

BEACN Closes First Tranche of Non-Brokered Private Placement

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VANCOUVER BC / ACCESSWIRE / June 20, 2024 / BEACN Wizardry & Magic Inc. (TSX-V: BECN) (“BEACN” or the “Company”) is pleased to announce that it has closed the first tranche (the “First Tranche”) of its non-brokered private placement (the “Offering”) previously announced on June 18, 2024. Under the First Tranche, the Company issued 2,890,578 common shares of the Company (the “Shares”) at a price of C\$0.18 per Share for gross proceeds up to \$520,304.04.

At the option of the investor and with the approval of the Company, the Share may be designated an Eligible Business Corporation Share (an “EBC Share”) and if so, the designated the investor will be eligible for a 30% tax credit. If elected, there will be restrictions on the sale of the EBC Shares for a period of 5 years.

Certain shareholders owning more than 10% of the Company’s Common Shares have participated in the First Tranche for an aggregate of 1,680,000 Shares. Such participation in the First Tranche is considered to be a “related party transaction” as defined in Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions (“61-101”). The Offering will be exempt from the formal valuation and minority shareholder approval requirements of 61-101 as neither the fair market value of the securities issued to related parties nor the consideration for such securities will exceed 25% of the Company’s market capitalization.

The proceeds from the Offering will be used to (i) accelerate the Company’s B2B and B2C sales initiatives, (ii) support strategic inventory purchases of current and new products, (iii) continue research and development of new products and (iv) for general working capital.

Except for EBC Shares, all of the securities issued with respect to the Offering will be subject to a hold period of four months and one day in accordance with applicable securities laws. EBC Shares will be subject to a hold period of four months and one day in accordance with applicable securities laws and in addition will be subject to restrictions on sale for a period of five years. The Financing is subject to acceptance by the TSXV.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States.

About BEACN

BEACN (TSX-V: BECN), a Victoria BC based consumer electronics company, develops innovative audio equipment, peripherals and technology for gamers, live streamers, and content creators. BEACN is committed to delivering premium products that enable everyone to produce studio-quality content. BEACN's award-winning product ecosystem includes BEACN Mic, BEACN Mic Stand, BEACN Mix and BEACN Mix Create. BEACN is listed on the TSXV under the symbol BECN.

Media & Investor Enquiries

Craig Fraser
ir@beacn.com
+1 (778) 561-1450

Reader Advisory

Certain information set forth in this news release contains forward-looking statements or information (“forward-looking statements”), including details about the proposed Offering and the Company’s proposed use of proceeds from the Offering. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Corporation’s control, including risks associated with the inability to complete the Offering, timing of receipt of regulatory approval, change in market conditions, evolving global supply chain issues, evolving economic and political issues, and demand for BEACN products.

Although the Company believes that the expectations in its forward-looking statements are reasonable, its forward-looking statements have been based on factors and assumptions concerning future events which may prove to be inaccurate. Those factors and assumptions are based upon currently available information. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward-looking statements. Accordingly, readers are cautioned not to place undue reliance on the forward-looking statements, as no assurance can be provided as to future results, levels of activity or achievements. Furthermore, the forward-looking statements contained in this document are made as of the date of this document and, except as required by applicable law, the Company does not undertake any obligation to publicly update or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.