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Ignite International Brands, Ltd. Announces Non-Brokered Private Placement of Unsecured Senior Convertible Debentures for up to C\$50 Million

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VAUGHAN, ON, Oct. 4, 2019 /CNW/ -Ignite International Brands, Ltd. (CSE: BILZ; OTCQX: BILZF) ("**Ignite**" or the "**Company**") is pleased to announce that it intends to complete a non-brokered private placement of convertible debenture units (the "**Units**") for up to C\$50 million (the "**Offering**"), issuable in series (each, a "**Series**").

Each Unit is to be comprised of C\$1,000 principal amount of unsecured senior convertible debentures (a "**Convertible Debenture**") accruing interest at 8.0% per annum, payable semi-annually in arrears until maturity, and 250 subordinate voting share purchase warrants of the Company (each, a "**Warrant**"). The Convertible Debentures will have a maturity date of 36 months from the date of issuance.

The Convertible Debentures issued in the first Series will be convertible, at the option of the holder, into subordinate voting shares of the Company (each, a "**Subordinate Voting Share**") at a price equal to the greater of: (i) a 20% premium to the volume weighted average trading price ("**VWAP**") of the Subordinate Voting Shares on the Canadian Securities Exchange (the "**CSE**") for the 10 trading days prior to the closing date of the first Series of the Offering (the "**Initial Closing Date**") and (ii) the closing trading price of the Subordinate Voting Shares on the CSE on October 3, 2019 (the "**Conversion Price**"). The Convertible Debentures issued in any subsequent Series will be convertible into Subordinate Voting Shares at a Conversion Price to be determined by the Company, subject to CSE policies.

Beginning on the date that is 12 months plus 1 day from the date of issuance, the Company may, at its option, require the conversion of the then outstanding principal amount of the Convertible Debentures (plus any accrued and unpaid interest thereon) at the applicable Conversion Price, in the event that the daily VWAP of the Subordinate Voting Shares on the CSE exceeds two times such Conversion Price for any 10 consecutive trading day period.

Each Convertible Debenture will rank *pari passu* in right of payment of principal and interest with all other Convertible Debentures issued under the Offering.

Each Warrant issued in the first Series will entitle the holder thereof to acquire one Subordinate Voting Share (a "**Warrant Share**") at an exercise price equal to the greater of: (i) a 50% premium to the VWAP of the Subordinate Voting Shares on the CSE for the 10 trading days prior to the Initial Closing Date and (ii) the closing trading price of the Subordinate Voting Shares on the CSE on October 3, 2019. The Warrants issued in any subsequent Series will be exercisable at an exercise price to be determined by the Company, subject to CSE policies.

The Initial Closing Date is expected to occur on or about October 31, 2019.

The Units will be offered on a private placement basis in all Provinces and Territories of Canada, and in the United States on a private placement basis in reliance on Rule 506(b) of Regulation D or pursuant to other exemption(s) from the requirements of the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") and in compliance with applicable United States federal securities laws and any "blue sky" laws or regulations of any state of the United States, and in such jurisdictions outside of Canada and the United States as determined by the Company on a private placement or equivalent basis.

Certain eligible finders may receive a cash commission equal to 6% of the aggregate gross proceeds from their sale of Units to eligible investors pursuant to the Offering.

The proceeds from the Offering will be used by the Company for working capital and other general corporate purposes.

The Offering is subject to certain conditions, including but not limited to, the receipt of all necessary regulatory and stock exchange approvals, including the approval of the CSE.

The Units issued pursuant to the Offering and any Subordinate Voting Shares issued on conversion of the Convertible Debentures or exercise of the Warrants will be subject to a statutory hold period in Canada of four months and one day following the closing date of the applicable Series of the Offering in accordance with applicable securities laws. Additional resale restriction may be applicable under the laws of other jurisdictions.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein, and these securities will not be offered or sold in any jurisdiction in which their offer or sale would be unlawful. The securities have not been and will not be registered under the U.S. Securities Act, or any state securities laws of the United States. Accordingly, these securities will not be offered or sold to persons within the United States unless an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available.

About Ignite

Ignite is a CSE-listed and OTCQX traded company operating in permissible CBD and cannabis sectors. Ignite intends to expand its business, which currently includes branding, marketing, licensing, sales and distribution, across the United States, Canada and into international jurisdictions such as the United Kingdom and Mexico by leveraging multiple product platforms. The Company intends to effect this expansion through brand leverage, product development, targeted marketing and strategic supply chain partnerships in each of its active and target jurisdictions.

Cautionary Statement Regarding Forward-Looking Information

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to the expected proceeds of the Offering, the completion of the Offering including the timing thereof, and the intended use of proceeds. Forward-looking statements are necessarily based upon several estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; ability of Ignite to give effect to its business plan; reliance on the "IGNITE" brand which may not prove to be as successful as contemplated; the ability to and risks associated with unlocking future licensing opportunities with the "IGNITE" brand, building a global CBD and cannabis brand and the ability of Ignite to capture significant market share; and the uncertainties surrounding the CBD and cannabis industries in North America and internationally. There can be no assurance that any of the forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Ignite disclaims any intention or obligation to update or revise any forward-looking statements, whether because of new information, future events or otherwise, except as required by law.

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