing revenue stream.

Recently acquired by BevCanna, Pure Therapy is a direct-to-consumer e-commerce company selling a range of natural health products, including nutraceutical and hemp-based cannabidiol products throughout North America and Western Europe. Pure Therapy's extensive catalogue of formulations are proprietary and professionally crafted based on market demand and product quality. Every product manufactured is third-party tested for purity and manufactured in GMP (good manufacturing practices) certified facilities.

"Our goal with the Pure Therapy acquisition was to stimulate strong revenue growth and accelerate our Q4 sales by adding new products, investing in customer acquisition and retention programs and leveraging the platform's current mix of subscription-based and traditional sales revenue models to build a strong recurring revenue stream," noted John Campbell, Chief Strategic Officer for BevCanna. "We're very pleased with the progress that we've made over our first month of ownership and we are on track for a very strong Q4 and 2021."

The Pure Therapy acquisition has also provided BevCanna with a proven e-commerce brand and platform to expand and launch its own proprietary hemp-based products directly into the global health and wellness market, including the burgeoning U.S. CBD market. The brand has a substantial existing customer base and a powerful direct sales platform. Pure Therapy brings an extensive list of approximately 23,000 customers that it has acquired since 2017. The brand achieved unaudited calendar year 2019 gross revenues of C\$4.78M and a net profit of C\$.22 million.

Capital constraints under the previous ownership resulted in an interim revenue shortfall in early 2020 for the Pure Therapy brand, but BevCanna's purchase and subsequent strategic investments and improvements have positioned the platform to be on track to deliver strong revenue in the fourth quarter, with a forecasted annualized run rate of C\$6 million. BevCanna projects immediate growth in the brand beyond 2020, achieved through new product integration and by accelerating the growth of the existing natural health products line, leveraging the extensive e-commerce marketing expertise of the existing Pure Therapy team. The Company forecasts a gross revenue of C\$7.28 million and net profit of C\$.26 million for 2021.

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: that the Pure Therapy acquisition will now provide BevCanna with a steady and growing revenue stream; that Pure Therapy is on track for a very strong Q4 and 2021; that the Pure Therapy acquisition has also provided BevCanna with a proven e-commerce brand and platform to expand and launch its own proprietary hemp-based products directly into the global health and wellness market, including the burgeoning U.S. CBD market; that BevCanna's purchase and subsequent strategic investments and improvements have positioned the platform to be on track to deliver strong revenue in the fourth quarter, with a forecasted annualized run rate of C\$6 million; that BevCanna projects immediate growth in the brand beyond 2020, achieved through new product integration and by accelerating the growth of the existing natural health products line, leveraging the extensive e-commerce marketing expertise of the existing Pure Therapy team; and that the Company forecasts a gross revenue of C\$7.28 million and net profit of C\$.26 million for 2021; and other statements regarding the business plans of the Company.

Forward-looking statements are based on certain assumptions regarding 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, 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.

This news release contains future-oriented financial information and financial outlook information (collectively, "**FOFI**") about BevCanna's prospective results of operations, including revenue and net profit, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this news release was made as of the date of

this news release and was provided for the purpose of providing further information about BevCanna's future business operations. BevCanna disclaims any intention or obligation to update or revise any FOFI contained in this news release, whether as a result of new information, future events or otherwise, except as required by securities law. Investors are cautioned that the FOFI contained in this news release should not be used for purposes other than for which it is disclosed herein.

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