

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: Rubicon Organics Inc. (the "Issuer").

Trading Symbol: ROMJ

Number of Outstanding Listed Securities: 39,966,425

Date: May 4, 2020

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.

**April 6, 2020** – *The Company announced the sale of its 40,000 sq. ft. hybrid greenhouse in Ferndale, Washington for US\$8.5 million to a group of real estate investors (the "Buyers"). 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. Rubicon Organics used a portion of the sale proceeds to settle the US\$3.0 million secured debt on the facility.

In connection with the sale, the Company also announced its strategic exit from the US and will continue to sell its remaining US assets in the coming months, which consists of a 3-acre land parcel in Greenfield, California and certain cannabis extraction equipment.

**April 20, 2020** – The Company announced the launch of its organic certified flower brand, Simply Bare™ Organic into Ontario where it will be available in stores and online (ocs.ca) in the coming weeks. To facilitate this launch, Rubicon Organics, together with Agro-Greens Natural Products Ltd., has signed a supply agreement with the Ontario Cannabis Store for the Company's organic certified flower.

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

Effective March 2020 Rubicon Organics entire Delta Facility was under cultivation for the first time and the Delta Facility was in full scale operations. The Company has now completed several harvests of cannabis flower and multiple shipments to the BC Liquor Distribution Board as well as retailers in Saskatchewan. In April 2020, Rubicon also received the first purchase order for its Simply Bare™ Organic flower from the Ontario Cannabis Stores. Rubicon has completed its ramp up phase and is now entering steady state production and is focusing on refining its processes and procedures and launching its innovation pipeline. While there remain outstanding Delta Facility optimization projects, there are no further significant capital projects planned for 2020.

Rubicon is in the final stages with Health Canada for a Sales License and expected the onsite inspection in March 2020. Health Canada has informed the Company that the site visit is delayed until at least May 1, 2020 as a result of the COVID-19 pandemic. Until such time that the Sales License is received, Rubicon continues to sell through its Agro-Greens Agreement.

Given the COVID-19 pandemic, Rubicon has formed a COVID-19 Committee and it has reviewed all critical supplies for three-months of operations, and increased hygiene protocols such as hand washing, social distancing and fever scanning. In the current environment, the Company has prioritized risk-mitigation and business continuity planning for the safety of the team, community and maintenance of on-going operations.

On April 6, 2020, the Company announced its strategic exit from the US in order to focus exclusively on its Canadian operations. Management will continue to sell its remaining US assets and commence winding down its US entities over the coming months.

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.

*See item 1 above.*

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.

*See item 1 above.*

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.

*None to report.*

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.

*See item 1 above.*

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

*None to report.*

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>

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

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

*April 21, 2020, the Board approved an increase in the revolving credit line from the CEO to \$1.0 million.*

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

*None to report.*

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

*Please see the Company’s Annual Information Form dated September 20, 2019.*

## 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 4, 2020.

Margaret Brodie  
Name of Director or Senior  
Officer

(Signed) "Margaret Brodie"  
Signature

Chief Financial Officer  
Official Capacity

<b>Issuer Details</b> Name of Issuer	For Month End	Date of Report YY/MM/DD
Rubicon Organics Inc.	April 2020	20/05/04
Issuer Address 1200 Waterfront Centre 200 Burrard Street, PO Box 48600		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, British Columbia V7X 1T2	N/A	+1 (437) 929-1964
Contact Name	Contact Position	Contact Telephone No.
Margaret Brodie	Chief Financial Officer	+1 (437) 929-1964
Contact Email Address <a href="mailto:info@rubiconorganics.com">info@rubiconorganics.com</a>	Web Site Address <a href="https://rubiconorganics.com/">https://rubiconorganics.com/</a>	