

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

BevCanna Enterprises Inc. (the “**Company**”)
PO Box 33957 Vancouver D CSC
Vancouver, BC, V6J 4L7

Item 2 Date of Material Change

July 19, 2023.

Item 3 News Release

The news release dated July 19, 2023 was disseminated via Stockwatch and BayStreet.

Item 4 Summary of Material Change

The Company announced that effective July 19, 2023, Doug Mason resigned from his position on the Board of Directors.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

The Company announced that effective July 19, 2023, Doug Mason resigned from his position on the Board of Directors.

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

August 18, 2023

BevCanna Announces Completion of Audited 2021 Financial Statements and Provides Update

Company provides financial reporting progress and key updates

VANCOUVER, British Columbia – August 15, 2023 - BevCanna Enterprises Inc. (CSE:BEV, OTC:BVNMF, FSE:7BC) (“BevCanna” or the “Company”), an innovative diversified lifestyle and wellness consumer packaged goods Company, today provided a corporate update, including progress related to revoking the current cease trade order. Accordingly, the Company is pleased to report the completion of its audited annual consolidated financial statements for the year ended December 31, 2021, from the Company’s auditor Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants (“DMCL”).

The Company is actively preparing its audited annual consolidated financial statements for the year ended December 31, 2022, and interim financial statements for the three months ended March 31, 2023, and six months ended June 30, 2023.

Upon the successful completion of audited annual consolidated financial statements for the year ended December 31, 2022 and unaudited interim financial statements for the first and second quarters of 2023, BevCanna plans to submit a revocation application to the British Columbia Securities Commission in relation to the previously issued cease trade order resulting from the delayed filing of the Company's financial statements.

BevCanna remains dedicated to fulfilling its regulatory obligations and looks forward to resolving the cease trade order, thereby enabling the Company to resume normal trading activities. The Company will continue to provide updates to its stakeholders regarding the progress of its filings, regulatory efforts, and the application process. The Company appreciates the continued support of its stakeholders throughout this process.

Board of Directors:

The Company also announces that effective July 19, 2023, Doug Mason resigned from his position on the Board of Directors. The Company expresses its appreciation to Mr. Mason for his dedicated service and invaluable contributions during his tenure as a director.

Subsidiary Streamlining:

The Company also announces the voluntary dissolution of two of its wholly-owned subsidiaries, Exceler Holdings Ltd. and SKAL Infused Drinks Inc. effective July 28, 2023. After thorough evaluation and analysis, it has become evident that these subsidiaries no longer hold significant value or assets pertinent to the Company's current and future operations, as well as balance sheet.

Changing market conditions, high inflation, and a challenged global cannabis industry, have made it unfeasible for the Company to allocate further resources for the development of the product lines and distribution prospects owned by these entities. As the industry landscape evolves and market dynamics shift, the Company continues to explore strategic opportunities to drive growth and create value for its stakeholders.

Legal Proceedings:

The Company also announces that it, and several of its wholly-owned subsidiaries, are named in a number of ongoing legal proceedings as a plaintiff and defendant. These legal proceedings largely stem from the acquisition of Embark Health Inc. Please refer to the [CSE Form 7](#) for disclosure of the nature and status of

these proceedings. As BevCanna continues to navigate these legal proceedings, the Company intends to provide updates on these matters as required by applicable law.

About BevCanna Enterprises Inc.

BevCanna Enterprises Inc. (CSE:BEV, OTC:BVNNF, FSE:7BC) is a diversified lifestyle and wellness consumer packaged goods company. BevCanna develops and manufactures a range of alkaline, mineralized, and cannabinoid beverages and supplements for both in-house brands and white-label clients.

Based in British Columbia, Canada, BevCanna owns a pristine alkaline spring water aquifer and a high capacity 40,000–square–foot, Health Canada and HACCP certified flexible manufacturing facility in Osoyoos, British Columbia. The Company's extensive distribution network includes traditional and regulated retail distribution, and online through its market-leading 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 information" within the meaning of applicable securities laws. Forward-looking information is often identified by words such as "anticipate," "believe," "expect," "plan," "intend," "forecast," "likely," "may," "will," "could," "should," "estimate," "predict," "potential," "continue," "outlook," "objective," "project," "target," or similar expressions suggesting future events or future performance. Such forward-looking information includes, but is not limited to, statements regarding the Company's ability to finalize its 2022 annual audited financial statements, ability to revoke the current cease trade order, strategic direction, business objectives, subsidiary streamlining, and growth opportunities.

Forward-looking information is based on current expectations and assumptions that involve known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking information. These factors include, but are not limited to, ability of the Company to maintain operations while cease traded, market and economic conditions, regulatory changes, competitive factors, technological developments, and other risks and uncertainties discussed in the Company's filings with securities regulatory authorities.

The forward-looking information in this news release is based on certain assumptions that management believes are reasonable at the time, including assumptions about the beverage industry, the regulatory environment, and the Company's ability to execute its business plans. While the Company considers these assumptions to be reasonable based on information currently available to management, they may prove to be incorrect.

Readers are cautioned not to place undue reliance on forward-looking information as actual results may differ materially from those expressed or implied. The Company does not undertake any obligation to update or revise any forward-looking information, whether as a result of new information, future events, or otherwise, except as required by law.