

**FORM 7**

**MONTHLY PROGRESS REPORT**

**Name of Listed Issuer:** BellRock Brands Inc. (formerly Dixie Brands Inc.) (the "**Issuer**").

**Trading Symbol:** BRCK (formerly DIXI.U)

**Number of Outstanding Listed Securities:** 1,086,028,175 common shares ("**Shares**")

**Date:** May 7, 2021

**Report on Business**

**1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.**

On April 20, 2021, the Issuer announced that it had arranged for a bridge financing (the "**Bridge Loan**") of up to US\$4,000,000 from a consortium of insiders and a strategic institutional investor (the "**Investor**"). The Bridge Loan is connected to a potential, separate transaction with the same Investor that could result in equity financing of US\$30,000,000 (the "**Equity Financing**").

On April 23, 2021, the Issuer announced that the terms of the Equity Financing were amended. Under the amended terms, the Equity Financing is expected to be structured as an initial US\$30,000,000 unit offering at a price per unit of US\$0.0685, with each unit comprised of one (1) common share and one (1) common share warrant. Each warrant will be exercisable within 48 months following the date of issuance at a price of US\$0.10 per share. If the warrants are fully exercised, the total gross proceeds from the Equity Financing would be approximately US\$75,000,000.

On April 28, 2021, the Issuer announced the opening of two facilities that will provide the Issuer complete control over the manufacturing of its four brands, Mary's Medicinals (Mary's), Dixie Brands (Dixie), Rebel Coast and Défoncé, in the markets where those brands are sold. The Desert Hot Springs, CA facility is a 12,000 square foot building that has begun producing the Company's food and beverage products. The Issuer will maintain its second California manufacturing facility in Grover Beach, which currently produces Mary's non-ingestible products. The 16,000 square foot Jackson, MI facility has begun producing both Mary's and Dixie products.

**2. Provide a general overview and discussion of the activities of management.**

The Issuer's management is currently negotiating various agreements to expand its footprint in the United States and internationally.

**3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.**

Since the date of the Issuer's last filed Form 7, Issuer announced that the opening of two facilities that will provide the Issuer complete control over the manufacturing of its four brands, Mary's Medicinals (Mary's), Dixie Brands (Dixie), Rebel Coast and Défoncé, in the markets where those brands are sold.

**4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.**

Not applicable.

5. **Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.**

Since the date of the Issuer's last filed Form 7, the Issuer has arranged for the Bridge Loan from a consortium of insiders and the Investor. The Issuer also entered into the Equity Financing as a separate transaction with the Investor.

6. **Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.**

None.

7. **Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.**

None.

8. **Describe the acquisition of new customers or loss of customers.**

None.

9. **Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.**

None.

10. **Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.**

None.

11. **Report on any labour disputes and resolutions of those disputes if applicable.**

None.

12. **Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.**

None.

13. **Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.**

The Issuer did not incur or repay any indebtedness other than in the normal course of operations.

**14. Provide details of any securities issued and options or warrants granted.**

None.

**15. Provide details of any loans to or by Related Persons.**

None.

**16. Provide details of any changes in directors, officers or committee members.**

None.

**17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.**

The most significant trends and uncertainties which management expects could impact its business and financial condition are the changing legal and regulatory regime which regulates the production and sale of cannabis and cannabis related products in the United States and other jurisdictions. See "Section 18 – *Risk Factors*" in the Issuer's CSE Form 2A Listing Statement dated October 31, 2020 available on [www.sedar.com](http://www.sedar.com).

## Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated May 7, 2021

C.J. Chapman  
Name of Director or Senior Officer

(Signed) "CJ Chapman"  
Signature

General Counsel  
and Executive Vice-President  
Official Capacity

<b>Issuer Details</b>		For Month End	Date of Report
Name of Issuer			YY/MM/D
BellRock Brands Inc.		April 30, 2021	2021/05/07
Issuer Address			
4880 Havana Street, Suite 300-S			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Denver, Colorado 80239		(---)-----	(303)-945-3963
Contact Name		Contact Position	Contact Telephone No.
C.J. Chapman		General Counsel and Executive Vice-President	(303)-945-3963
Contact Email Address		Web Site Address	
cchapman@bellrockbrands.com		<a href="https://www.bellrockbrands.com/">https://www.bellrockbrands.com/</a>	