



PRIME DRINK GROUP ANNOUNCES CLOSING OF \$1.2 MILLION SECOND TRANCHE OF ITS PRIVATE PLACEMENT AND UPDATE ON TRIANI TRANSACTION

Montreal, Québec, July 31, 2024 – Prime Drink Group Corp. (CSE: PRME) (“Prime” or the “Company”) announces that it has closed a second tranche of its previously announced non-brokered private placement financing (the **“Offering”**) of subscription receipts of the Company (each, a **“Subscription Receipt”**), for gross proceeds of \$1,195,000 (the **“Second Tranche”**).

The Offering is being completed in connection with the previously announced transaction (the **“Transaction”**), whereby the Company will acquire all of the issued and outstanding shares (the **“Triani Shares”**) of Triani Canada Inc. (**“Triani”**) pursuant to an amended and restated share purchase agreement dated May 21, 2024 entered into among the Company, 9296-0186 Québec Inc. (**“9296”**), the shareholders of 9296, and Angelpart Ventures Inc. (collectively, the **“Vendors”**), with respect to the Transaction.

Subscription Receipts

The Second Tranche consisted of the sale of 1,912,000 Subscription Receipts at a price of \$0.625 per Subscription Receipt. Each Subscription Receipt will convert, without payment of any additional consideration and without any further action by the holder thereof, into one common share in the capital of Prime on a post-consolidation basis, subject to adjustment, upon satisfaction or waiver of certain escrow release conditions (the **“Escrow Release Conditions”**), including all of the conditions precedent required for the completion of the Transaction, pursuant to the terms of a Subscription Receipt Agreement (as defined herein).

The Subscription Receipts have been created and issued pursuant to the terms of a subscription receipt agreement (the **“Subscription Receipt Agreement”**) among Computershare Trust Company of Canada (the **“Subscription Receipt Agent”**) and the Company dated May 16, 2024. The gross proceeds from the sale of the Subscription Receipts shall be held in escrow by the Subscription Receipt Agent pending satisfaction or waiver of the Escrow Release Conditions. The Escrow Release Conditions are set forth in the Subscription Receipt Agreement which provides that if the Escrow Release Conditions are not satisfied on or before the date that is 120 days from the closing of the Offering, then the Subscription Receipts shall be cancelled and the Subscription Receipt Agent shall distribute the escrowed funds to the holders of the Subscription Receipts, together with their pro rata share of interest earned thereon.

Other Information Regarding the Offering

The Subscription Receipts were offered by way of private placement pursuant to exemptions from prospectus requirements under applicable securities laws. The Subscription Receipts issued pursuant

to the Second Tranche are subject to resale restrictions, including a hold period of four months and one day from the date of issuance pursuant to applicable Canadian securities laws.

The Company will pay cash finders' fees in the amount of \$14,040 in connection with the Second Tranche of the Offering, such amount equal to 6% of the proceeds received by the Company from subscribers to the Offering introduced to the Company by such finders, for a total of \$262,732.50 including cash finders' fees for the first tranche of the Offering.

The Company intends to use the net proceeds of the Offering to fund the Transaction, to develop its business and for working capital.

Update on Transaction and Shareholder Meeting

As per the notice of the meeting and record date of the Company filed on SEDAR+ on July 12, 2024, the Company anticipates holding its annual general and special meeting of shareholders on August 30, 2024 (initially scheduled for July 30, 2024). Amongst other items, shareholders of the Company (the "**Prime Shareholders**") will be asked to approve the Transaction in accordance with the policies of the Canadian Securities Exchange (the "**CSE**"), as the Transaction constitutes a Fundamental Change, as such term is defined under the policies of the CSE.

A listing document of the resulting issuer will be mailed out to the Prime Shareholders, along with the Prime management information circular and meeting materials, further describing the details of the Transaction (the "**Listing Document**") in accordance with the policies of the CSE. Upon mailing, the meeting materials, including the Listing Document, will be filed on the Company's SEDAR+ profile at www.sedarplus.ca.

For further information on the Transaction, please refer to the press releases of the Company dated January 22, 2024, May 8, 2024, May 15, 2024, and May 22, 2024.

About Prime Drink Group

Prime Drink Group Corp. (CSE: PRME) is a Québec-based corporation that aims to become a leading diversified beverage holding company. The Company currently owns more than 3.4 billion litres of Québec's fresh groundwater reserves volume under permit and is strategically positioned to increase its holding. Under its new leadership team, the Company will seek to acquire, integrate, and grow beverage businesses in diversified sectors, with a focus on sustainable growth.

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Neither the CSE nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Information

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-

looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations (including negative and grammatical variations) of such words and phrases or statements that certain acts, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”.

Forward-looking information in this press release may include, without limitation, statements relating: to the completion of the Transaction and on the terms described herein, the completion of the Offering and on the terms described herein, the conversion of the Subscription Receipts, the payment of a finder’s fee, the intended use of proceeds of the Offering, and the holding of the upcoming meeting of the Prime Shareholders.

These statements are based upon assumptions that are subject to significant risks and uncertainties, including risks regarding the beverage industry, market conditions, general economic factors, and the equity markets generally. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements, or performance of Prime may differ materially from those anticipated and indicated by these forward-looking statements. Any number of factors could cause actual results to differ materially from these forward-looking statements as well as future results. Although Prime believes that the expectations reflected in forward-looking statements are reasonable, they can give no assurances that the expectations of any forward-looking statements will prove to be correct. Except as required by law, Prime disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.