

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: The BC Bud Corporation (the "Issuer").

Trading Symbol: BCBC

Number of Outstanding Listed Securities: 44,843,482

Date: October 6, 2021

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **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 September 29, 2021, the Issuer completed its previously announced acquisition of the BC Bud Holdings Corp. (formerly "the BC Bud Corporation") (the "Transaction"). The Issuer also changed its name from 'Entheos Capital Corp'. to "The BC Bud Corporation".**

As previously announced, under the provisions of the Transaction, the Issuer acquired all of the issued and outstanding securities of the BC Bud Holdings Corp. (the “Target”) in consideration of the issuance of 26,250,000 common shares of the Issuer (the “Payment Shares”). The Target is now a wholly owned subsidiary of the Issuer. All of the Payment Shares are subject to escrow pursuant to the policies of the CSE and will be released from escrow based on the passage of time, such that 10% of the securities were released on closing and the balance will be released in six equal tranches of 15% every six months thereafter.

In connection with the Transaction, the Issuer completed a non-brokered private placement (“Private Placement”) of 4,000,000 subscription receipts (“Subscription Receipts”) at a price of \$0.25 per Subscription Receipt for aggregate gross proceeds of \$1,000,000, as further described in the Issuer’s news release dated April 26, 2021.

Immediately prior to closing the Transaction, each Subscription Receipt issued pursuant to the Private Placement was converted into one unit of the Issuer comprising one common share of the Issuer and one share purchase warrant (each a “Warrant”). Each Warrant entitles the holder to acquire one additional common shares of the Company at an exercise price of \$0.50 per share until September 29, 2023, following the extension of the term of the Warrants approved by the Issuer. The Warrants are also subject to accelerated expiry provisions, whereby, if the closing price of the Issuer’s common shares exceeds \$0.75 per share for a period of ten consecutive trading days, at the Issuer’s election, the 24 month period within which the Warrants are exercisable will be reduced and the holders of the Warrants will be entitled to exercise their Warrants for a period of 30 days commencing on the day the Issuer provides notice of same

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

**Management continued to focus on matters related to the completion of the Transaction.**

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.

**None to Report.**

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.

**None to Report.**

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.

**None to Report.**

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 to Report.**

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.

**As reported in No. 1 above, the Issuer completed the Transaction. As two directors of the Issuer, being CEO Brayden Sutton and Director Josh Taylor were each the holders of 40% of the issued and outstanding shares of the Target, the Transaction constituted a 'related party transaction' as defined in Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"). As a result, the completion of the Transaction was subject to the valuation and majority of the minority shareholder approval requirements of MI 61-101.**

**Malahat Valuation Group prepared an initial valuation report dated December 21, 2020 in respect of the Target which concludes that the fair market value of BCBC is in the range of \$7.9-\$8.7 million. A copy of the valuation is attached to the material change report of the Issuer dated June 28, 2021.**

**The Issuer received approval for the Transaction from Company's minority shareholders at an annual and special meeting of shareholders held on July 29, 2021.**

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

**None to Report.**

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.

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

**None to Report.**

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

**None to Report.**

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 to Report.**

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

**None to Report.**

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

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds<sup>(1)</sup></b>
Common Shares	26,250,000	\$0.25 (deemed) issued as consideration pursuant to the Transaction	Completion of Transaction (non-cash)
Common Shares	4,000,000	No additional consideration, conversion of previously issued subscription receipts	As disclosed in the Issuer's Listing Statement dated September 29, 2021
Restricted Share Units	3,237,500	Vesting over 12 month period as to 250,000, Vesting over 24 month period as to 787,500, vesting over 36 month period as to 2,200,000	N/A (non-cash compensation)
Warrants	4,000,000	Exercisable at \$0.50 until September 29, 2023 subject to accelerated expiry provisions	N/A

*(1) State aggregate proceeds and intended allocation of proceeds.*

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

**None to Report.**

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

**On September 29, 2021, the Issuer appointed Dayna Lange and Justin Chorbajian to the board of directors, following the resignation of Corey Larricq. Additionally, the Issuer appointed Joshua Taylor as President and Samantha Shorter as Corporate Secretary in addition to the offices with the Issuer they currently hold.**

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

**None new to report. See the Issuer's listing statement dated September 29, 2021.**

## 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 October 6, 2021.

Brayden Sutton  
Name of Director or Senior  
Officer

"Brayden Sutton"  
Signature  
CEO  
Official Capacity

<b>Issuer Details</b> Name of Issuer	For Month End	Date of Report YY/MM/D
The BC Bud Corporation	Sept 2021	21/10/06
Issuer Address Suite 1500-409 Granville Street		
City/Province/Postal Code Vancouver, B.C., V6C 1T2	Issuer Fax No. N/A	Issuer Telephone No. (778) 656-0377
Contact Name Samantha Shorter	Contact Position CFO	Contact Telephone No. N/A
Contact Email Address sshorter@redfernconsulting.ca	Web Site Address www.thebcbc.com	