



BevCanna to Acquire Health & Wellness Nutraceutical Product Company to Accelerate U.S. & International E-Commerce Strategy

VANCOUVER, British Columbia – July 25, 2024 - BevCanna Enterprises Inc. (CSE:BEV, OTC:BVNNF, FSE:7BC) (“**BevCanna**” or the “**Company**”), a diversified lifestyle and wellness consumer packaged goods company, is pleased to announce it has entered into a share exchange agreement dated July 24, 2024 (the “**Agreement**”) to acquire health and wellness nutraceutical products company Greenflame Distribution Ltd. (“**Greenflame**”), an arm’s-length private British Columbia corporation (the “**Acquisition**”). Greenflame’s proprietary product portfolio includes a diverse range of health and wellness nutraceutical products catering to metabolism (weight loss), energy, hydration, cognitive function, sleep support, heart health, mineral supplementation, and other wellness related products. Greenflame’s product portfolio is formulated and professionally crafted based on market demand and product quality. Every product manufactured is third-party tested for purity and manufactured in Good Manufacturing Practices (GMP) certified facilities.

As BevCanna already develops and manufactures a range of alkaline and mineralized beverages and supplements for both in-house brands and white-label clients, it is acquiring Greenflame to expand and diversify its existing product offering, manufacturing capabilities and distribution network. BevCanna intends to utilize Greenflame’s GMP-certified manufacturing ties, supply chain control, extensive marketing resources, tech stack expertise, influencer network, and consumer-friendly subscription packages to enhance growth opportunities. Following closing, the Company aims to establish an agile, innovative, and profitable direct-to-consumer (DTC) e-commerce division for BevCanna’s new product categories. BevCanna is looking to retain additional management expertise following closing to help manage e-commerce strategy and operations, including digital marketing, technology management, customer service, fulfillment, quality assurance, and divisional finance.

Greenflame Nutraceutical Product Portfolio

Metabolism and Energy Products:

- **Metabolism Boost Plus with Methylene Blue:** Available in tablet and gummy variations for boosting metabolism and burning both sugars and fats in the body while activating ATP to drive more oxygen into cells, resulting in improved brain function and energy production.
- **Energy Juice:** Available in powder and stick pack, a bioactive formula extracting nutrients from bananas, oranges, grapefruits, and lemons, delivering essential daily nutrients.
- **Cardio Juice:** Available as powder and stick packs, a bioactive formula extracting nutrients from beets, boosting nitric oxide and enhancing cardiovascular function.
- **Nutrient Juice:** Available in powder and stick pack forms, a bioactive formula harnessing plant-based nutrients, enhancing energy and mood while supporting the gut microbiome, providing daily body nourishment.



Hydration Products:

- **Clean Hydration Electrolyte Mix:** Available in powder and stick packs containing essential electrolytes and minerals from the Great Salt Lake.

Cognitive and Sleep Support:

- **Nootropic Energy Drink:** A ready-to-drink cognitive energy booster featuring a proprietary blend of brain-enhancing mushrooms, clean-sourced caffeine, and sweetened with Manuka honey.
- **Sleep Support:** Available as tablets and gummies in two separate formulas—one with melatonin and one without. Sleep Support includes a proprietary blend of magnesium, chamomile, and other healthy sleep ingredients.
- **Nootropic Mental Edge:** Capsules for daily focus and energy shots in piña colada flavor, featuring a proprietary blend of mushrooms and key vitamins to improve brain focus and enhance concentration.

Heart and Health Supplements:

- **Nitric Oxide Heart Health:** Supports cardiovascular health.
- **Electrolyte Gummies:** Watermelon-flavored for electrolyte balance.
- **Magnesium Gummies:** For magnesium supplementation.

Specialty Supplements:

- **Colloidal Gold:** Anti-inflammatory, cognitive, joint health, mood enhancement, anti-aging, immune support, and overall vitality benefits.
- **Other Wellness Related Products**

Terms of the Acquisition

Pursuant to the Agreement, BevCanna has agreed to issue 4,166,663 common shares in the capital of the Company (each, a "**Consideration Share**") to the shareholders of Greenflame in exchange for all the issued and outstanding shares of Greenflame at a deemed price of \$0.60 per Consideration Share for total deemed consideration of \$2,500,000 (the "**Purchase Price**") on the condition that Greenflame will be acquired on a debt-free basis. No finder's fee is payable in connection with the Acquisition. The Acquisition is an arm's length transaction. The Consideration Shares to be issued in connection with the Acquisition will be subject to a restricted period of four months and one day.

Closing of the Acquisition is anticipated to be on or about August 1, 2024 in accordance with the policies of the Canadian Securities Exchange.



The Company initially considered acquiring a predecessor company of Greenflame in 2022 that held a portion of Greenflame's existing product portfolio. However, the Company terminated those negotiations when it became subject to an extended cease trade order. In connection with such prior negotiations, the Company obtained an independent valuation report from an arm's-length third party dated August 3, 2022, which valued the predecessor's proprietary product portfolio's earnings history and concluded a fair market value of net assets between approximately \$1.36 million and \$1.53 million. Subsequent to the date of the report, Greenflame acquired the original product portfolio and integrated additional proprietary formulations, including the ingredient "methylene blue," which purportedly boosts metabolism, burns sugars and fats, activates ATP to increase oxygen delivery to cells, and enhances brain function and energy production. As a result of the additional products, the Company agreed to increase the purchase price to \$2.5 million, payable in Consideration Shares.

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 and mineralized 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 closing of the Acquisition, including the anticipated closing date thereof; the ability of the Company to integrate and grow the Greenflame business on a post-closing basis; and the purported benefits of the products to be acquired.



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 ability to close the Acquisition; the ability of the Company to address and satisfy any comments from the Canadian Securities Exchange with respect to the Acquisition; the ability of the Company's management to successfully integrate and grow Greenflame operations; general market conditions; the ability of the Company to finance future operations; 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.