

BellRock Brands Secures Financing As It Pursues Repayment and Reorganization of Its Debt; Announces Departure of General Counsel

AURORA, Colo., April 11, 2023 /CNW/ - BellRock Brands Inc. ("BellRock" or the "Company") (CSE: BRCK.U), an industry-leading cannabis consumer packaged goods ("CPG") and intellectual property platform, announced today that it has entered into a secured promissory note (the "Promissory Note") in the amount of \$861,757.00 (USD) and the related security agreement (the "Security Agreement") with High Street Capital Partners, LLC ("HSCP"), which carries an interest rate of 25% and a maturity date of November 17, 2023. The Promissory note was issued in conjunction with a partial repayment of the Company's obligations to a consortium of private lenders whose Note matured in early January of 2023 (the "Private Lenders Note"), as previously agreed among the Company, HSCP and the consortium of private lenders on September 19, 2022 when the Company announced the sale of its Denver real property. The Security Agreement entered into by the Company and its wholly owned subsidiaries grants a continuing security interest to HSCP in the Company's and subsidiary's assets.

The Promissory Note is part of the Company's ongoing efforts to reorganize its maturing debt and reduce its interest expense as it continues to pursue several cash flow-enhancing measures. Although proceeds from the Promissory Note will not fully satisfy the Company's obligations under the Private Lenders Note that matured in early January 2023, BellRock maintains positive relations with the consortium and is actively working on additional measures to address its obligations under the Private Lenders Note.

The Company also announced today that General Counsel and Corporate Secretary, Eduardo Provencio, has notified the Company of his intention to exit the Company effective June 2, 2023. Mr. Provencio, who started as the General Counsel of Mary's Brands in 2016 and took over the same role for BellRock in July 2022, will assist the organization in its search for his replacement, which the Company will commence immediately.

"I want to thank Eduardo for his time and effort as part of our executive team with BellRock and for his leadership at Mary's," stated Company CEO and President, Brian Jansen. "Eduardo has left an indelible mark on our organization and we are sad to lose him, but we are happy for Eduardo as he moves on to the next phase of his accomplished career."

"Thank you to Brian Jansen, Zac Venegas, Scott Ogur, and Board members Brian Graham, Chuck Smith, and Sat Joshi for entrusting me with assisting in the leadership of this incredible company," said Mr. Provencio. "There is no doubt in my mind that BellRock is and will continue to be one of the premier cannabis companies in North America. I feel extremely fortunate to have been part of the wonderful team at BellRock and I know that the Board, Brian, and the rest of the leadership team have much in store for the company as it continues to capitalize on its successes."

ABOUT BELLROCK BRANDS:

BellRock Brands is a multi-state cannabis house of brands possessing one of the industry's broadest branded product portfolios, developed through research and differentiated intellectual property. With more than 100 products available through its two flagship brands, Dixie Brands™ and Mary's Medicinals®, BellRock's product portfolio can currently be found in ten U.S. states and Canada. BellRock is also home to Mary's Nutritionals™ and Mary's Tails™, hemp-derived wellness products for humans and their pets, as well as Mindset™, BellRock's best in class vaporizer cartridge line. For more information, please 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.

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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