

# ***Zara Resources Inc.***

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**CSE: ZRI**

*For Immediate Release*

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## **ZARA RESOURCES INC. SHAREHOLDERS APPROVE THE ACQUISITION OF BLACKLIST HOLDINGS, INC.**

**VANCOUVER, BRITISH COLUMBIA, CANADA** / March 4, 2019, Zara Resources Inc. (“**Zara Resources**” or the “**Company**”) is pleased to announce that its shareholders (the “**Shareholders**”) approved the previously announced acquisition of all of the issued and outstanding common stock (the “**Blacklist Shares**”) in the capital of Blacklist Holdings, Inc. (“**Blacklist**”), a private Washington State company that produces and distributes cannabis vape pens and cartridges for the cannabis concentrate segment, from the stockholders (the “**Blacklist Shareholders**”) of Blacklist (the “**Transaction**”). The Transaction was approved at an annual general and special meeting of Shareholders (the “**Meeting**”) held today by 100% of the votes cast by Shareholders at the Meeting, voting together as a single class.

The Blacklist Shareholders (including Blacklist Shareholders who receive Blacklist Shares as a result of the conversion of outstanding secured convertible debentures) are expected to receive approximately 86,915,057 common shares in the capital of the Company (the “**Zara Shares**”) at a deemed price of \$0.50 per Zara Share on a pro-rata basis. In addition, it is a condition of the completion of the Transaction that the Company and Blacklist complete a “three-cornered” amalgamation (the “**Amalgamation**”) whereby a wholly-owned subsidiary of the Company will amalgamate with a wholly-owned subsidiary of Blacklist (“**Blacklist Finco**”), whereby every one (1) common share of Blacklist Finco will be exchanged for one Zara Share, with an expected aggregate of 14,280,146 Zara Shares being issued. Subject to the fulfillment of the conditions precedent set out in the amended and restated Share Exchange Agreement dated February 26, 2019 among the Company, 1185669 B.C. Ltd., Blacklist, Blacklist Finco Inc. and certain securityholders of Blacklist, the Transaction is expected to close in March 2019, or such date as the Company and Blacklist may agree. Upon completion of the Transaction, the Company intends to change its name to “Ionic Brands Corp.” and have its common shares trade under the new symbol ‘IONC’.

The Company received today conditional approval from the Canadian Securities Exchange (the “**CSE**”) with respect to the Transaction.

The Transaction would be a reserve takeover of the Company and is expected to represent a “fundamental change” as that term is defined in the policies of the CSE. Upon successful completion of the Transaction, it is anticipated that the Company will retain its listing on the CSE and continue the business of Blacklist.

All annual matters, including the re-appointment of the Company’s directors and appointment of proposed directors (to be effective until the completion of the Transaction) and the reappointment of Dale Matheson Carr-Hilton Labonte LLP as the Company’s auditors were approved as well. Shareholders also re-approved the adoption of the Company’s stock option plan and confirmed the articles of the Company.

For more information on the matters considered at the Meeting and for details of the Transaction, please see the Company's management information circular dated January 25, 2019, which has been filed under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Blacklist Holdings Inc.**

Blacklist owns the IONIC brand which is a leading cannabis vape pen and cannabis cartridge producer and distributor in Washington State, Oregon and now in California. With its recent expansion into Oregon, Blacklist currently intends to build a leadership position in the growing cannabis concentrate segment.

### **Disclosure and Caution**

Additional information in respect of the Transaction will be included in the Company's listing statement to be filed in connection with the Transaction and which will be available on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

For further information, please contact the Company, Interim CEO & Director - Ken Cotiamco at 604.687.7130; Skanderbeg Capital Advisors at 604.687.7130; or Blacklist Holdings Inc. - John Gorst, CEO & Chairman at +1.253.248.7922.

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

*"Kenneth Cotiamco"*

Kenneth Cotiamco  
Interim CEO and Director

***Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.***

*All statements, other than statements of historical fact, included herein are forward-looking information or statements within the meaning of applicable securities law and involve various risks and uncertainties. Generally, such forward-looking information or statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved". The forward-looking information and statements contained herein may include, but are not limited to, the ability to complete and the timing of the Transaction, the continued listing on the CSE, the future business of the Company and the number of Zara Shares to be issued upon completion of the Transaction. There can be no assurance that such information or statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such information or statements. Important factors that could cause actual results to differ, materially from the Company's expectations include, but are not limited to, the ability to complete the Transaction; the ability to obtain the required regulatory approvals, including approval of the CSE; the ability to satisfy the conditions to the Transaction; and other risks that 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. Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or*

*guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this news release are made as of the date of this news release, and the Company does not undertake to update any forward-looking information or statements that are contained herein, except in accordance with applicable securities laws.*

*This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States of America. None of the securities issued pursuant to the Transaction will be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or under any state securities laws, and any securities issued pursuant to the Transaction will be issued in reliance upon available exemptions from such registration under the U.S. Securities Act and applicable exemptions under state securities laws.*