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BevCanna Announces Closing of Debt Settlement

Company closes previously announced debt settlement agreement

VANCOUVER, British Columbia – January 2, 2024 - BevCanna Enterprises Inc. (CSE:BEV, OTC:BVNNF, FSE:7BC) (“**BevCanna**” or the “**Company**”), a diversified lifestyle and wellness consumer packaged goods company, announces that further to its press release dated December 21, 2023, it has settled debt (the “**Debt Settlement**”) in the aggregate amount of \$2,909,633.31 owed by the Company to certain creditors of the Company in exchange for 29,096,332 common shares (each, a “**Debt Settlement Share**”) at a deemed price of \$0.10 per Debt Settlement Share.

All of the Debt Settlement Shares issued pursuant to the Debt Settlement are subject to a statutory hold period of four months plus one day.

The debt settlements with Marcello Leone, John Campbell, Martino Ciambrelli, Bruce Dawson-Scully, Howard Blank, and William Macdonald (collectively, the “**Insider 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 Insider 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 Insider Settlements will not exceed 25% of the Company's market capitalization. As the material change report disclosing the Insider 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 Insider Settlements and therefore, such shorter period is reasonable and necessary in the circumstances to improve the Company's financial position.

None of the securities acquired in the Debt Settlement 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.



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.

The Canadian Securities Exchange (operated by CNSX Markets Inc.) has neither approved nor disapproved of the contents of this press release.