



BevCanna Announces Proposed Debt Settlement

VANCOUVER, British Columbia – June 13, 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 in line with its continued efforts to strengthen its balance sheet, the Company intends to settle debts in the total aggregate amount of \$2,660,139.05 which consists of the following:

- \$433,669.23 owed to certain creditors of the Company in exchange for an aggregate of 722,782 common shares at a deemed price of \$0.60 per share which shares will be subject to a hold period of four months and one day as required by the Canadian Securities Exchange.
- \$250,000 owed to certain creditors of the Company in exchange for an aggregate of 416,666 common shares at a deemed price of \$0.60 per share which will not be subject to a restricted period.
- \$465,125.21 owed to a creditor of the Company in exchange for 775,208 units of the Company (each, a “**Unit**”) at a deemed price of \$0.60 per Unit, each Unit consisting of one common share of the Company and 0.35 common share purchase warrants (each whole warrant, a “**Warrant**”), with each Warrant exercisable to purchase an additional common share of the Company (each, a “**Warrant Share**”) at an exercise price of \$0.60 per Warrant Share for a period of two years from the closing date of the debt settlement transaction. The Warrants and Warrant Shares will be subject to a restricted period of four months and one day as required by the Canadian Securities Exchange. The common shares for this creditor will be subject to a staged release as required by the Canadian Securities Exchange, whereby 10% of the common shares will be unrestricted on the closing date, 15% will become unrestricted on the 30th day from the closing date, 25% will become unrestricted on the 60th day from the closing date, 25% will become unrestricted on the 90th day from the closing date, and the final 25% will become unrestricted on the 120th day from the closing date.
- \$1,511,344.61 owed to certain creditors of the Company in exchange for an aggregate of 2,518,906 Units. The Warrants and Warrant Shares will be subject to a restricted period of four months and one day as required by the Canadian Securities Exchange.



All creditors have entered into voting support agreements whereby, until the date that all shares issued in the debt settlement are sold by such persons, the holders have agreed to support and vote in favor of any future shares for debt arrangements which require shareholder approval in accordance with applicable securities laws and stock exchange policies.

Closing of the debt settlement is expected to occur on June 20, 2024, subject to any comments from the Canadian Securities Exchange.

The proposed debt settlements with Marcello Leone, John Campbell, Martino Ciambrelli, and Howard Blank, (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.

About BevCanna Enterprises Inc.

BevCanna Enterprises Inc. (CSE:BEV, OTC:BVNNF, FSE:7BC) is a diversified lifestyle and wellness consumer packaged goods company. BevCanna's wholly-owned subsidiaries focus on developing, manufacturing, and distributing lifestyle and wellness consumer packaged goods for both in-house brands and white-label clients through a multichannel sales network.

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 Settlement as intended as described herein.

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; 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.