

**Clearly Canadian President's Update:  
Company Successfully Positioned in Hot Sector Organics and Natural  
Double Digit Revenue Growth Expected in 2007**

Dear Shareholder,

It is my pleasure to issue this corporate status report to all of our shareholders and the investment community that has shown so much interest in the renaissance of Clearly Canadian.

With great excitement, I report that we are well into a major transformation of Clearly Canadian into a diversified, branded company focusing on the way of the future: healthy, natural and organic products. I can say with confidence that because of this strategy, in 2007, we expect Clearly Canadian to see its first year over year revenue increase in well over a decade.

**2007 Highlights to Date**

- Acquisition of My Organic Baby Inc., Canada's first full nation wide line of organic baby food
- Innovative and fast growing line with over 30 product offerings listed in leading baby food retailers; anticipate 350% sales growth and addition of close to \$5,000,000 to corporate revenue in 2007
- Successful launch of new beverage offerings, including Clearly Canadian Natural Enhanced Waters, with an organic line, targeting explosive healthy, alternative beverage sector
- Already over \$700,000 in sales of new products in just a few months since launch with listings in major convenience chains and grocery stores
- Acquisition of DMR Food Corporation, Eastern Canada's leading organic and natural snack food company
- Multiple well known brands selling in leading grocery and natural food stores with significant growth; expected to add close to \$4,500,000 to corporate revenue in 2007
- Strong balance sheet as of April 30, 2007 with over \$7,000,000 in cash and no debt
- New and Improved Beverage Distribution Network
- Addition of some of the largest, independent beverage distributors in the U.S., including major markets of New York, Boston and Chicago; on track to rapidly increase number of distributors, particularly in southwest and western regions of U.S.
- Reality Television Show About Clearly Canadian in Progress 4 episodes have been shot to date; Show promises to bring unprecedented exposure to Clearly Canadian's branded products when the show airs in early 2008 to millions and millions of viewers on a weekly basis
- Signed American League MVP Justin Morneau to endorsement deal; joins two time, NBA MVP Steve Nash to roster of Clearly Canadian all-stars

These recent accomplishments at Clearly Canadian have built a solid base for the company to become a leader in the emerging organic and natural sector. With our multiple, "good for you" brand offerings, we have a strong platform to capitalize on strategic efficiencies and opportunities and focus on growing revenue, profitability and shareholder value.

Sincerely yours,



Brent Lokash  
President



### **About Clearly Canadian**

Based in Vancouver, B.C., Clearly Canadian Beverage Corporation markets premium alternative beverages, including Clearly Canadian® sparkling flavoured waters and Clearly Canadian dailyEnergy, dailyVitamin and dailyHydration Natural Enhanced Waters which are distributed in the United States, Canada and various other countries. Since its inception, the Clearly Canadian brand has sold over 2 billion bottles worldwide. Clearly Canadian's recent acquisition of DMR Food Corporation marks the Company's debut into organic and natural products with a wide range of dried fruit and nut snacks offerings from SunRidge Farms, Naturalife, Sweet Selections, Simply by Nature and Glengrove Organics brands. Additional information about Clearly Canadian may be obtained at [www.clearly.ca](http://www.clearly.ca).

### **Forward Looking Statements**

Statements in this news release that are not historical facts are forward-looking statements that are subject to risks and uncertainties. Words such as "expects", "intends", "plans", "may", "could", "should", "anticipates", "likely", "believes", "estimates", "potential", "predicts", "continue" and words of similar import also identify forward-looking statements. Forward-looking statements are based on current facts and analysis and other information that are based on forecasts of future results, estimates of amounts not yet determined and assumptions of management, including but not limited to future revenue projections. These assumptions are subject to many risks, and actual results may differ materially from those currently anticipated. These risks include, by way of example and not in limitation, general economic conditions, changing beverage consumption trends of consumers, the Company's ability to generate sufficient cash flows to support general operating activities and capital expansion plans, competition, pricing and availability of raw materials, the Company's ability to maintain the current and future retail listings for its beverage products and to maintain favorable supply, production and distribution arrangements, laws and regulations and changes thereto that may affect the way the Company's products are manufactured, distributed and sold and other factors beyond the reasonable control of the Company. Additional information on factors that may affect the business and financial results of the Company can be found in filings of the Company with the U.S. Securities and Exchange Commission and with the British Columbia and Ontario Securities Commissions.

### **Shareholder Relations:**

Steve Cook, 18009830993  
[investor@clearly.ca](mailto:investor@clearly.ca)