

# Bevcanna Enterprises Inc.

07:59 13 Feb 2020

## BevCanna Enterprises inks exclusive agreement with Clearwater Canngrow

BevCanna Enterprises Inc (CSE:BEV) (OTCMKTS:BVNNF), a manufacturer of cannabis-infused beverages, revealed Thursday, that it has expanded its previously signed agreement with leading cannabis cultivator Clearwater Canngrow Ltd.

BevCanna and Clearwater have struck an amendment agreement dated February 12 to the consultant agreement they signed on September 16, 2019. Under the new pact, Joey Bedard-Brunet, the principal of Clearwater, has agreed to become a director at BevCanna.

"The exclusive agreement with Clearwater CannGrow will assist BevCanna to more than double its potential cannabis biomass output," said John Campbell, who is the chief strategy officer at BevCanna.

### READ: BevCanna's new cannabis-infused beverages make a splash at the Lift & Co cannabis expo

"At the same time, we will recoup our original capital expenditures and eliminate all future cash outlays for farm related capital expenditures and operating costs," he added.

Campbell pointed out that the economics of the amended agreement are compelling.

"The prior agreement would have net BevCanna an 85% pre-tax profit participation on potential revenues from 130-acres of cannabis production, with all capital and operating expenses on BevCanna's account. The amended agreement gives BevCanna a 50% net revenue participation on 292-acres of cannabis production with no cash outlays whatsoever," said Campbell.

Under the terms of the amendment agreement, Clearwater has agreed to:

- Provide its services in outdoor cultivation of cannabis exclusively to BevCanna;
- Pay for all future capital and operational expenses incurred in connection with the performance of the services under the consultant agreement;
- Permit BevCanna to retain \$2 million from potential revenue from cannabis cultivated at the company's outdoor cultivation site prior to the payment of Clearwater's share of potential revenue; and
- Remove all cash fees and potential cash bonuses previously payable to Clearwater under the original consultant agreement.

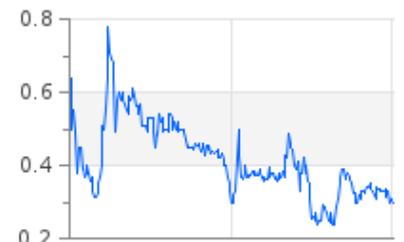
In exchange, BevCanna has agreed to:

- Issue 1 million shares to Clearwater at a deemed price of \$0.50 per share in consideration for the amendments to the

**Price:** 0.3

**Market Cap:** \$14.37 m

### 1 Year Share Price Graph



July 2019 December 2019 June 2020

### Share Information

**Code:** BEV

**Listing:** CSE

**52 week High Low**  
1 0.205

**Sector:** Cannabis

**Website:** www.bevcanna.com

### Company Synopsis:

*BevCanna are a white label manufacturer of infused cannabis beverage brands. The company is committed to promoting wellbeing and quality of life through everything it produces.*

action@proactiveinvestors.com

consultant agreement;

- One time reimbursement to Clearwater for certain expenses up to \$3,400,000 incurred in connection with the performance of the services under the consultant agreement, including initial expected debt settlements in the amount of \$500,000 at a deemed price of \$0.50 per share and \$362,000 at a deemed price of \$0.425 per share, subject to the approval of the Canadian Securities Exchange;
- Pay Clearwater an operational cost of \$10,000 per acre of outdoor cultivation site, payable only from potential revenue from cannabis cultivated at the company's outdoor cultivation site, instead of the cash fees previously payable under the consultant agreement;
- Increase the share of potential revenue from cannabis cultivated at the company's outdoor cultivation site payable to Clearwater, from 15% to 50%;
- Reimburse Clearwater for certain expenses in the event of a change of control of the company; and
- Pay Clearwater the previously mentioned operational fee and 50% revenue share in the event of a change of control, for any current year in which the change of control occurs and for the subsequent year.

All securities issued in connection with the amendment agreement will be subject to a statutory hold period of four months and one day from the date of issuance in accordance with applicable securities legislation.

BevCanna has doubled the size of its outdoor cannabis cultivation site to 292 acres, from 130 acres in its prime location in British Columbia's fertile Okanagan Valley, which also includes a 40,000 square foot manufacturing facility in Osoyoos, as well as a spring water aquifer. It has access to a world-class 40,000-square-foot manufacturing facility, with a bottling capacity of up to 210 million bottles per year.

The Vancouver-headquartered company has multiple revenue streams, including house brands, white label bottling, and is actively pursuing joint ventures, licensing and acquisitions of technology and brands. The firm utilizes patented technology to produce premium tasting, water-soluble cannabinoid infusions using THC and CBD from both cannabis and hemp.

Contact the author Uttara Choudhury at [uttara@proactiveinvestors.com](mailto:uttara@proactiveinvestors.com)

Follow her on Twitter: [@UttaraProactive](https://twitter.com/UttaraProactive)

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +44 (0)207 989 0813 [action@proactiveinvestors.com](mailto:action@proactiveinvestors.com)

### No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price

and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of Bevcanna Enterprises Inc. named herein, including the promotion by the Company of Bevcanna Enterprises Inc. in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to  
Twenty Five Thousand dollars (\$25,000).