

BevCanna Announces Strong Third Quarter 2021 Financial Results

Increases revenues by more than 1000 per cent over the comparable quarter of 2020

VANCOUVER, British Columbia – November 30, 2021 - [BevCanna Enterprises Inc. \(CSE:BEV, Q:BVNNE, FSE:7BC\)](#) (“BevCanna” or the “Company”), an emerging leader in innovative health and wellness beverages and products, today reported its unaudited financial results for the quarter ended September 30, 2021.

Third Quarter Company Highlights (All Amounts Reported in \$CAD; Unaudited; prepared in accordance with International Financial Reporting Standards)

- Delivered revenue growth of over 1,000 per cent to \$1.1 million during the quarter ended September 30, 2021, compared to \$94,000 comparable quarter of 2020
- Gross Profit of \$356,168 during the quarter ended September 30, 2021, compared to a loss of \$40,280 comparable quarter of 2020
- Cash as of September 30, 2021, of \$655,563 compared to \$1.0 million as of December 31, 2020
- Announced a definitive agreement to acquire Embark Health Inc. (“Embark”) a leader in solventless cannabis extraction and enhanced delivery technology, with a focus on the formulation and production of advanced cannabis 2.0 products for the B2B, medical and adult-use markets
- Obtained product listings and purchase orders from British Columbia Liquor Distribution Branch (BCLDB), Alberta Gaming and Liquor Commission and Ontario Cannabis Store, and successfully shipped product to British Columbia and Ontario. Subsequent to quarter end, the initial shipment of the award-winning [Keef Brands](#) line of cannabis-infused beverages to the BCLDB sold out online
- Announced a definitive agreement with [The Tinley Beverage Company Inc.](#) (CSE:TNY, OTCQX:TNYBF), to co-manufacture its award-winning cannabis-infused beverages for the Canadian market
- BevCanna’s Naturo Group announced a supply agreement with B.C. Ministry of Forests to supply B.C. firefighters with custom limited-edition TRACE alkaline waters
- Announced that its market-leading TRACE line of natural alkaline spring waters will be the official Water Supplier of the Canadian E-Prix/ 2022 Vancouver E-Prix event, including the highly anticipated Formula E electric car race, part of the [ABB FIA Formula E World Championship series](#)

Recent Highlights (Subsequent to Quarter End)

- On October 5, 2021, BevCanna’s Naturo Group announced that it has finalized an agreement with leading North American wholesaler distributor United Natural Foods, Inc. (UNFI). UNFI Canada will now distribute BevCanna’s TRACE line of products to retailers across Canada. The UNFI agreement represents a significant milestone for BevCanna. UNFI Canada is a subsidiary of UNFI, the largest publicly traded wholesale distributor in North America
- On October 7, 2021, BevCanna announced that it has entered into a white-label agreement with Xebra Brands Ltd., a rising player in the global cannabis beverage sector
- On October 14, 2021, the Company announced that it has entered into an agreement to manufacture and distribute white-label cannabis beverages for Averi Health Products (“Averi”).

Averi is a new adult alternative beverage company founded by Terry Donnelly, former CEO of the award-winning Hill Street Beverage Co.

- On October 21, 2021, BevCanna announced that it has been granted an amendment to its Health Canada-authorized Cannabis Research License, to include sensory evaluations of cannabis beverages in its product development trials. This update to the License will allow BevCanna to conduct on-site human assessments of the taste, smell, feel and visual appeal of its products in development, opening significant opportunities in the formulation and refinement of BevCanna's products and those of its white-label clients

Management Commentary

"As we closed out the third quarter, we delivered impressive revenue growth of more than 1,000 per cent, achieving \$1.1 million in sales, compared to \$94,000 in the year ago quarter," commented John Campbell, Chief Financial Officer of BevCanna. "Our third quarter results are further evidence of the Company's continued execution and the impact that our brands are having on the market.

"Our unique and diverse portfolio continues to expand, and with the impending close of our acquisition of Embark, will include an even wider range of adult-use and wellness channels and innovative product categories," continued Mr. Campbell. "We look forward to welcoming Embark and its team and remain laser-focused on our go-forward organic growth, while continuing to pursue complementary acquisitions, with the goal of further diversifying our brand offerings in the health and wellness categories."

The unaudited consolidated financial statements and Management Discussion and Analysis for the quarter ended September 30, 2021, are available at www.sedar.com.

AGM Results: shareholders approved all matters considered at the Company's Annual General and Special Meeting of Shareholders ("AGM") held November 24, 2021.

Voting Results

Full details of the matters that were voted on at the AGM of Company shareholders held on November 24, 2021, are set out in the Company's Management Information Circular dated October 25, 2021, which is available on SEDAR.

1. Election of Directors

The following persons were elected to serve as directors of the Company, with the outcome of votes being as follows:

Nominee	% of Votes for	% of Votes Withheld
Marcello Leone	97.7%	2.3%
John Campbell	97.8%	2.3%
Martino Ciambrelli	97.7%	2.3%

Phil Fontaine	30.1%	69.9%
William Macdonald	98.53%	1.47%
Howard Blank	98.46%	1.54%
Douglas Mason	98.52%	1.48%

2. Appointment of Auditor

Dale Matheson Carr-Hilton Labonte LLP (DMCL) has been re-appointed as the auditor of the Company for the ensuing year and the Director were authorized to fix the remuneration.

% Of Votes for % of Votes Withheld

98.34% 1.66%

3. Amendment to Articles

The Company's shareholders also approved an amendment to the Company's articles to create a new class of preferred shares issuable in series as more particularly described in the Management Information Circular.

About BevCanna Enterprises Inc.

[BevCanna Enterprises Inc. \(CSE:BEV, Q:BVNNE, FSE:7BC\)](#) is a diversified health & wellness beverage and natural products company. BevCanna develops and manufactures a range of alkaline, 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.

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Forward Looking Disclaimer

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 prospective synergies between the business of BevCanna and Embark and the business of the Company following the closing of the acquisition of Embark; forecasted revenues of the Company in the fourth quarter of 2021 and for the financial year ended December 31, 2022; future product offerings; the potential benefits of various commercial agreements and partnerships; and other statements regarding the business 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: that the CSE may not approve the acquisition of Embark as proposed or at all; that the parties may not be able to satisfy the conditions to closing of the acquisition of Embark; general market conditions; risks associated with the COVID-19 pandemic; and other factors beyond the control of the parties. BevCanna 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, and the Company does not assume any liability for disclosure relating to any other company mentioned herein.