



**ANNOUNCES INTENTION TO ESTABLISH A NEW DISCOUNT LIQUOR PARTNERSHIP AND OPEN NEW WINE AND BEYOND LOCATIONS AND LAUNCHES HOME DELIVERY IN THE GREATER VANCOUVER AREA**

**EDMONTON, ALBERTA, November 8, 2018** – AlcanNA Inc. (the “Company” or “AlcanNA”) (TSX: CLIQ) today announced its intention to establish a new discount liquor partnership and open new Wine and Beyond locations and has launched home delivery in the greater Vancouver area.

**NEW DISCOUNT LIQUOR PARTNERSHIP**

AlcanNA has entered into a non-binding letter of intent (“LOI”) with a discount liquor store operator in Alberta, Ace Liquor Corporation (“Ace”), to form a new partnership in the discount liquor store business. AlcanNA and Ace expect to enter into definitive agreements with the transaction closing in early 2019 subject to customary closing conditions, including receipt of all necessary third party and regulatory consents and approvals. The proposed partnership – Canadian Liquor Retailers Alliance (“the Alliance”) – is anticipated to include all of Ace’s current 12 locations and 3 additional locations under construction. The Alliance is anticipated to also acquire 50 retail stores from a subsidiary of AlcanNA and which we anticipate the majority of which will be converted to the “Ace Liquor Discounter” brand. The LOI provides that Tank Vander, CEO of Ace, will become CEO of the Alliance and Donald Bobey, currently Vice President, Merchandising at AlcanNA will become President and COO. The initial ownership of the Alliance partnership units is expected to be approximately 72% held directly or indirectly by AlcanNA and 28% held by Ace.

The proposed material terms of the transaction are contained in the LOI; however, the definitive agreements have not been finalized, and these agreements will be subject to obtaining the necessary approvals and consents. Accordingly, there is no assurance that definitive agreements in connection with the proposed transaction will be agreed to nor that the transaction will be completed. The completion of the transaction will require, amongst other things, the approval of the transfer of liquor licenses to the Alliance by the applicable regulatory authorities, transfers of interests in leases as applicable; some of which will require third party consents, approval by AlcanNA’s lenders and other regulatory approvals as the case may be.

“Ace Liquor Discounter is an innovative and respected discount liquor store chain in Alberta and we are excited to partner with them in this Alliance,” stated James Burns, Vice Chair and CEO of AlcanNA. “The formation of the Alliance is a continuation of our previously announced strategy to enter the discount liquor segment and is expected to achieve significant synergies. We believe that the combined strengths of AlcanNA and Ace will make the Alliance a strong competitor in the discount liquor segment in Alberta and will facilitate our growth in Western Canada. We believe that Alberta has by far the best liquor retail regime in Canada for consumers and the Alliance will only serve to strengthen our industry going forward.”

## **NEW WINE AND BEYOND LOCATIONS**

James Burns continued: "We have also been aggressively seeking new locations to expand our highly profitable Wine and Beyond brand. We have signed or are in negotiations with landlords to allow for a further six (6) to nine (9) locations in Alberta within 2 years. We have commitments for sites in Lethbridge and St. Albert (part of the greater Edmonton region), Alberta, which are scheduled to open in Q2 2019 and late Q3 2019, respectively. We anticipate opening 4 additional Wine and Beyond locations in Calgary between mid-2019 and mid-2020 as well as locations in Red Deer, Grand Prairie and Fort McMurray. The current Wine and Beyond stores average at least 4 times the revenue of a Liquor Depot and produce approximately 5 times the EBITDA. We believe that Wine and Beyond stores have the largest product selection in Canada and offer an unparalleled customer experience to that offered elsewhere in Alberta or across Canada."

## **ON-DEMAND HOME DELIVERY LAUNCHED IN THE GREATER VANCOUVER AREA**

Effective today, the Company has launched on-demand, convenient home delivery of beer, wine and liquor to the greater Vancouver area through its Liquor Depot brand. The on-demand service allows legal-age consumers to use an app or website to shop thousands of products from the virtual shelves of Liquor Depot and order with delivery complete in less than one hour. Consumers are able to schedule deliveries when it is most convenient for them.

## **ABOUT ALCANNA INC.**

Alcanna is one of the largest private sector retailers of alcohol in North America and the largest in Canada – owning and operating 227 locations in Alberta, B.C. and Alaska. With revenues in excess of \$600 million per year, Alcanna processes over 20 million individual retail transactions of beverage alcohol. As of October 17, 2018 Alcanna, opened the first five of its new retail cannabis stores under the "Nova Cannabis" brand in the Province of Alberta.

Alcanna's common shares and convertible subordinated debentures trade on the Toronto Stock Exchange under the symbols "CLIQ" and "CLIQ.DB", respectively.

Additional information about Alcanna Inc. is available at [www.sedar.com](http://www.sedar.com) and the Company's website at [www.alcanna.com](http://www.alcanna.com). Further information about NOVA Cannabis can be found on our consumer website at [www.novacannabisstore.com](http://www.novacannabisstore.com).

## **FORWARD-LOOKING STATEMENTS**

This news release contains forward-looking statements or information (collectively "forward-looking statements") within the meaning of applicable securities legislation. Forward-looking statements are typically identified by words such as "intend", "anticipate", "will", "should", "plan", "expect" and similar words suggesting future events or future performance. All statements and information other than statements of historical fact contained in this news release are forward-looking statements. In particular, this news release contains forward-looking statements pertaining to: the anticipated closing of the transaction to establish the Alliance, including obtaining the necessary regulatory approvals such as from the provincial regulator to transfer the liquor licenses to the Alliance and the Competition Bureau (if applicable), consents for the assignment of interests in leases, and obtaining consent of lenders in our credit facility; and the anticipated number of new Wine and Beyond locations to open in 2019 and 2020.

With respect to forward-looking statements contained in this news release, the Company has made assumptions regarding, among other things: the ability of management to finalize the transaction to establish the Alliance and to open the anticipated number of new Wine and Beyond locations.

Although the Company believes that the expectations reflected in the forward-looking statements, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurance that such expectations and assumptions will prove to be correct. Readers should not place undue reliance on forward-looking statements included in this news release. Forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties that may cause actual performance and financial results to differ materially from any estimates, forecasts or projections. These risks and uncertainties include, among other things: the risk that we will be unable to finalize the agreements necessary to establish the Alliance, including obtaining the necessary regulatory approvals such as from the provincial regulator to transfer the liquor licenses to the Alliance and the Competition Bureau (if applicable), consents for the assignment of interests in leases, and obtaining consent of lenders in our credit facility; the ability to obtain regulatory licenses and permits at locations for Wine and Beyond and finalize lease terms that are commercially reasonable; and the other factors described in the Company's public filings (including the Annual Information Form) available at [www.sedar.com](http://www.sedar.com). Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking statements contained in this news release are made as of the date hereof. Except as expressly required by applicable securities legislation, Alcanna does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

### **For Further Information**

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