

November 14, 2018



# The Alkaline Water Company Inc. Reports Record Quarterly Revenue for Second Fiscal Quarter 2019

**The Company achieved record quarterly sales of over \$8.6 million and continues accelerating growth**

SCOTTSDALE, Ariz., Nov. 14, 2018 (GLOBE NEWSWIRE) -- The Alkaline Water Company Inc. (TSXV and OTCQB: WTER) (the "Company"), with products bottled under the trademark Alkaline88<sup>®</sup>, today announced strong operating results for the second fiscal quarter ending September 30, 2018, marked by continued momentum and record quarterly sales.

"We had another tremendous quarter of accelerated growth and record sales, which continue to exceed expectations," stated Richard A. Wright, President and CEO of The Alkaline Water Company Inc. "Led by our sales channels with Walmart and CVS, we are confident that this momentum will continue into the second half of our fiscal year as we plan to add additional national retail customers and introduce our new line of infused and enhanced beverages to the market. This is a very exciting time for the Company as we execute our disciplined growth strategy and drive value for our shareholders."

## **Second Quarter Highlights (Unaudited)**

(All amounts are in U.S. dollars)

- Recorded sales of over \$8.6 million for second fiscal quarter 2019, up over 78% compared to second fiscal quarter 2018
- Launched A88 Infused Beverage Division Inc. (A88 Infused), with an initial product offering of:
  - Hemp-Derived CBD Infused Alkaline88<sup>®</sup> Water
  - Sparkling CBD Alkaline88<sup>®</sup> water
  - Vitamin-infused CBD Alkaline88<sup>®</sup> water (including Vitamin B12 and Chlorophyll)
    - In addition to the CBD product line, A88 Infused will develop a robust product line of new and innovative beverages, including:
      - Vitamin Based "Energy" Alkaline88<sup>®</sup> water
      - Naturally flavored Alkaline88<sup>®</sup> water (including watermelon, blackberry lemon, blood orange and peach mango)
- Entered into co-packing agreement and exclusive licensing agreement with

American Nutritional Products (“ANP”), which will provide A88 Infused manufacturing, formulations, R&D, biomass and extraction within ANP’s state-of-the-art certified GMP- and FDA-registered facility in Carson City, Nevada for cannabidiol (CBD) and other infused products.

- Expanded national distribution with the addition of over 7,500 locations of one of the largest drugstore/pharmaceutical chains in the U.S.
- Alkaline88<sup>®</sup> is now available in all 50 states at over 47,000 retail locations, including top national grocery retailers Walmart, Kroger, Safeway-Albertsons and CVS.
- Completed non-brokered private placement with aggregate gross proceeds of over CDN\$4 million.

“The Alkaline Water Company Inc. is one of the fastest-growing, most innovative bottled water companies in the United States, and is building a loyal following both amongst consumers and retail partners,” said Aaron Keay, Chairman of The Alkaline Water Company Inc. “Our customers love us for our great taste and clean label, and retailers appreciate our scalability, economics, and bulk sizes. We are positioned with the right product at the right time in the right market, and we have achieved our current success relying only on word-of-mouth marketing. As we enter new markets in flavor- and CBD-infused alkaline water and other nutraceutical product lines, I am confident that we have the branding, operational expertise, and entrepreneurial vision to achieve the same growth trajectory we have seen in the alkaline water market.”

The Alkaline Water Company Inc. fully intends to comply with all federal, state, and local laws, rules and regulations as the Company develops its hemp-derived CBD infused alkaline water and other nutraceutical product lines. The Company will not pursue the production or sale of CBD infused products until legally permitted and all necessary approvals have been obtained.

**The Alkaline Water Company Inc.** (TSXV and OTCQB: WTER) has developed an innovative, state-of-the-art, proprietary electrolysis process that produces healthy alkaline water for a balanced lifestyle. The Company is focused on the business of distributing and marketing for retail sale of its cost-effectively packaged Alkaline88<sup>®</sup> water beverage products. Visit: [www.thealkalinewaterco.com](http://www.thealkalinewaterco.com).

### **About Alkaline Water Products**

Alkaline88<sup>®</sup> is a premier 8.8 pH balanced bottled alkaline drinking water, enhanced with Himalayan Pink Rock Salt. The product offers consumers the unique opportunity to purchase alkaline water in conveniently packaged 500-milliliter, 700-milliliter, 1-liter, 1.5-liter, 3-liter and 1-gallon sizes. Alkaline88<sup>®</sup> is available in national retailers across the country, including Safeway/Albertsons, Walmart, Kroger, CVS, and other top regional and local supermarket chains. To find a retailer near you visit: <http://thealkalinewaterco.com/about-us/locations/>

### **Notice Regarding Forward-Looking Statements**

This news release contains "forward-looking statements." Statements in this news release that are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations or intentions regarding the future. Such forward-looking statements include, among other things, the following: that the Company is confident that its momentum will continue into the second half of its fiscal year as it plans to add additional national retail customers and introduce its new line of infused and enhanced beverages to the market; that A88 Infused plans to develop a robust pipeline of innovative, new products; that co-packing agreement and exclusive license agreement with ANP will provide A88 Infused manufacturing, formulations, R&D, biomass and extraction within ANP's state-of-the-art certified GMP- and FDA-registered facility in Carson City, Nevada for cannabidiol (CBD) and other infused products; and that as the Company enters new markets in flavor- and CBD-infused alkaline water and other nutraceutical product lines, the Company has the branding, operational expertise, and entrepreneurial vision to achieve the same growth trajectory it has seen in the alkaline water market.

The material assumptions supporting these forward-looking statements include, among others, that the demand for the Company's products will continue to significantly grow; that the past production capacity of the Company's co-packing facilities can be maintained or increased; that there will be increased production capacity through implementation of new production facilities, new co-packers and new technology; that there will be an increase in number of products available for sale to retailers and consumers; that there will be an expansion in geographical areas by national retailers carrying the Company's products; that there will be an expansion into new national and regional grocery retailers; that there will not be interruptions on production of the Company's products; that there will not be a recall of products due to unintended contamination or other adverse events relating to the Company's products; and that the Company will be able to obtain additional capital to meet the Company's growing demand and satisfy the capital expenditure requirements needed to increase production and support sales activity. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others, governmental regulations being implemented regarding the production and sale of alkaline water or any other products, including products containing CBD; the fact that consumers may not embrace and purchase any of the Company's infused water products; the fact that the Company may not receive approval for any of its CBD infused products; the fact that the 2018 Farm Bill may not be passed resulting in CBD derived from hemp continuing to be a controlled substance under Schedule 1 of the Controlled Substances Act; the fact that the Company may not receive approval from the USDA or the FDA for its CBD infused products; additional competitors selling alkaline water and enhanced water products in bulk containers reducing the Company's sales; the fact that the Company does not own or operate any of its production facilities and that co-packers may not renew current agreements and/or not satisfy increased production quotas; that fact that the Company has a limited number of suppliers of its unique bulk bottles; the potential for supply chain interruption due to factors beyond the Company's control; the fact that there may be a recall of products due to unintended contamination; the inherent uncertainties associated with operating as an early stage company; changes in customer demand and the fact consumers may not embrace enhanced water products as expected or at all; the extent to which the Company is successful in gaining new long-term relationships with new retailers and retaining existing

relationships with retailers; the Company's ability to raise the additional funding that it will need to continue to pursue its business, planned capital expansion and sales activity; competition in the industry in which the Company operates and market conditions. These forward-looking statements are made as of the date of this news release, and the Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by applicable law, including the securities laws of the United States and Canada. Although the Company believes that any beliefs, plans, expectations and intentions contained in this news release are reasonable, there can be no assurance that any such beliefs, plans, expectations or intentions will prove to be accurate. Readers should consult all of the information set forth herein and should also refer to the risk factors disclosure outlined in the reports and other documents the Company files with the SEC, available at [www.sec.gov](http://www.sec.gov), and on the SEDAR, available at [www.sedar.com](http://www.sedar.com).

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Source: The Alkaline Water Company Inc.