

## FORM 7

### MONTHLY PROGRESS REPORT

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

Trading Symbol: ROMJ

Number of Outstanding Listed Securities: 36,811,425

Date: August 1, 2019

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.

**July 12, 2019** – *The Company announced that it will hold its annual general and special meeting (the "Meeting") of shareholders at the Terminal City Club, Walker Room, on August 2, 2019 at 10:00 am PT. The record date for the annual general meeting is June 28, 2019. The notice of meeting, accompanying management*

proxy circular and related meeting materials are now available under the company's profile on SEDAR.

**July 12, 2019** – The Company announced that it has entered into a term loan agreement (the “Loan”) pursuant to which it has borrowed \$500,010 from certain lenders (the “Lenders”). The Loan is for a term of 24 months and bears interest at a rate of 12% per annum. In connection with the Loan, the Company issued the Lenders a total of 100,002 common share purchase warrants (“Warrants”). Each Warrant entitles the Lender to acquire one common share of the Company (a “Common Share”) at an exercise price of \$4.50 per Common Share and expire on July 12, 2022. The Loan will be used to facilitate operations at the Company’s flagship Delta Facility and for working capital and other general corporate purposes.

**July 12, 2019** – The Company announced that it has granted stock options for a total of 166,000 common shares to employees and consultants of the company in accordance with the company's equity incentive plan. The stock options are exercisable at \$3.25 per share for a period of five years from the date of grant.

**July 16, 2019** – The Company announced that it has received organic certification from the Fraser Valley Organics Producers Association (“FVOPA”) at its flagship 125,000-square-foot hybrid greenhouse facility in Delta, BC. As a result, the Company is now positioned to supply certified organic, super-premium cannabis grown at scale to a market where organic products are in high demand, short supply and priced at significant premiums.

**July 17, 2019** – The Company announced that it is the first cannabis company in Canada to receive Environmental Farm Plan (“EFP”) certification from the British Columbia Ministry of Agriculture, thereby being recognized as an industry leader for its commitment to sustainability and environmental best practices. The EFP is a rigorous government audited process that acknowledges excellence in agricultural production with regards to the environment and human health.

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

*In Canada, Management continues to oversee the optimization of the Delta Greenhouse with first commercial harvest expected in September 2019.*

*In Washington, Management continues to lease a turnkey cultivation facility to a state-licensed tenant. The state licensed tenant is applying Rubicon Organics’ cultivation methodology and is ramping up production since completing its first commercial harvest in April 2019.*

*In California, the Company has reduced its operations to focus on the greenhouse facilities in Canada and Washington. There are no further orders for product to the state licensed operator with whom it has a brand licensing agreement.*

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.

*None to report.*

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

*None to report other than as described in 2 above.*

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.

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds<sup>(1)</sup></b>
<i>Warrants</i>	<i>100,002</i>	<i>Exercise price of \$4.50/share and expires on July 12, 2022</i>	<i>n/a</i>
<i>Options</i>	<i>166,000</i>	<i>Exercise price of \$3.25/share and expires on July 12, 2024</i>	<i>n/a</i>

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

- 15. Provide details of any loans to or by Related Persons.  
*On April 25, 2019, the Company completed a \$3,355,000 second mortgage financing loan from a group of lenders. The loan bears interest at a rate of 12.0% per annum (compounded quarterly) and matures on April 25, 2021. \$1,655,000 of the loan was provided by three related parties. Other loans by related parties include business expenses incurred in the normal course of operations that have yet to be reimbursed.*
- 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.  
*See the Company’s Form 2A – Updated Listing Statement dated April 26, 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 August 1, 2019.

Margaret Brodie  
Name of Director or Senior  
Officer

(Signed) "Margaret Brodie"  
Signature

Chief Financial Officer  
Official Capacity

<b>Issuer Details</b>		For Month End	Date of Report
Name of Issuer			YY/MM/DD
Rubicon Organics Inc.		July 2019	19/08/01
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		Web Site Address	
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