

BellRock Brands Restructures Management to Enhance Senior Leadership Capabilities and Accelerate Strategic Growth Initiatives

Realignment Behind Proven Top-Tier CPG and Cannabis Expertise Focuses the Company on its Core Competitive Advantages

DENVER, July 19, 2021 /CNW/ - BellRock Brands Inc. ("BellRock" or the "Company") (CSE: BRCK.U), an industry-leading cannabis consumer packaged goods ("CPG") platform, announces new leadership with a proven track record of driving profitable growth and shareholder value in the CPG and cannabis industries. These leadership changes build on the Company's strengths and better position its platform to capitalize on the rapid growth of the U.S. cannabis market.

Chuck Smith will be stepping down as Chief Executive Officer and will remain in the role until the search for a new CEO has concluded. In addition to aiding in the transition of responsibilities to his successor, Smith will continue to serve as an ongoing advisor to the Company, particularly with respect to regulatory and cannabis marketplace dynamics.

Additionally, BellRock's current Chief Operating Officer, Brian Jansen, has been appointed as President. Prior to the business combination of BR Brands and Dixie Brands, Jansen served as interim CEO and COO of Mary's Medicinals, where he successfully led several commercial expansions, supply chain improvements, and drove the asset to free cash flow positive. Before joining the cannabis industry, Jansen had two decades of experience in the CPG industry, having held leadership roles at multiple global companies, including PepsiCo, Grupo Bimbo, and the Hain Celestial Group.

"When Dixie Brands was founded over ten years ago, the vision was to transform the company into a key player in the cannabis industry. That goal was accomplished, and following the merger with BR Brands, BellRock has combined two iconic cannabis brands with a portfolio of top-selling products in high-growth segments to create a platform positioned for dominance," said Smith. "I am proud to have served alongside this team for the past year and witness its countless achievements. With new management at the helm, BellRock will be well-positioned to accelerate its growth and continue to do what is most important - make a positive impact on the consumers we serve."

BellRock also announces the promotion of Kavi Bhai to Chief Financial Officer. Bhai was previously with BR Brands and has deep financial expertise within the cannabis industry having served as the CFO of Mary's Brands prior to the formation of BellRock. Prior to joining Mary's Brands, he was an Audit Manager at Frazier & Deeter LLC, a nationally recognized CPA and advisory firm. Bhai's promotion coincides with the Company's exit of former CFO, Alex DeGortari.

In addition to the changes at the senior management level, Executive Chairman Andrew Schweibold and Board Member Brian Graham will assume more active roles in executive functions to augment the management team. Schweibold has spent his career in the financial services sector as a private investor and board member to a myriad of companies across a broad range of industries. Throughout his career as a private equity professional, he has developed a particular expertise in control buyouts and financial restructurings.

Graham is an existing member of the BellRock Board, a legacy Dixie Board Member, and a seasoned CPG executive/director with extensive entrepreneurial and CEO experience. Graham's leadership acumen has been tapped across multiple industries to help create leading brands.

Previously, he served as the CEO of NIOXIN, responsible for transitioning the company from a regional player into a global leader before being acquired by Procter & Gamble.

"BellRock has reached an inflection point whereby the realignment of management, rooted in both CPG and cannabis expertise, will further solidify the foundation of the company to deliver the growth necessary to become the preeminent cannabis house of brands," said Schweibold. "The elevation of talent from within is a testament to our team's strength, and with the marriage of the Board and management as one cohesive team, BellRock will commence its next stage of evolution and success. I want to thank prior management for their contributions and for navigating us through a complex merger. I look forward to BellRock's next chapter."

In the near term, BellRock is focused on strengthening its presence in existing markets, fortifying the Company's market-dominant SKUs, and pursuing calculated growth opportunities in new form factors and markets. Together, with CPG expertise at the forefront, management and the Board are working to further enhance BellRock's platform as the first true national cannabis house of brands and the only cannabis CPG platform of its kind.

Concurrent with the Company's leadership changes BellRock is withdrawing its previously announced guidance of \$50 million in revenue for 2021. Additionally, the Company's restructured management team is committed to working diligently and expeditiously with its auditors to complete the annual filings and the interim filings as soon as possible.

About BellRock Brands

BellRock Brands is a national cannabis house of brands and intellectual property focused CPG operator that possesses one of the industry's broadest branded product portfolios. BellRock consists of two iconic cannabis brands, Mary's Medicinals (a pioneer in the Health & Wellness segment since 2013) and Dixie (a market-leading cannabis-infused edibles brand since 2010). BellRock also includes two growing California-based brands, Rebel Coast and Défoncé. BellRock's CBD portfolio includes the brands Mary's Nutritionals and Mary's Tails. With 7 brands and over 200 SKUs, BellRock reaches nearly every key consumer group and addresses the needs of a diverse cannabis consumer base. The BellRock manufacturing and distribution footprint continues to expand and currently spans nine states, and the Company owns or manages production facilities in its largest markets. For more information, visit www.bellrockbrands.com.

Forward-Looking Information and Statements

The information provided in this press release may contain "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws. All statements, other than statements of historical fact, made by the Company (or its predecessors) that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as at the date they are made and are based on information currently available and on current expectations and assumptions concerning future events, which are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to: (i) the regulation of the medical and recreational marijuana industry in the United States, Canada, Mexico, Australia, New Zealand, Latin America and other countries in which the Company may carry on its business; (ii) the ability of the Company to obtain meaningful consumer acceptance and a successful market

for its products on a national and international basis at competitive prices; (iii) the ability of the Company to develop and maintain an effective sales network; (iv) the success of the Company in forecasting demand for its products or services; (v) the ability of the Company to maintain pricing and thereby maintain adequate profit margins; (vi) the ability of the Company to achieve adequate intellectual property protection; (vii) the availability of financing opportunities, risks associated with economic conditions, dependence on management and conflicts of interest; and (viii) other risks described from time to time in documents filed by the Company with securities regulatory authorities, including the Company's listing statement dated October 31, 2020.

The forward-looking statements contained herein are based on certain key expectations and assumptions, including the Company's ability to transition to new senior leadership without any material adverse change to the Company's operations or business.

With respect to the forward-looking statements contained herein, although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements as no assurance can be given that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks, including the risks described above. Consequently, all forward-looking statements made in this press release are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences to or effects on the Company. The cautionary statements contained or referred to herein should be considered in connection with any subsequent written or oral forward-looking statements that the Company and/or persons acting on the Company's behalf may issue.

The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release.

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