



Rubicon Organics Announces Sale of Washington Greenhouse, Strengthening of Balance Sheet and Strategic Exit from the US

VANCOUVER, BRITISH COLUMBIA – April 6, 2020 -- Rubicon Organics Inc. (CSE:ROMJ) (OTCQX:ROMJF) (“Rubicon Organics” or the “Company”) announced today that it has completed the sale of its 40,000 sq. ft. hybrid greenhouse in Ferndale, Washington for US\$8.5 million (the “Transaction”) to a group of real estate investors (the “Buyers”). Proceeds from the sale will strengthen the Company’s balance sheet, providing working capital to ramp-up production and sales across Canada.

“The sale of the Washington greenhouse is an important step in focusing the Company on our core strength of bringing super-premium certified organic cannabis to the Canadian market,” said Bryan Disher, Chairman of the Board. “This transaction creates tremendous value for our shareholders by achieving a clean and timely exit from the US, while accelerating our timeline to profitability through focusing exclusively on our high-return Canadian operations.”

Rubicon Organics will continue to sell its remaining US assets, which consists of a 3-acre land parcel in Greenfield, California and certain cannabis extraction equipment. The Company expects to complete the dispositions of all cannabis related US assets in the coming months.

The Buyers are led by the cannabis license holder who has leased the facility from Rubicon Organics since November 2018 and includes Jesse McConnell, Rubicon Organics’ CEO, who also holds a minority interest in the Buyer entity. In accordance with good corporate governance practices, Rubicon Organics formed a Special Committee, comprised entirely of independent directors, who supervised the negotiation of the Transaction and recommended the Transaction for approval to the full Board.

As part of the Transaction, Rubicon Organics settled the US\$3.0 million secured debt on the facility.

ABOUT RUBICON ORGANICS INC.

Rubicon Organics Inc., through its wholly owned subsidiary Vintages Organic Cannabis Company Inc., holds a license to cultivate and process certified organic, super-premium cannabis at its flagship 125,000 sq. ft. state-of-the-art hybrid greenhouse located on a 20-acre property in Delta, BC, Canada. The Company is focused on achieving industry leading profitability through the development of the brand identity Simply Bare™ Organic, that combines the sale of high-margin, super-premium organic products with low-cost sustainable production. The Company is currently ramping up to production capacity of 11,000 kg per year of certified organic and environmentally sustainable cannabis.

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Cautionary Statement Regarding Forward Looking Information

This press release contains forward-looking information within the meaning of applicable securities laws. All statements that are not historical facts, including without limitation, statements regarding future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations or beliefs of future performance, statements regarding Rubicon Organics' proposed brand launches and path to market are "forward-looking statements". Forward-looking information can be identified by the use of words such as "will" or variations of such word or statements that certain actions, events or results "will" be taken, occur or be achieved. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward looking statements. The forward-looking information in this press release is based upon certain assumptions that management considers reasonable in the circumstances, including that its capital needs will be as currently projected. Risks and uncertainties associated with the forward looking information in this press release include, among others, dependence on obtaining and maintaining regulatory approvals, including acquiring and renewing state, local or other licenses and any inability to obtain all necessary governmental approvals licenses and permits to complete construction of its proposed facilities in a timely manner; engaging in activities which currently are illegal under U.S. federal law and the uncertainty of existing protection from U.S. federal or other prosecution; regulatory or political change such as changes in applicable laws and regulations, including U.S. state-law legalization, particularly in California, due to inconsistent public opinion, perception of the medical-use and adult-use marijuana industry, bureaucratic delays or inefficiencies or any other reasons; any other factors or developments which may hinder market growth; Rubicon Organics' limited operating history and lack of historical profits; reliance on management; and the effect of capital market conditions and other factors on capital availability; competition, including from more established or better financed competitors; and the need to secure and maintain corporate alliances and partnerships, including with customers and suppliers. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements. Although Rubicon Organics has attempted to identify important risk factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other risk factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in forward-looking statements. Rubicon Organics assumes no obligation

to update any forward-looking statement, even if new information becomes available as a result of future events, new information or for any other reason except as required by law.