

IONIC Brands Signs LOI to Acquire Licensed Cannabis Volatile Extraction and Manufacturing Assets of Kavry Management LLC

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VANCOUVER, British Columbia, April 10, 2019 -- IONIC Brands Corp., formerly Zara Resources Inc. (CSE: IONC) (“**IONIC BRANDS**” or the “**Company**”) announces today that it has entered into a Letter of Intent (“LOI”) to acquire licensed cannabis volatile extraction and manufacturing assets of Kavry Management LLC (“Kavry”).

IONIC BRANDS signed a LOI dated April 4, 2019 with Kavry subject to definitive documentation and for a purchase price of US\$2,900,000 in cash and shares, with the shares valued based on the closing price of the Company’s shares immediately preceding the date of closing.

The Company will acquire the existing facility, all inventory and equipment of the current licensed cannabis volatile extraction in Adelanto, California. The volatile extraction is the most efficient and rapid way of extracting cannabis. To qualify as a volatile facility, businesses must meet a much stricter set of criteria. The extraction market is in its infancy with great potential to gain market share.

The facility in Adelanto is 48,000 square feet of which IONIC Brands will have the option to purchase for 12 months for US\$7,000,000. IONIC Brands will be taking 3,700 square feet immediately which includes a fully operational extraction facility. The licenses included are a type 7 volatile license and a Type 11 Distribution License. IONIC Brands has the option to take over an additional 12,000 square feet of space at the end of 2019. Additionally, 8,000 square feet along with a cultivation operation are available to IONIC Brands. The Company will make the determination whether to include this license as a part of the purchase for an additional US\$1,600,000. The facility will have the capacity for the Company to fulfill all of its manufacturing needs for the State of California where it will be able to produce its Vape, Edible and other concentrate brands.

Chairman and CEO John Gorst states, “the licensed volatile extraction and manufacturing facility in California is a tremendous asset for Ionic Brands as it fits our strategic plan of vertical integration. Securing this facility is a great foundation for IONIC BRANDS in California to advance our current premium luxury Cannabinoid products. We also see substantial development potential of new revenue streams through manufacturing in California.”

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. The Company has aggressively expanded throughout the west coast of the United States. IONIC 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
CEO and Director

For inquiries, please visit www.ionicbrands.com, by email info@ionicbrands.com or call investor relations at 253-248-7920 (option 4).

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.