

Vencanna Ventures Announces Interim Financial Results and Corporate Update for the Three Months ending October 31, 2024

December 30, 2023 - Calgary, Alberta –Vencanna Ventures (the "Company" or "Vencanna") (CSE:VENI) is pleased to provide a summary of its financial results as of October 31, 2024. Selected financial information is outlined below and should be read in conjunction with the Company's financial statements and management's discussion and analysis for the three months ended October 31, 2024, which are available on SEDAR+ at www.sedarplus.ca. All financial measures are expressed in U.S. dollars unless otherwise indicated.

On April 30, 2024 the Company acquired The Cannavative Group (“Cannavative”) in an all-share transaction. The transaction marks a transformative shift for the Company, from a purely investment entity to include U.S.-based cannabis operations.

The Company derives the majority of its income from the cannabis industry in certain states in the United States, which is illegal under the federal laws of the United States. However, the Company is not aware of any non-compliance by the Company, or its investees, or The Cannavative Group, that would be contrary, or illegal, under applicable state laws.

Corporate Update

In the state of Nevada, the Company continues to focus on cost reduction and improving its operating efficiencies through certain rightsizing measures. By emphasizing on our core retail channels and brands, the Company has been able to significantly reduce its staffing needs and operating footprint. In early 2025, the Company will be operating out of a new facility, which will reduce our facility carrying costs by approximately seventy-five percent, further reducing the corporate cost structure. In addition, the Company has onboarded JAB LLC (JAB), a Las Vegas based sales team, to help drive our revenues. While Nevada, like other mature cannabis markets, has experience increased competition and price compression, the aforementioned changes has positioned Cannavative to better compete, and thrive, in what remains an incredible exciting market.

In the state of New Jersey, construction at our Bellmawr retail site is underway, and it is estimated that construction should be complete late Q2 2025. The Bellmawr site is less than 10 miles from Philadelphia just off Hwy 42 southbound, with over 85,000 cars passing the dispensary every day. Further, the Company is repurposing excess cultivation equipment from Nevada for its Cinnaminson facility, a single roofed cultivation, manufacturing and retail site. The Company intends to initially complete the Bellmawr project, before focusing on the Cinnaminson project. We look forward to bringing our brands, relationships, and product developments from Nevada into the New Jersey market.

Financial Highlights

On April 20, 2022, the Company announced that it was assisting community groups in New Jersey, TGC NJ LLC, CGT NJ LLC, and October Gold NJ LLC (the “NJ Entities”), in joint submissions of cannabis business applications. The Company previously recorded the investments into the NJ Entities as “investments”. However, due to the combination of insiders of the Company having ownership interest and decision making authority, and the Company’s purchase option of the NJ Entities, management has assessed the NJ Entities under IFRS 10 Consolidated Financial Statements, and has established that control exists under the nature of the agreement and as such the Company shall account for the investment in NJ Entities using

the full consolidation method and has accounted for non-controlling interests in the statement of financial position and statement of loss and comprehensive loss.

The following financial data is selected information for the Company for the nine most recently completed financial quarters:

Quarter ended	Oct 31, 2024 (\$)	Jul 31, 2024 (\$)	Apr 30, 2024 (\$)	Jan 31, 2024 (\$)	Oct 31, 2023 (\$)	Jul 31, 2023 (\$)	Apr 30, 2023 (\$)	Jan 31, 2023 (\$)
(000's)								
Revenues	1,160	1,254	-	-	-	-	-	-
Cost of sales	(862)	(1,168)	-	-	-	-	-	-
Gross profit	298	86	-	-	-	-	-	-
Expenses	(1,065)	(1,053)	(415)	(347)	(311)	(210)	(344)	(408)
Other income and (expenses)	10	12	273	82	175	57	(81)	123
Net gain (loss)	(757)	(956)	(142)	(266)	(135)	(153)	(425)	(285)
Comprehensive gain (loss)	(970)	(793)	(423)	(112)	(178)	11	(366)	(329)
Total assets	9,933	10,856	11,559	7,676	7,769	6,540	6,643	6,737
Total liabilities	5,302	5,155	5,065	3,670	3,564	2,031	2,077	1,805

Financial results for the three months ended October 31, 2024 and 2023

The Company recorded a comprehensive loss of \$969,797, \$0.00 per common share for the three months ended October 31, 2024, as compared to a comprehensive loss of \$204,494, \$0.00 per share for the three months ended October 31, 2023.

Prior to April 30, 2024, the Company's primary revenue source consisted of interest income, which was captured in "Other income and (expenses)". Revenues for the period ended October 31, 2024 were \$1,160,308, down 7.5% from the preceding period. However, Cost of Sales of \$862,282 during the period were 26.2% lower compared to \$1,168,343 in the preceding period, resulting in a Gross Profit of \$298,026 in the current period compared to \$85,972 in the preceding period. Expenses for the period ended October 31, 2024, were \$1,065,227 (2023 - \$348,546), the majority of the increase being related to the acquisition cost, and inclusion, of Cannavative. Amortization expense increased \$342,402 compared to (2023 - \$30,576), which is primarily attributed to the three operating leases and amortization expenses of Cannavative. Salaries, benefits and bonuses increased to \$272,078 from (2023 - \$95,552), primarily attributed to the inclusion of Cannavative. Interest expenses including interest from leases increased to \$117,417 (2023 - 56,019) and is directly related to the three active lease commitments. Professional fees were \$230,547 (2023 - \$53,384), the increase primarily attributed to accounting and audit fees incurred for the initial setup of financial reporting of the consolidated entities and legal expenditures related to regulatory reporting. The Company also incurred \$11,336 (2023 - \$6,304) during the period related to added Cannavative expenditures for property, utilities, marketing and selling expenditures which were not present in the previous period. Development and consulting fees related to the NJ Entities were \$Nil (2023 - \$1,298). Office and other administrative costs increased during the period due to the addition of Cannavative operations \$91,447 (2023 - \$49,394).

Other income and (expenses) increased \$10,353 (2023 - \$176,008). Interest income decreased to \$10,642 (2023 - \$106,946) related to reduced interest on the Cannavative note. Unrealized foreign exchange loss

was \$289 compared to an unrealized gain of \$153,837. Due to the settlement of the convertible debenture, there were no derivative instruments in the period \$Nil (2023 - \$84,765).

The Net loss for the period was (\$756,848) (2023 - \$35,956). After adjustments the Company had a Comprehensive loss of \$969,797 (2023 - \$208,494).

As of date hereof, the Company's outstanding securities consists of 222,644,952 common shares, 55,974,604 Exchangeable Shares, and 43,449,159 warrants. The Exchangeable Shares, issued under the acquisition of Cannavative, are exchangeable on a one-for-one basis into an equal number of common shares of the Company.

Normal Course Issuer Bid

On February 23, 2024 the Company announced the re-commencement of its normal course issuer bid (the "**Bid**"). Under the Bid, the Company may purchase up to 5% of the Company's common shares. The Bid will terminate on the earlier of February 23, 2025 and the date on which the maximum number of common shares that can be acquired pursuant to the Bid have been purchased. During the period the Company did not purchase any common shares under the Bid.

About Vencanna

On September 24, 2018, the Company completed a recapitalization financing, appointed a new management team and board of directors, and commenced trading on the CSE as an investment issuer. The transactions transitioned the Company from an oil and gas issuer to a merchant capital firm, and rebranded as "Vencanna Ventures".

On April 30, 2024 Vencanna acquired Cannavative, a cultivation and extraction company in the state of Nevada. Cannavative was established in 2016, and began operations in 20217. The acquisition of Cannavative transitioned the Company from a merchant capital firm to an operating company.

Vencanna is dedicated to offering investors a diversified, high-growth cannabis investment strategy, with a particular focus in the Unities States of America. It proposes to achieve this through strategic investments, grass roots developments, and acquisitions spanning the cannabis value chain.

For further information regarding this news release, please contact:

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Reader Advisories

Neither the CSE nor the Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this news release.

Forward-Looking Statements

This news release may include "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Company, including but not limited to: the business plan of the Company and Cannavative; the anticipated benefits of the acquisition of Cannavative; the market for medical and recreational cannabis in the United States; the state of the cannabis market and U.S. regulatory changes in respect thereof; and expectations regarding the business plans of such companies. When used in this news release, the words "will," "anticipate," "believe," "estimate," "expect," "intent," "may," "project," "should," and similar expressions are intended to be among the statements that identify forward-looking statements. The forward-looking statements are founded on the basis of expectations and assumptions made by the Company, including expectations and assumptions concerning: the acquisition of Cannavative, including the impact of increasing competition; timing and amount of capital expenditures; the legislative and regulatory environments of the jurisdictions where the Company will carry on business, have operations or plan to have operations; the ability of the Company to enter into contracts with companies to provide financing on acceptable terms; conditions in general economic and financial markets; the ability of the Company's investments to execute on their business plan; and the Company's ability to obtain additional financing on satisfactory terms or at all. Forward-looking statements are subject to a wide range of risks and uncertainties, and although the Company believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized.

Any number of important factors could cause actual results to differ materially from those in the forward-looking statements including, but not limited to, changes to global cannabis laws, how the developing U.S. legal regime will impact the cannabis industry, the ability of the Company to implement its corporate strategy, the state of domestic and international capital markets, the ability to obtain financing, changes in general market conditions and other factors more fully described from time to time in the reports and filings made by the Company with securities regulatory authorities. Except as required by applicable laws, the Company does not undertake any obligation to publicly update or revise any forward-looking statements.