



BevCanna Announces Strengthening of Financial Position with Loans and Debt Settlement

Company Strengthens Financial Position, Secures Loan, and Optimizes Subsidiary Portfolio

VANCOUVER, British Columbia – December 8, 2023 - BevCanna Enterprises Inc. (CSE:BEV, OTC:BVNNF, FSE:7BC) ("BevCanna" or the "Company"), a diversified lifestyle and wellness consumer packaged goods company, announces that in line with its continued efforts to strengthen its balance sheet, the Company intends to settle debt (the "Debt Settlement") in the aggregate amount of \$3,057,715.22 owed by the Company to certain creditors of the Company in exchange for 87,363,286 common shares (each, a "Debt Settlement Share") at a deemed price of \$0.035 per Debt Settlement Share.

The Company also announces that its wholly-owned subsidiary, Naturo Group Enterprises Inc. ("Naturo") closed a \$320,000 secured promissory note private placement financing. The loan is due in twelve (12) months and bears interest of 15% per annum, payable on closing. Repayment of the promissory note is due on the earlier of the maturity date.

The Company also announces that its wholly-owned subsidiary, Naturo received a \$100,000 short-term mortgage loan from a third-party. The loan is secured with a second charge on Naturo's land and property at Bridesville. The loan is due in twelve (12) months and bears interest of 15% per annum.

The Company also announces that it completed the voluntary dissolution of its wholly-owned subsidiary Embark Woodstock Inc. on December 4, 2023, which had no assets before dissolution. This strategic move aligns with the Company's ongoing optimization efforts.

The proposed debt settlements with Martino Ciambrelli and Bruce Dawson-Scully (together, the "Settlements") are "related party transactions" within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Settlements are exempt from the valuation requirement of MI 61-101 by virtue of the exemptions contained in section 5.5(b) of MI 61-101 as the Company's common shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(1)(a) of MI 61-101 in that the fair market value of the Settlements will not exceed 25% of the Company's market capitalization. As the material change report disclosing the Settlements is being filed less than 21 days before the transaction, there is a requirement under MI 61-101 to explain why the shorter period was reasonable or necessary in the circumstances. In the view of the Company, it is necessary to immediately close the Settlements and therefore, such shorter period is reasonable and necessary in the circumstances to improve the Company's financial position.

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 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. 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. Forward-looking statements made in this news release include, but are not limited, to: the Company completing the Debt Settlements as intended; and other future business plans of the Company.

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, the Company’s inability to complete the Debt Settlements as anticipated or at all; general market conditions; changes to consumer trends and preferences in the markets in which the Company operates; inability to enter into commercial agreements as anticipated or at all; and other factors beyond the control of the Company. 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.