

BellRock Brands Strengthens Presence in Nevada via Exclusive Licensing Agreement with Matrix NV

BellRock's Iconic Flagship Brands, Mary's and Dixie, will consolidate under the Matrix NV roof and expand offerings to Nevada residents and visitors

DENVER, Dec. 8, 2020 /CNW/ - BellRock Brands Inc. ("BellRock" or "the Company") (CSE: BRCK.U), an industry-leading cannabis consumer packaged goods ("CPG") multi-state operator ("MSO"), announced today that the Company has entered into a licensing agreement with Matrix NV, LLC (Matrix NV) to unify its award-winning Mary's and Dixie brands under one production and distribution partner in Nevada. Matrix NV, a Las Vegas, NV-based cannabis flower, concentrate and infused products producer, is now licensed to manufacture, distribute, and sell Mary's Medicinals and Dixie products to all cannabis retailers in the state. Those products include Mary's Medicinals Transdermal patches, Mary's Medicinals Transdermal gels, Mary's Medicinals Transdermal/topical compounds, Dixie gummies, Dixie mints and Dixie Elixirs.

Widely recognized for its innovative portfolio of delivery methods, Mary's suite of cannabis products includes transdermal gels, patches, and topicals. Founded in 2013, the company possesses a robust library of intellectual property including a U.S. patent for its acclaimed transdermal technology. Dixie, a pioneer in the development of infused cannabis products since 2010, has built a robust stable of products including beverages, gummies, mints, and taffies. Dixie is the #1 edibles brand in the dynamic Michigan market (Source: LeafLink MarketScape, November 2020). Together, the BellRock brands offer one of the largest spectrums of high-quality consumer packaged goods in the cannabis industry with 11 brands and over 200 SKUs.

"We are very pleased to partner with Matrix in Nevada and expand the presence of both Mary's and Dixie in the state," said Chuck Smith, Chief Executive Officer of BellRock. "This strategic partnership provides us with the opportunity to leverage our previous experience and operations in Nevada and bring a broader, more robust portfolio of BellRock products to this compelling market. As an experienced operator with a proven track record, Matrix is the perfect partner to help us introduce our iconic brands to more customers across the country and continue achieving our goal of building the first national cannabis brand."

BellRock expects to launch products in Nevada with Matrix NV during the first quarter of 2021. Retail sales of THC products across the state are estimated to exceed \$780 million according to BDS Analytics.

"We have long admired both Mary's and Dixie for their commitment to providing cannabis consumers with quality, trustworthy products and their unique delivery methods. Their focus on producing a wide variety of superior products mirrors ours," said David Tuttleman, Chief Executive Officer of Matrix NV. "Adding these two established brands to our product portfolio is an exciting next step and we look forward to broadening their presence in Nevada and tapping the potential of the cannabis market in this state."

ABOUT BELLROCK BRANDS:

BellRock Brands is a brand and IP focused CPG multi-state operator, possessing one of the industry's broadest branded product portfolios catering to the growing and ever-evolving cannabis consumer. BellRock's portfolio consists of two iconic cannabis brands with deep history, [Mary's Brands](#) (a pioneer in the Health & Wellness segment since 2013) and Dixie (a market leading THC infused edibles brand since 2010), as well as two growing, California-based brands, [Rebel Coast](#) and [Défoncé](#). Together, the BellRock brands offer a vast spectrum of high-quality

cannabis-centric consumer packaged goods. With 11 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.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

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 annual information form dated June 21, 2019.

The forward-looking statements contained herein are based on certain key expectations and assumptions, including that: (i) the transaction with BR Brands will be completed on the terms described herein; (ii) there will be no material adverse competitive or technological change in condition of the Company's business; (iii) there will be a demand for the Company's products that the Company has accurately forecast; and (iv) there will be no material adverse change in the Company's operations, business or in any governmental regulation affecting the Company or its suppliers.

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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