

Bevcanna Enterprises Inc.

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BevCanna to partner with rising California cannabis beverage brand Calexo

BevCanna Enterprises Inc (CSE:BEV) (OTCMKTS:BVNNF) announced Thursday it has entered into a non-binding letter of intent (LOI) to partner with rising California cannabis beverage brand Calexo.

Under the proposed joint venture (JV) agreement, BevCanna said it will become the exclusive Canadian manufacturing partner for the newly launched Calexo line of beverages.

BevCanna will leverage its extensive experience in developing and launching beverages in the Canadian market to maintain responsibility and compliance with Health Canada, as well as all national sales and distribution efforts related to the JV.

READ: BevCanna executing on strategic goals to be Canada's biggest organic outdoor cannabis grower, top white-label drinks maker

The JV will be structured as a profit-sharing agreement, and the maintenance of exclusivity is subject to mutually agreed-upon forecast milestones being met. The agreement will be for an initial term of five years with a subsequent five-year renewal option.

In addition to the Canadian manufacturing arrangement, Calexo will also provide BevCanna with access to its current and future US distribution networks for product launches.

BevCanna said its current US plans include the upcoming Californian launches of its ready-to-drink and powdered beverage mix products.

"The partnership with Calexo is an exciting opportunity for BevCanna," John Campbell, chief strategic officer at BevCanna said in a statement.

"Calexo combines unique branding, all-natural ingredients and flavor-forward formulations to create elegant, social beverages. These drinks represent the type of high-quality products that BevCanna is committed to bringing to the Canadian market. We look forward to a prosperous partnership that results in continued growth for both partners."

Offered in a choice of two flavors - Citrus Rose and Cucumber Citrón - Calexo is now available via delivery throughout Los Angeles from Sweet Flower Melrose or Sweet Flower Arts District dispensaries. Product availability will soon expand statewide in California. They are made with all-natural juices, botanicals, and nano-emulsified THC (10 milligrams per 22-ounce bottle).

The JV agreement is subject to the satisfactory completion of due diligence investigations by each of the partners into the other partner's business, Calexo demonstrating that its trademarks are transferable to the Canadian market, negotiation and execution of a definitive agreement, and approval by each partner's board of directors.

BevCanna's stock recently traded up 10% to \$0.20 a share in New York.

Price: 0.245

Market Cap: \$16.12 m

1 Year Share Price Graph



Share Information

Code: BEV

Listing: CSE

52 week High Low
0.55 0.175

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.

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