



For Immediate Release

TSX Venture: YERB.U, OTCQX® Best Market: YERBF

Yerbae Announces Filing of Amended and Restated Consolidated Financial Statements and MD&A

Scottsdale, Ariz., November 14, 2023 — Yerbaé Brands Corp. (TSXV: YERB.U; OTCQX: YERBF) (“Yerbaé” or the “Company”), a plant-based energy beverage company, today announced that it has filed amended and restated financial statements together in each case with an amended and restated corresponding management's discussion and analysis (collectively, the "Amended Financial Reports") for its interim periods for the three months ended March 31, 2023 and for the six months ended June 30, 2023 (collectively, the "Financial Periods") to correct accounting for the items identified below.

It was identified by the Company's management and agreed to by its independent accounting firm, that the original financial statements for the Financial Periods contained errors that were primarily due the Company's recognition and measurement for its reverse takeover transaction (the “Transaction”) with Kona Bay Technologies Inc. (“Kona Bay”) which was completed in February 2023. Specifically, the material errors the Company identified included: a) the overstatement the amount of non-cash listing expense recognized from the shares issued pursuant to the Transaction in its interim financial statements for each of the Financial Periods; b) the recognition of the performance shares issued pursuant to the Transaction was made during its interim period ended June 30, 2023 rather than during the three month period ended March 31, 2023; c) recording the value of performance shares issued all as a non-cash listing expense whereby a portion should have been included in deferred offering costs; d) recognizing certain advertising/marketing fees and slotting fees as operating expense rather than as contra-revenue (discount) in accordance with the requirements of IFRS 15; e) the volatility index used in the Black Scholes pricing model was determined to be too low during each interim period which resulted in revised values for warrants and stock options issued during the periods; and f) the volatility index used in the Black Scholes pricing model was incorrect and resulted in an understatement of the debt discount related to detachable warrants issued in conjunction with the convertible notes issued during the six month period ended June 30, 2023, in addition to an understatement of interest expense and accretion expense related to these convertible notes.

The impact of the restatement on the Company's interim financial statements for the six month period ended June 30, 2023 is as follows:

- a decrease in total expenses of approximately \$7.35 million;
- a decrease in net revenues of approximately \$589,000;
- a decrease in net loss of approximately \$6.68 million;
- an increase in total assets of approximately \$2.9 million;
- a decrease in total liabilities of approximately \$722,000; and
- an increase in total shareholders' equity(deficit) of approximately \$3.63 million.

The impact of the restatement on the Company's interim financial statements for the three month period ended March 31, 2023 is as follows:

- an increase in total expenses of approximately \$2.61 million;
- a decrease in net revenues of approximately \$129,000;
- an increase in net loss of approximately \$2.74 million; and

- an increase in total assets and an increase in total shareholders' equity(deficit) of approximately \$2.8 million.

The Amended Financial Reports are available under the Company's profile on SEDAR+ at www.sedarplus.ca. Each of the Amended Financial Reports replace and supersede the respective previously filed original financial statements and corresponding management's discussion and analysis. Such previously filed original financial statements and management's discussion and analyses should be disregarded.

About Yerbaé Brands Corp.

Founded in 2017 by Todd Gibson and Karrie Gibson, Yerbaé Brands Corp., (TSXV: YERB.U; OTCQX: YERBF) is disrupting the energy beverage marketplace with great tasting, zero sugar, zero calorie beverages, while using plant-based ingredients that are designed to meet the needs of the wellness forward consumer. Harnessing the power of nature, Yerbaé's celebrity ingredient (Yerba Mate) is known to produce 196 different vitamins, minerals and nutrients that also produces caffeine.

By combining yerba mate, a South American herb with its premium ingredients and flavors, Yerbaé provides consumers with a no compromise energy solution. All Yerbaé energy beverages are zero calorie, zero sugar, non-GMO, and gluten free.

Find us @DrinkYerbaé on Instagram, Facebook, Twitter/X and TikTok, or online at <https://yerbae.com>.

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