

The Valens Company

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The Valens Company launches CBD-infused beverages through white label deal with A1 Cannabis Company

The Valens Company (CVE:VLNS) (OTCMKTS:VLNCF) launched a new line of cannabis-infused beverages heading to Canadian shelves, it said Thursday.

The new products, part of a white label agreement between Valens and A1 Cannabis Company, include a CBD-infused iced tea and a THC-forward citrus water.

The launch "demonstrates Valens' leadership and excellence in the development and manufacturing of Cannabis 2.0 products", as the company continues to successfully commercialize cannabis-infused beverages within the Canadian market, it said in a statement.

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BASECAMP, a CBD-forward iced tea, and SUMMIT, a THC-forward citrus water, are expected to be available at select stores across Ontario in the next few weeks. Both products were developed using Valens' emulsion technology that converts cannabis oil into water-soluble ingredients for beverages, edibles, topicals and other consumer products.

"Our agreement with A1 demonstrates the strategic value of partnering with leading companies that share our vision and reinforces our commitment to launching the Cannabis 2.0 products that consumers are looking for," said Tyler Robson, CEO of Valens. "This is the next step in the execution of our strategy to introduce innovative, high-quality products that deliver safe and customized user experiences."

The Kelowna-based firm's technology allows for faster onset times, enhanced bioavailability and increased consistency and stability, giving the product the potential for a shelf life of over one year, according to Valens.

"We are incredibly proud to introduce the SUMMIT and BASECAMP beverages in partnership with Valens and are fully confident that they will meet the taste and quality expectations of Canadian consumers who have been waiting eagerly for cannabis-infused beverages," A1's Cole Miller said in a statement.

A1 Cannabis Company is a division of Canada's Iconic Brewing, which manufactures and distributes alcoholic beverages throughout seven Canadian provinces.

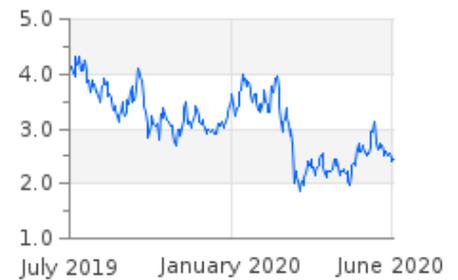
The two companies announced a white label agreement in September 2019 that sees Valens provide Iconic with extracts, formulation services and its S7RSE emulsion intellectual property for cannabis-infused beverages that Iconic will market across Canada.

Under the terms of the agreement, a minimum of 2.5 million cannabis-infused beverages will be produced over five

Price: 2.43

Market Cap: \$310.34 m

1 Year Share Price Graph



Share Information

Code: VLNS

Listing: TSX

| 52 week | High | Low |
|---------|------|------|
| | 3.13 | 1.94 |

Sector: Cannabis

Website: thevalenscompany.com

Company Synopsis:

The Valens Company is a multi-licensed, vertically-integrated cannabis company focused on being the partner of choice for leading Canadian and international cannabis brands by providing best-in-class, proprietary services including CO2, ethanol, hydrocarbon, solvent-less and terpene extraction, analytical testing, formulation and white-label product development.

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years.

The agreement comes at a time when the market for CBD-infused beverages is expected to reach C\$529 million annually, according to Deloitte. The firm projects that Canadian consumers are expected to spend around C\$1.6 billion annually on CBD-extract-based products, including beverages.

Last week, Valens posted a record financial performance in its 2019 year, with revenues of C\$58.1 million and gross profit of C\$41.4 million.

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