

December 2, 2019

IONICBRANDS

# Ionic Brands Enters into Secured Promissory Note

CSE: IONC | FRA: IB3 | OTC: IONKF

*For Immediate Release*

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## IONIC BRANDS ENTERS INTO SECURED PROMISSORY NOTE

VANCOUVER, BRITISH COLUMBIA, CANADA, December 2, 2019, IONIC Brands Corp. (CSE:

IONC) (OTC:IONKF) (FRA: IB3) ("**IONIC BRANDS**" or the "**Company**") announces that it has entered into a secured promissory note (the "**Note**") with a group of lenders (together, the "**Lenders**") for a loan of up to US\$1,000,000 (the "**Loan**") maturing on November 22, 2020 (the "**Maturity Date**"), whereby the Lenders have made an initial advance of US\$400,000 to the Company.

The Loan is secured against all or substantially all of the assets of the Company, as outlined in a general security agreement corresponding to the Note. The aggregate unpaid principal amount of the Loan, all accrued and unpaid interest and all other amounts payable under this Note shall be due and payable on the Maturity Date. Beginning on February 22, 2020, the Company may prepay the Loan in whole or in part at any time or from time to time without penalty or premium by paying the principal amount to be prepaid together with accrued interest thereon to the date of prepayment. No prepaid amount may be reborrowed. Advances bear interest at annual rate equal to twelve (12%) percent calculated from the date such advance is made. Interest shall be calculated and payable monthly in arrears to the Lenders.

John Gorst, CEO of the Company, stated, "These funds will assist with the continued restructuring of the company that we started in August of this year. We have established a path to achieving both a positive EBITDA and positive cash flow in Quarter 1, 2020. We remain committed to working tirelessly to build value for our shareholders."

### **About IONIC BRANDS Corp.**

IONIC BRANDS is a national cannabis holdings company based in Washington, led by a team of successful entrepreneurs. The company is focused on building a multi-state consumer-focused cannabis concentrate brand portfolio focusing on the premium and luxury segments. The cornerstone brand of the portfolio, Ionic, is an accomplished #1 vaporizer brand in Washington State has aggressively expanded throughout the west coast of the United States and is currently operating in Washington, Oregon and California. IONIC BRANDS' strategy is to be the leader of the highest-value segments of the cannabis market and expand nationally.

### **ON BEHALF OF THE BOARD OF DIRECTORS**

*"John Gorst"*

John Gorst Chairman and CEO

For further information, please contact John Gorst, Chairman & CEO

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***The CSE does not accept responsibility for the adequacy or accuracy of this release.***

*All statements, other than statements of historical fact, included herein are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. The risks are without limitations: the price for cannabis and related products will remain consistent and the consumer demand remains strong; availability of financing to the Company to develop the retail locations; retention of key employees and management; changes in State and/or municipal regulations of retail operations and changes in government regulations generally. Important factors that could cause actual results to differ materially from the Company's*

*expectations are disclosed in the Company's documents filed from time to time with the Canadian Securities Exchange, the British Columbia Securities Commission, the Ontario Securities Commission and the Alberta Securities Commission.*