

BEVCANNA 
BEVCANNA ENTERPRISES INC.

CSE:BEV 

EMERGING LEADER
Infused Beverage Innovations

DISCLAIMER FOR FORWARD LOOKING INFORMATION

Certain information in this presentation constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this presentation that are not statements of historical fact are forward-looking statements. Forward looking statements are often identified by terms such as “may”, “should”, “anticipate”, “expect”, “potential”, “believe”, “intend”, “estimate” or the negative of these terms and similar expressions. Forward-looking statements in this presentation include, but are not limited to: statements with respect to: the expansion of the Company’s Okanagan bottling facility up to 170,000 square feet with additional 10,000 square feet completed; that the Company’s outdoor cultivation site produces low-cost, high-quality sun-grown cannabis biomass; the entry into a Canadian joint venture agreement with an established U.S. branded vape company; the entry into a Canadian joint venture agreement with an established U.S. branded infused tea company; the entry into an organic 100-acre cultivation crop sharing agreement with an established Canadian L.P.; the entry into multiple LOIs with LPs for white label manufacturing of beverages; the commercialization of water-soluble beverages and edibles in California; obtaining the necessary regulatory approvals from Health Canada under the Cannabis Act with respect to the production license and the sales license; the submission of second generation branded and licensed products; the launch of test-run of powder-based beverages into U.S. market, through regulated retail in California in September 2019; the timing of cannabis infused product regulations taking effect in Canada in October 2019; submission of ready-to-drink formulations for Anarchist Mountain to Health Canada for approval in October 2019; the launch of LEV powder based beverages into U.S. market in California in November 2019; assuming approval from Health Canada, the launch of Anarchist Mountain Beverages into the Canadian recreational market and submission of LEV products (powder and ready-to-drink) for subsequent approval in the first quarter of 2020; the commencement of white label beverage manufacturing for clients in Canada, based on their formulation submission and approval through Health Canada in the first quarter of 2020; the launch of LEV ready-to-drink products through a multi-national launch strategy across Canada and the US, in addition to extending the distribution of LEV powdered drinks into Canada, in April 2020; the commencement of B2B ingredient sales strategy to strategic U.S. partners, using water soluble powder, in the second quarter of 2020; and the expansion of the Anarchist Mountain brand into vape category in Canada and the U.S. in the second quarter of 2020.

Forward-looking statements are based on certain assumptions regarding: obtaining the necessary regulatory approvals from Health Canada under the Cannabis Act with respect to the production license and the sales license; anticipated changes to the Cannabis Act and the regulations thereunder to permit the production and sale of food products, derivatives and beverages containing THC and CBD; changes to U.S. state and federal laws to permit the production and sale of cannabis and cannabis-derived products; expectations with respect to the future growth of recreational cannabis products; the timely receipt of the required regulatory approvals and other necessary consents; that regulatory requirements will be maintained; general business and economic conditions; the Company’s ability to successfully execute its plans and intentions; the availability of financing on reasonable terms; the Company’s ability to attract and retain skilled staff; the Company’s ability to successfully compete with market competition; and the products and technology offered by the Company’s competitors.

While the Company consider these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Readers are cautioned not to place undue reliance on forward-looking statements.

The assumptions of the Company, although considered reasonable by it at the time of preparation, may prove to be incorrect. In addition, forward-looking statements necessarily involve known and unknown risks, including, without limitation, the Company not being issued a production license and sales license by Health Canada; Health Canada electing not to legalize and/or permit the production and sale of food products, derivatives and beverages containing THC and CBD; the FDA electing not to legalize and/or permit the production and sale of food products, derivatives and beverages containing CBD; the Company expects to incur significant ongoing costs and obligations relating to its investment in infrastructure, growth, regulatory compliance and operations; the Company is subject to the inherent risks associated with the agricultural business; the Company is vulnerable to rising energy costs; the Company is subject to changes in Canadian laws, regulations and guidelines, which could adversely affect the Company’s future business, financial condition and results of operations; the Company’s intended business in the United States, the characterization, and consequences of that business under federal law, and the framework for the enforcement of cannabis and cannabis related offences in the United States; there is no assurance that the Company will turn a profit or generate revenues; the Company may not be able to effectively manage its growth and operations, which could materially and adversely affect its business; the Company faces competition from other companies where it will conduct business that may have a higher capitalization, more experienced management or may be more mature as a business; if the Company is unable to attract and retain key personnel, it may not be able to compete effectively in the cannabis market; the Company may continue to sell securities for cash to fund operations, capital expansion, mergers and acquisitions that may dilute the current shareholders; the Company currently has insurance coverage; however, because the Company’s business is ancillary to the cannabis industry, there are additional difficulties and complexities associated with such insurance coverage; the Company is currently reliant on a single location, and any adverse changes affecting the Company’s production facility could materially affect the Company’s business and operations; the cultivation of cannabis involves a reliance on a third party cultivator and third party transportation which could result in supply delays, reliability of delivery and other related risks; the Company is reliant on key inputs, such as water and utilities, and any interruption of these services could have a material adverse effect on the Company’s finances and operation results; the Company could be liable for fraudulent or illegal activity by its employees, contractors and consultants resulting in significant financial losses to claims against the Company; the Company’s officers and directors may be engaged in a range of business activities resulting in conflicts of interest; the Company cannot assure that a market will develop or exist for the Common Shares or what the market price of the Common Shares will be; the market price for Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the control of the Company; the Company is subject to uncertainty regarding Canadian and United States legal and regulatory status and changes from all levels of government; and other risks. Readers are cautioned that the foregoing list is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. For more information on the risk, uncertainties and assumptions that could cause anticipated opportunities and actual results to differ materially, please refer to the public filings of the Company which are available on SEDAR at www.sedar.com. Forward-looking statements contained in this presentation are expressly qualified by this cautionary statement and reflect our expectations as of the date hereof, and thus are subject to change thereafter. The Company 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 law.



LIKE US, OUR INVESTORS BELIEVE IN CREATING A LASTING BUSINESS

BevCanna creates compelling consumer brands and turn-key white-label manufacturing solutions, from outdoor cultivation to finished products.

We are also actively exploring brand acquisitions, strategic partnerships and joint venture opportunities.

We offer investors an early stage opportunity to capitalize on the emerging cannabis beverage market.

THIRSTY FOR MORE?

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HIGHLIGHTS



Decades of experience creating, branding and manufacturing iconic brands that resonate with consumers on a global scale



Extensive proprietary consumer research has allowed us to develop an unmatched understanding of consumer preferences and buying behaviour



World class infrastructure, including 40,000-square-foot, HACCP certified manufacturing facility with a current bottling capacity of up to 72M bottles per annum/shift



Innovative manufacturing capabilities and processing technology including custom bottle forms, and water soluble cannabinoids. We deliver a diverse portfolio of product concepts, for both in-house brands and white labeled products



100-acre outdoor cultivation site on-site in the fertile Okanagan valley, including access to a pristine alkaline spring water aquifer



Strong path to revenue through multiple streams, including white labeling, B2B ingredient supply, joint ventures, licensing, and brand building.

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ESTABLISHED AND EXPERIENCED, WE ARE CPG AND BEVERAGE EXPERTS.

EXECUTIVE TEAM AND BOARD OF DIRECTORS



MARCELLO LEONE
CEO

Chairman of Board

Creator of the Trace and Naturo Aqua beverage brands, Founder of RYU Apparel. Veteran retail executive.



TRACE

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JOHN CAMPBELL
CSO

Board of Directors

More than 30 years experience in the investment industry.



EMMA ANDREWS
RHN, NPDP

Chief Commercialization Officer

Proven expertise in building global wellness brands, cannabis industry expert.



NEXTLEAF



DON CHISHOLM

Chief Brand & Innovation Manager

Leader in creating innovative brands, fostering growth and creating enduring value.



MARTINO CIAMBRELLI
President

Board of Directors

Building brands & companies in the CPG industry for over 35 years.



CONNOR CRUISE

Corporate Strategist

Specializes in the area of early-stage cannabis industry companies.



KENT RHODES

General Manager, US Operations

Formulates strategy and business models, crafting value propositions and smart pricing.



MATT CHRISTOPHERSON

Board of Directors

CEO of Higharchy Brands Group, specializing in Cannabis Retail.



PHIL FONTAINE

Board of Directors

National Chief of the Assembly of First Nations (3 terms), appointed to the Order of Canada.



CAMILO LYON

Board of Directors

Over two decades of corporate finance and consumer brand experience. Founder and CEO of Harixston Consulting.

Goldman Sachs

Bank of America Merrill Lynch

cg/Canaccord Genuity

BEVCANNA HAS FORMED A TEAM OF INDUSTRY-LEADING CPG, BEVERAGE AND NUTRACEUTICALS EXPERTS WITH WELL-KNOWN BRAND SUCCESS.



OUR HIGH-CAPACITY BOTTLING FACILITY, AND SPRING WATER AQUIFER PROVIDES UNPARALLELED ADVANTAGES

EXISTING BOTTLING PLANT, WORLD CLASS EQUIPMENT. UNTAPPED CAPACITY.

- HACCP certified facility, GMP pending, final evidence submission stage for Standard Processing license APP-UFCTB7URBA-2018 through Health Canada
- 40,000 square foot existing facility
- Canadian premium alkaline spring water, bottled at source
- Real estate holdings: 315 acres of Agriculture Reserved Land
- Pre-approval by Agricultural Land Commission to expand facility up to 170,000 square feet, to be used for BevCanna's expansion
- Flash pasteurization
- Ability to produce glass, plastic and aluminum form factors
- Current capacity: 72 million bottles annually
- Self-sustaining aquifer for the last 70 years
- The Canadian government has halted new access to aquifers such as this, offering BevCanna a unique position compared to new market entrants.
- Received Health Canada Research License- License # LIC-NPMQBPOJBK-2019. This license will enable BevCanna to move ahead with research activities that involve direct handling of cannabis such as SOP development, stability testing, sensory evaluation and quality assurance for house brands and white label clients at BevCanna's world-class 40,000 square foot HACCP certified bottling facility near Bridesville, British Columbia

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OUTDOOR CULTIVATION SITE PRODUCES LOW-COST, HIGH-QUALITY SUN-GROWN CANNABIS BIOMASS



130-ACRE OUTDOOR CULTIVATION SITE

- Located in the heart of the Okanagan, BC interior
- Highly fertile soil and globally recognized growing region known for its terroir (over 100+ wineries and 2,400 planted hectares of wineries in the region)
- Awarded Health Canada industrial hemp license
- Joint Venture with Clearwater CannGrow, and Joey Bedard- Brunet, Seasoned agricultural consultant having worked in over 15 different agricultural industries including several MMAR cannabis and hemp operation at start up levels.

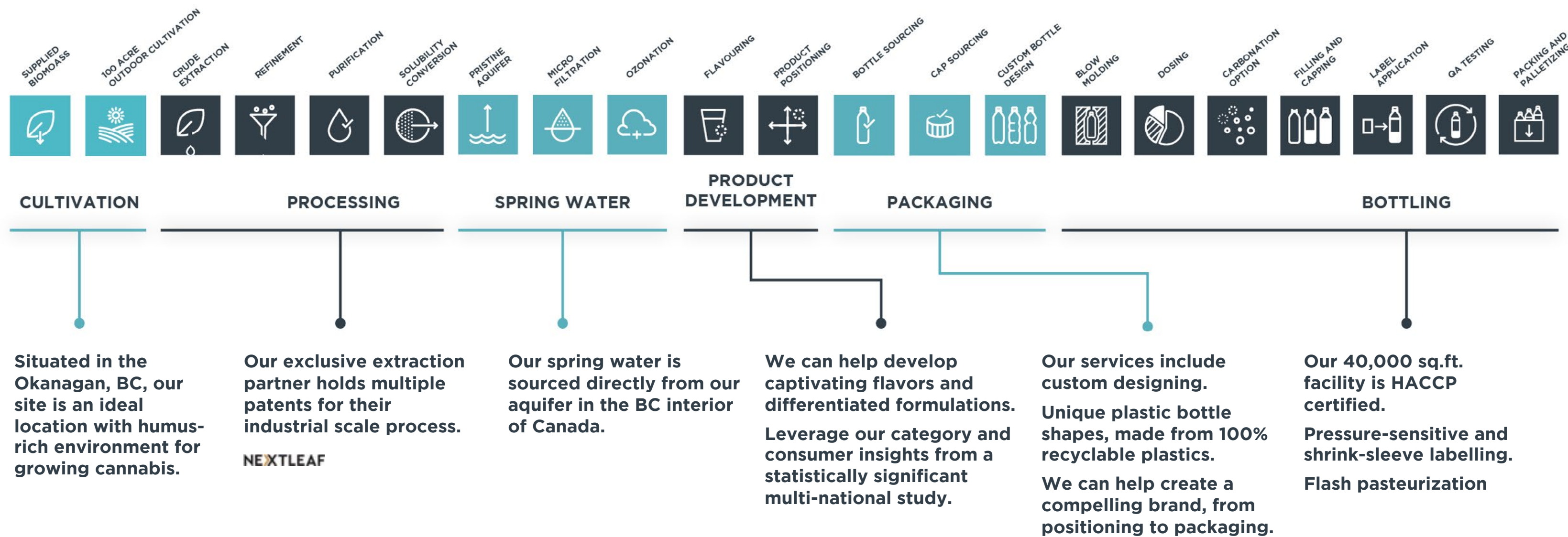
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**HEALTH CANADA INDUSTRIAL HEMP
CULTIVATION LICENSE** LIC-JV-1A80WEK8-2019

INNOVATIVE AND INDIVIDUALIZED, WE PROVIDE END TO END TURNKEY BOTTLING SOLUTIONS.



WHETHER IT'S FOR OUR OWN IN-HOUSE BRANDS OR WORKING CLOSELY WITH OUR WHITE-LABEL CLIENTS TO REALIZE THEIR OWN VISION, WE CREATE AND LAUNCH HIGHLY CUSTOMIZABLE PRODUCTS THAT APPEAL TO A VARIETY OF TARGET MARKETS FROM VALUE, TO CRAFT AND PREMIUM POSITIONING.

PROPRIETARY WATER-SOLUBLE POWDER

BEVCANNA'S DEEPER GREEN CONVERTS EXTRACTED CANNABIS INTO A SAFE, FAST-ACTING, WATER-SOLUBLE POWDER. IT ELIMINATES ALL THE CHALLENGES OF CONVENTIONAL OIL. ALL NON-CANNABINOID INGREDIENTS AND PROCESSES MEET FDA STANDARDS. DEEPER GREEN IS "THE" INGREDIENT FOR EDIBLE MANUFACTURERS.

Homogeneous: Because DG is water-soluble, Deeper Green mixes evenly with beverages and edibles thus creating consistent finished products. Deeper Green allows producers to easily scale their production.

→ **Benefit:** Every given unit of every lot is exactly the same.

Regulation-Friendly: In every legal market consistent dosage is required by legislation. Edible manufacturers unable to meet the state's guidelines are putting their businesses at risk.

→ **Benefit:** Deeper Green based products deliver a consistent dosage.

Predictable Activation Time: With all variables being equal, the consumer feels the effects up to 200% faster.

→ **Benefit:** Utilizing a Deeper Green solution delivers a quick, predictable and reliable experience after each usage.

Tasteless and Odorless: Deeper Green alleviates the earthy smell and taste associated with edibles.

→ **Benefit:** Flavor profiles will not be subverted, and producers will not have to mask their products with excess sugars or mints. The natural flavors come through.

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THIS IS A VIRTUALLY UNTAPPED CATEGORY, WITH MINIMAL COMPETITION, DUE TO DEEPER GREEN'S ABILITY TO SCALE FINISHED PRODUCTS WHILE MAINTAINING REGULATORY STANDARDS, AND COMPLIANT CONDITIONS.

OUR CONSUMER RESEARCH EXPERTISE ALLOWS US UNIQUE INSIGHTS INTO THE CANNABIS BEVERAGE OPPORTUNITY

BevCanna is taking a consumer-centric approach to bringing desired cannabis beverages to market. All product development, branding and sales strategies are informed by our investment in proprietary consumer research.

In January 2019, BevCanna conducted quantitative research with over 2,000 non-rejectors of legalized cannabis in California, New York and Canada.



WE EVALUATED:

- Consumer purchase intent
- Demographic profiles of the consumer target
- Attitudes towards cannabis beverages in relation to alcohol consumption
- Insights into consumer desires regarding package format, 25 product concepts, 6 positioning territories

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OUR BRAND CONCEPTS ARE DIVERSE, AND APPEAL TO A WIDE RANGE OF CUSTOMERS

ANARCHIST MOUNTAIN

Botanical flavors, inspired by the Pacific Northwest, infused in sparkling alkaline spring water. THC dominant.



GRÜV

An easy drinking range of appealing Iced Tea beverages infused in alkaline spring water. Balanced THC:CBD profile.



LEV

Crave-worthy fruit flavors, in sparkling alkaline spring water, to elevate your quality of life. CBD dominant.



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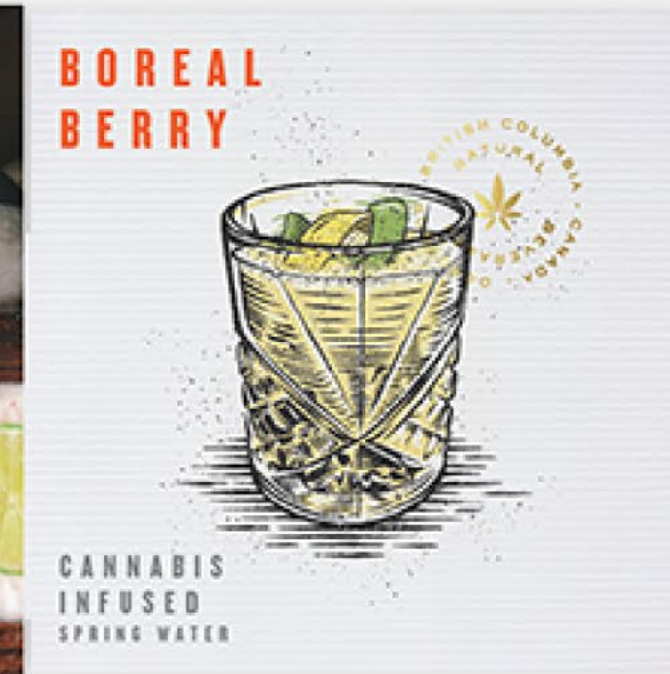
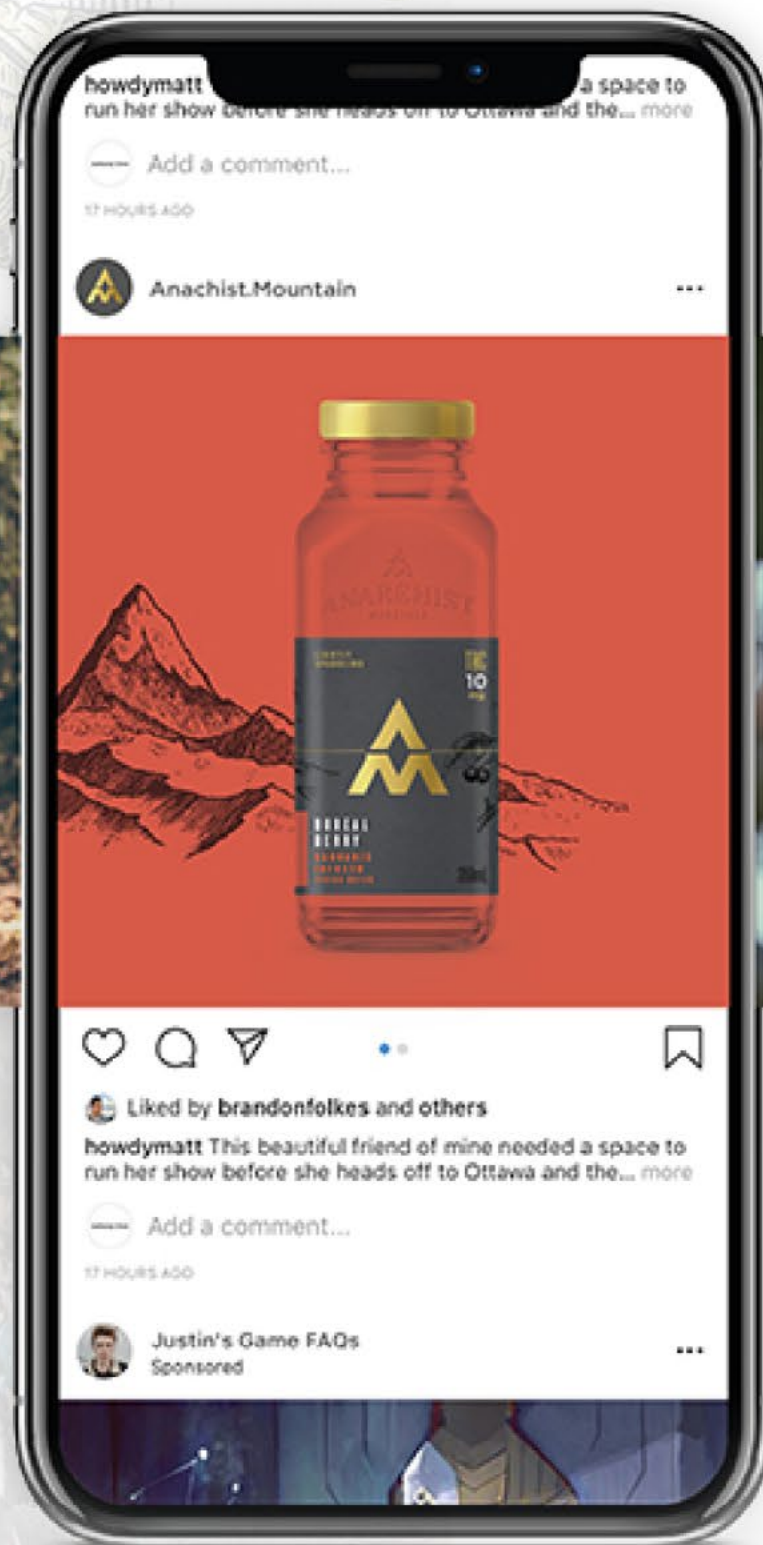


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ANARCHIST MOUNTAIN

CANNABIS INFUSED SPRING WATER



Inspired by the site of our operations near Anarchist Mountain, in the BC interior.

Each flavor is a distinctive, innovative, botanical taste experience. Inspired by Cascadia and the plants found throughout the Pacific Northwest.

Refreshing, lightly sparkling, THC-dominant blends, well-suited for social occasions.

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GRÜV

CBD INFUSED ICED TEA



Timeless yet memorable, Gräv is a playful brand that combines the best of classic iced tea flavors (herbal, green and black tea) with modern cannabinoid infusions.

Formulated for wide appeal, Gräv helps you relax, unwind and quench your thirst after a day in the sun or the garden, at the office or the water's edge.

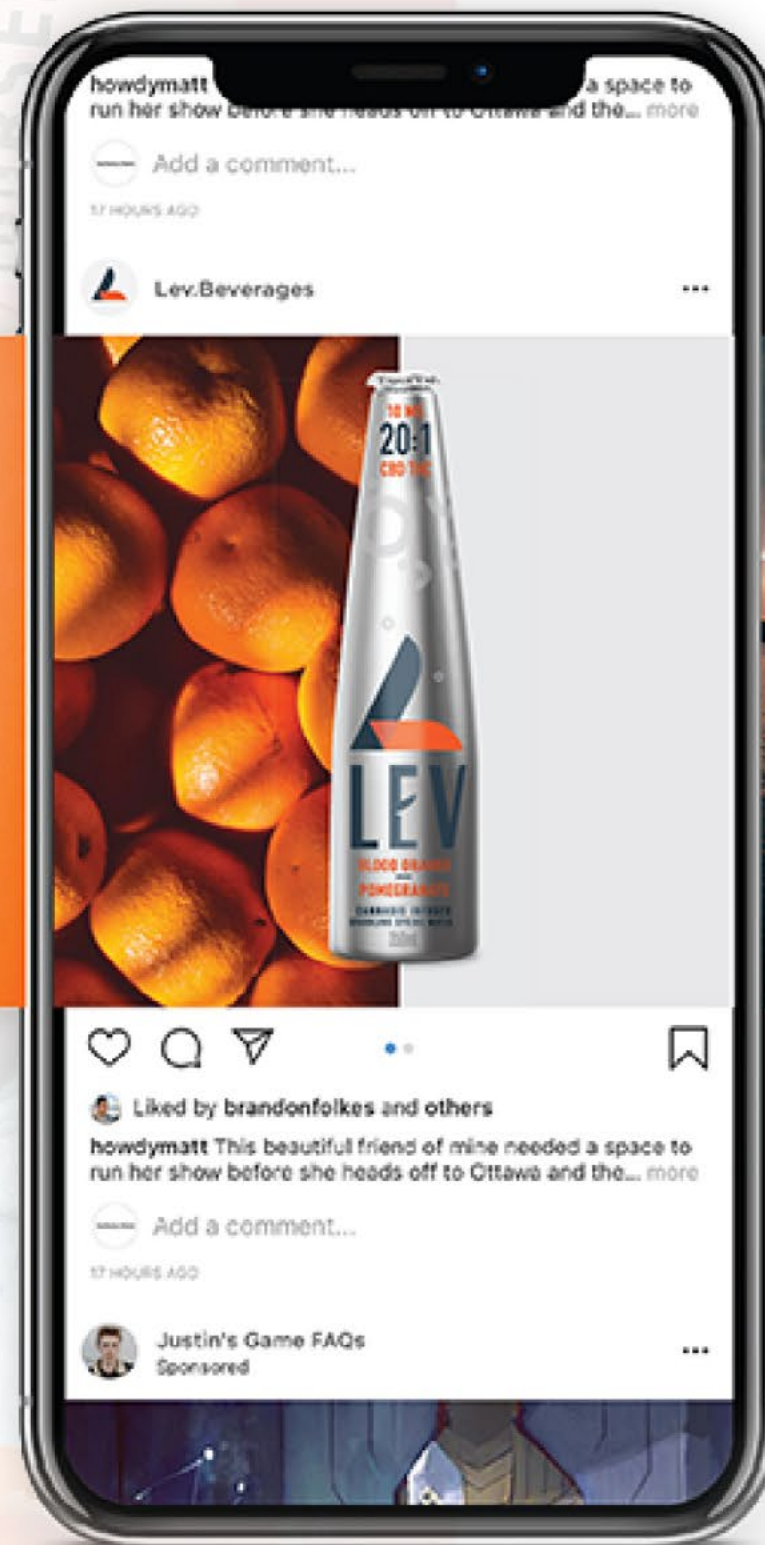
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LEV

FRUIT FLAVORED. LIGHTLY SPARKLING SPRING WATER



Harnessing the natural therapeutic properties of cannabis, in products with approachable and appealing flavors for everyday consumption, elevating your wellbeing and improving your quality of life.

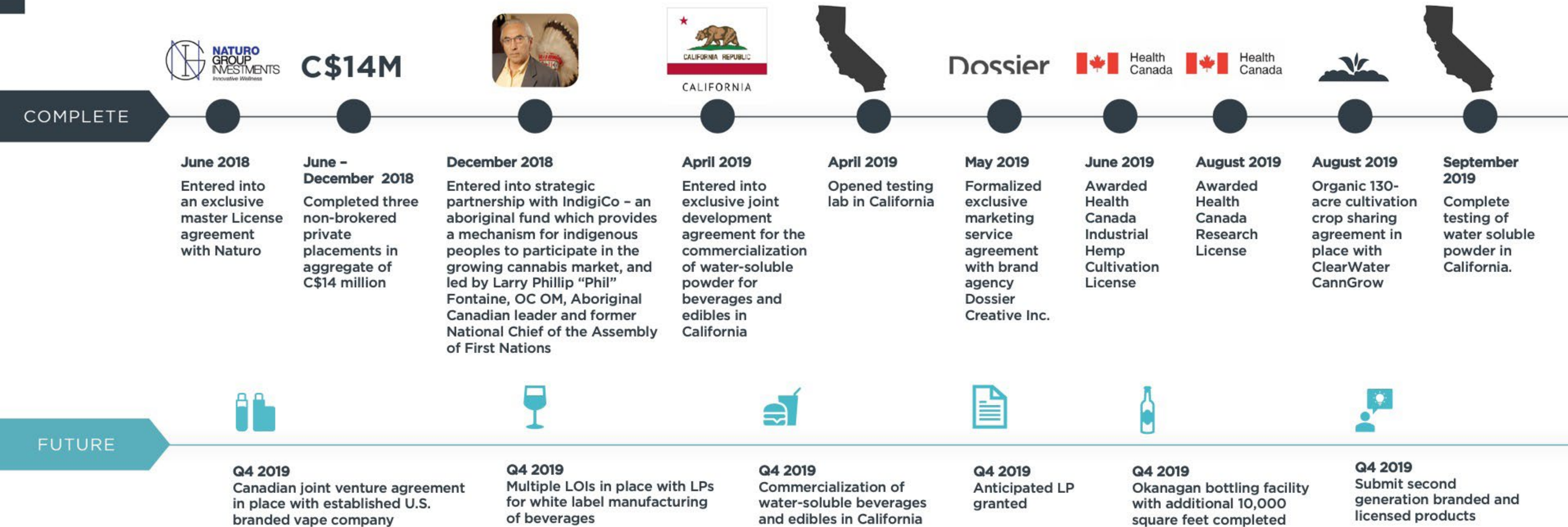
Fruit-forward taste profiles, lightly sparkling spring water, infused with higher proportions of CBD, complemented by THC for efficacy.

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CORPORATE MILESTONES



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PRODUCT ROADMAP



STABLE CAPITAL STRUCTURE

BEVCANNA SHARE CAPITAL STRUCTURE

NUMBER OF SHARES

EXPIRY DATE

Common Shares issued and outstanding

46,015,857

Options issued with \$.050
exercise price

1,250,000

December 14, 2023

Warrants issued with \$.050
exercise price

4,000,000

February 28, 2024

Shares outstanding (fully-diluted)

51,265,857

90%

*As of September 6, 2019

3%

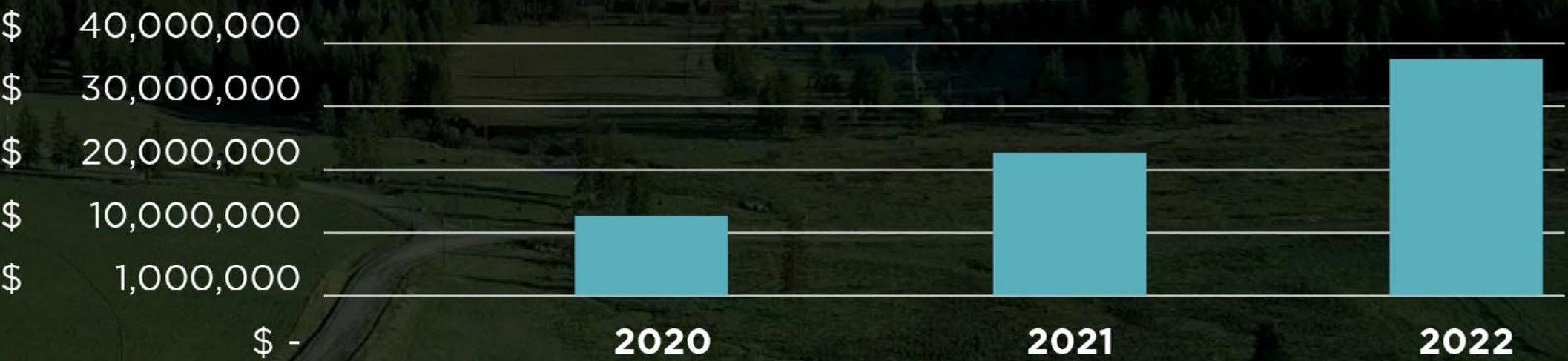
8%

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THREE YEAR FORECAST

	2020	2021	2022
Revenue Forecast	\$ 11,851,646	\$ 20,711,259	\$ 37,288,393



* FORECAST EXCLUDES OPPORTUNITIES AT THE LOI STAGE: OUTDOOR CULTIVATION JOINT VENTURE AND LAUNCHING 2 US COMPLEMENTARY BRAND JOINT VENTURES IN CANADA. ALSO EXCLUDES THE NATIONAL US ROLLOUT OF A HEMP CBD INFUSED PLANT BASED BEVERAGE WHICH IS AWAITING FDA APPROVAL.



PEER GROUP ANALYSIS

	COMPANY	TICKER	MARKET CAP	SHARES OUTSTANDING (SO)	SHARES PRICE*
Beverage Companies	Tinley	TNY:CSE	\$48M	103M	\$ 0.54
	Sproutly	SPR:CSE	\$78M	186M	\$ 0.42
	New Age Beverages	NBEV:Nasdaq	\$263M	78M	\$ 3.36
	The Alkaline Water Company	WTER:TSXV	\$120M	42M	\$ 2.89
Outdoor Cultivators	48 North	NRTH:TSXV	\$111M	170M	\$ 0.78
	Speakeasy	EASY:CSE	\$43M	87M	\$ 0.50
	WeedMD	WMD:TSXV	\$162M	114M	\$ 1.42
Water Soluble Products	Dixie Brands	DIXI.U:CSE	\$69M	126M	\$ 0.55
	Plus Products	PLUS:CSE	\$110M	43M	\$ 4.50
	Harvest One	HVT:TSX	\$107M	215M	\$ 0.50

*As of September 11, 2019

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FOR MORE INFORMATION

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General

This presentation may be considered an “offering memorandum” within the meaning of applicable securities laws in certain jurisdictions. Securities legislations in certain of the provinces in Canada provide certain purchasers with, in addition to any other rights they may have at law, a right of action for damages or rescission against the Company, where an “offering memorandum” and any amendments thereto contain a misrepresentation. These remedies must be exercised by the purchaser within the time limits prescribed by applicable securities legislation. The following is a summary of the right of action for damages or rescission available to purchasers of the offered securities under applicable securities legislation and is subject to the express provisions of applicable securities legislation in each of the provinces identified below and the regulations, rules and policy statements thereunder. Each purchaser should refer to the provisions of applicable securities legislation for the particulars of these rights or consult with a legal adviser.

Statutory Rights of Action for Purchasers Resident in British Columbia

This presentation could be designated as an offering memorandum under British Columbia laws. In the event that this presentation is an offering memorandum, you will have certain rights provided to you by the Securities Act (British Columbia) (the “BC Act”) in the event of a misrepresentation. Where an offering memorandum contains a misrepresentation, the BC Act provides that a purchaser who purchases a security offered by the offering memorandum has, without regard to whether the purchaser relied on the misrepresentation, the following rights of action:

1. for damages against: (i) the issuer; (ii) every director of the issuer at the date of the offering memorandum; (iii) every person or company who signed the offering memorandum; and
2. for rescission against the issuer.

If a misrepresentation is contained in a record incorporated by reference in, or deemed incorporated into, an offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum. Such rights of rescission and damages are subject to certain limitations and defences available to the issuer or other parties sued as more particularly set forth in the BC Act. Time Limitations – If a purchaser intends to rely on the rights described above, the purchaser must do so within strict time limitations. The purchaser must commence the action for rescission within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence the action for damages within the earlier of: (i) 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) or three years after the date of the transaction that gave rise to the cause of action. The amount recoverable under the Securities Act (British Columbia) may not exceed the price at which the securities were offered under the offering memorandum.

Statutory Rights of Action for Purchasers Resident in Alberta

This presentation could be designated as an offering memorandum under Alberta laws. In the event that this presentation is an offering memorandum, you will have certain rights provided to you by the Securities Act (Alberta) (the “Alberta Act”) in the event of a misrepresentation. Where an offering memorandum contains a misrepresentation, the Alberta Act provides that a purchaser who purchases a security offered by the offering memorandum has, without regard to whether the purchaser relied on the misrepresentation, the following rights of action:

1. for damages against: (i) the issuer; (ii) every director of the issuer at the date of the offering memorandum; (iii) every person or company who signed the offering memorandum; and
2. for rescission against the issuer.

If a misrepresentation is contained in a record incorporated by reference in, or deemed incorporated into, an offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum. Such rights of rescission and damages are subject to certain limitations and defences available to the issuer or other parties sued as more particularly set forth in the Alberta Act. Time Limitations – If a purchaser intends to rely on the rights described above, the purchaser must do so within strict time limitations. The purchaser must commence the action for rescission within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence the action for damages within the earlier of: (i) 180 days after the date that the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) or three years after the date of the transaction that gave rise to the cause of action. The amount recoverable under the Securities Act (Alberta) may not exceed the price at which the securities were offered under the offering memorandum.

Statutory Rights of Action for Purchasers Resident in Saskatchewan

This presentation could constitute an offering memorandum under Saskatchewan laws. In the event that this presentation is an offering memorandum, you will have certain rights provided to you by The Securities Act (Saskatchewan) (the “Saskatchewan Act”) in the event of a misrepresentation. Where an offering memorandum, together with any amendment to it (in this part, collectively being referred to as an “offering memorandum”), sent or delivered to a purchaser contains a misrepresentation, a purchaser who purchases a security covered by the offering memorandum has, without regard to whether the purchaser relied on the misrepresentation, has the following rights of action:

1. rescission against the issuer or a selling security holder on whose behalf the distribution is made; or
2. damages against: (i) the issuer or a selling security holder on whose behalf the distribution is made; (ii) every promoter and director of the issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered; (iii) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them; (iv) every person who or company that, in addition to the persons or companies mentioned in (i) to (iii) above, signed the offering memorandum or the amendment to the offering memorandum; and (v) every person who or company that sells securities on behalf of the issuer or selling security holder under the offering memorandum or amendment to the offering memorandum.

In addition, if there is a misrepresentation (as defined in the Saskatchewan Act) in any “advertising” or “sales literature” (as those terms are defined in the Saskatchewan Act) distributed in connection with a private placement offering and the purchaser is a resident of Saskatchewan, the purchaser has a statutory right to sue:

1. the issuer or a selling security holder of whose behalf the distribution is made;
2. every promoter or director of the issuer or selling security holder, as the case may be, at the time the advertising or sales literature was disseminated; and
3. every person who or company that, at the time the advertising or sales literature was disseminated, sells securities on behalf of the issuer or selling security holder in the offering with respect to which the advertising or sales literature was disseminated.

Furthermore, if there is a misrepresentation in any verbal statement made to a purchaser relating to the securities purchased and the verbal statement was made either before or contemporaneously with the purchase of the securities, the purchaser has a statutory right to sue the individual who made the verbal statement. Such rights of rescission and damages are subject to certain limitations and defences available to the issuer or other parties sued as more particularly set forth in the Saskatchewan Act. Time Limitations – If a purchaser intends to rely on the rights described above, the purchaser must do so within strict time limitations. The purchaser must commence the action for rescission within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence the action for damages within the earlier of: (i) one year after the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) or six years after the date of the transaction that gave rise to the cause of action.



CONTINUED...

Statutory Rights of Action for Purchasers Resident in Manitoba

This presentation could constitute an offering memorandum under Manitoba laws. In the event that this presentation is an offering memorandum, you will have certain rights provided to you by The Securities Act (Manitoba) (the “Manitoba Act”) in the event of a misrepresentation. When an offering memorandum contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum is deemed to have relied on the representation if it was a misrepresentation at the time of purchase and the purchase has:

1. a right of action for damages against: (i) the issuer; (ii) every director of the issuer at the date of the offering memorandum; and (iii) every person or company who signed the offering memorandum; and
2. a right of rescission against the issuer.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser has no right of action for damages against a person or company referred to above. Such rights of rescission and damages are subject to certain limitations and defences available to the issuer and other parties sued as more particularly described in the Manitoba Act. The Securities Act (Manitoba) also provides defences in addition to those summarized here. The amount recoverable cannot exceed the price at which the securities were offered under the offering memorandum. Additionally, in an action for damages, any defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the security as a result of the misrepresentation. Time Limitations – If a purchaser intends to rely on the rights described above, the purchaser must do so within strict time limitations. The purchaser must commence the action for rescission within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence the action for damages within the earlier of: (i) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) or two years after the date of the transaction that gave rise to the cause of action.

Statutory Rights of Action for Purchasers Resident in Ontario

This presentation could constitute an offering memorandum under Ontario laws. In the event that this presentation is an offering memorandum, you will have certain rights provided to you by the Securities Act (Ontario) (the “Ontario Act”) in the event of a misrepresentation. Where an offering memorandum contains a misrepresentation, a purchaser who purchases a security offered by the offering memorandum has, whether or not the purchaser relied on the misrepresentation, the following rights:

1. right of action for damages against the issuer and a selling security holder on whose behalf the distribution is made; or
2. if the purchaser purchased the security from a person or company referred to above, the purchaser may elect to exercise a right of rescission against the person or company. If the purchaser exercises this right of rescission, the purchaser ceases to have a right of action for damages against the person or company.

Such rights of rescission and damages are subject to certain limitations and defences available to the issuer or other parties sued as more particularly set forth in the Ontario Act. Time Limitations – If a purchaser intends to rely on the rights described above, the purchaser must do so within strict time limitations. The purchaser must commence the action for rescission within 180 days after the date of the transaction that gave rise to the cause of action. The purchaser must commence the action for damages within the earlier of: (i) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action; or (ii) or three years after the date of the transaction that gave rise to the cause of action.

Statutory Rights of Action for Purchasers Resident in New Brunswick

This presentation could constitute an offering memorandum under New Brunswick laws. In the event that this presentation is an offering memorandum, New Brunswick securities legislation provides investors who purchase securities offered for sale in reliance on the exemption in Section 2.3 Accredited Investor (“Section 2.3”) of National Instrument 45-106 Prospectus Exemptions (“NI 45-106”) with a statutory right of action against the issuer and a selling security holder of securities for damages or against the seller of securities only, for rescission, in the event that any information relating to the offering provided to the purchaser contains a misrepresentation. Where an offering memorandum is delivered to a prospective purchaser of securities in connection with a trade made in reliance on the exemption in Section 2.3 of NI 45-106, and the document contains a misrepresentation, a purchaser who purchases the securities is deemed to have relied on the misrepresentation and has, subject to certain limitations and defences, a statutory right of action against the issuer and a selling security holder on whose behalf the distribution was made for damages or, while still the owner of securities, against the seller of securities for rescission. If the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages. The right of action will be exercisable by the purchaser only if the purchaser gives notice to the defendant, in the case of any action for rescission, not more than 180 days after the date of the transaction that gave rise to the cause of action, that the purchaser is exercising this right and, in the case of any action for damages, before the earlier of (a) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action and (b) six years after the date of the transaction that gave rise to the cause of action.

The liability of all persons and companies referred to above is joint and several. A defendant is not liable for a misrepresentation if it proves that the purchaser purchased the securities with knowledge of the misrepresentation. In an action for damages, the defendant shall not be liable for all or any portion of the damages that the defendant proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon. In no case shall the amount recoverable for the misrepresentation exceed the price at which the securities were offered.

Statutory Rights of Action for Purchasers Resident in Nova Scotia

This presentation could constitute an offering memorandum under Nova Scotia laws. In the event that this presentation is an offering memorandum, Nova Scotia securities legislation provides that if an offering memorandum or any advertising or sales literature (as defined in the Securities Act (Nova Scotia)) contains a misrepresentation, a purchaser of securities is deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the seller of such securities, the directors of the seller and the persons who have signed the offering memorandum or, alternatively, while still the owner of the securities, may elect instead to exercise a statutory right of rescission against the seller, in which case the purchaser shall have no right of action for damages against the seller, the directors of the seller or the persons who have signed the offering memorandum. The rights described above are subject to certain limitations, including: (a) no action may be commenced to enforce the right of action for rescission or damages by a purchaser resident in Nova Scotia later than 120 days after the date payment was made for the securities (or after the date on which initial payment was made for the securities where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment); (b) no person will be liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation; (c) in the case of an action for damages, no person will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities; and (d) in no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser.

The liability of all persons or companies referred to above is joint and several with respect to the same cause of action.

PURCHASERS MAY HAVE RIGHTS IN ADDITION TO THOSE DESCRIBED HEREIN. FOR FURTHER INFORMATION ABOUT SUCH RIGHTS, PURCHASERS SHOULD CONSULT A LAWYER.