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BevCanna Announces Closing of Debt Settlement

Company closes previously announced debt settlement

VANCOUVER, British Columbia – June 19, 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 June 13, 2024, it has settled debt (the “**Debt Settlement**”) in the aggregate amount of \$2,660,139.05 owed by the Company to certain creditors of the Company 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 2,518,905 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.

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