

IONIC BRANDS CORP.

2020 NOTICE OF SPECIAL MEETING OF DEBENTUREHOLDERS,

AND

INFORMATION CIRCULAR

JANUARY 21, 2020

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IONIC BRANDS CORP.

NOTICE OF SPECIAL MEETING OF DEBENTUREHOLDERS

NOTICE IS HEREBY GIVEN that the special meeting (the “**Meeting**”) of holders (the “**Debentureholders**”) of 10.0% convertible secured senior debentures (the “**Debentures**”) of IONIC Brands Corp. (the “**Company**”) will be held at McMillan LLP, Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia on February 19, 2020 at 10:00 a.m. (Pacific time) for the following purposes:

1. to consider and if thought advisable, to pass, with or without variation, an extraordinary resolution (the “**Debenture Amendment Resolution**”), the full text of which is set forth in Appendix A to the accompanying Management Information Circular, approving certain amendments to the amended and restated debenture indenture dated December 20, 2019 entered into between the Company and Odyssey Trust Company; and
2. to transact such other business, including amendments to the foregoing, as may properly come before the Meeting or any adjournment or adjournments thereof.

This Notice of Meeting is accompanied by a Management Information Circular and either a form of proxy for registered Debentureholders or a voting instruction form for beneficial Debentureholders. The nature of the business to be transacted at the Meeting is described in further detail in the accompanying Management Information Circular. The Management Information Circular is deemed to form part of this Notice of Meeting. Please read the Management Information Circular carefully before you vote on the matters to be presented at the Meeting.

The Directors of the Company have fixed the close of business on January 15, 2020 as the record date for determining Debentureholders entitled to receive notice of and to vote at the Meeting. Only Debentureholders whose names have been entered into the register of the holders of Debentures as at January 15, 2020, will be entitled to receive notice of and to vote at the Meeting in respect of such Debentures.

Registered Debentureholders are requested to date, sign and return the accompanying form of proxy for use at the Meeting whether or not they are able to attend personally. To be effective, forms of proxy must be received by Odyssey Trust Company, Attention Proxy Department, United Kingdom Building, 323-409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2, before 5:00 pm (Pacific time) on February 14, 2020 or no less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment thereof.

All non-registered Debentureholders who receive these materials through a broker or other intermediary should complete and return the materials in accordance with the instructions provided to them by such broker or intermediary.

DATED at Tacoma, Washington, as of this 21st day of January 2020.

By order of the Board of Directors

“John Gorst”

John Gorst
Chief Executive Officer

IONIC BRANDS CORP.

1142 Broadway, Suite 300
Tacoma, WA 98402

MANAGEMENT INFORMATION CIRCULAR AS AT AND DATED JANUARY 21, 2020 (Unless otherwise noted)

GENERAL INFORMATION

Introduction

This Management Information Circular (“**Circular**”) accompanies the Notice of the 2020 Special Meeting (“**Notice of Meeting**”) of holders (“**Debentureholders**”) of 10.0% convertible senior secured debentures (the “**Debentures**”) of IONIC Brands Corp. (the “**Company**”) scheduled to be held on February 19, 2020 (the “**Meeting**”), and is furnished in connection with a solicitation of proxies by management of the Company for use at that Meeting and at any adjournment or postponement thereof. No person has been authorized to give any information or make any representation in connection with the Debenture Proposed Amendments or any other matters to be considered at the Meeting other than those contained in this Circular (or incorporated by reference herein) and, if given or made, any such information or representation must not be relied upon as having been authorized.

Information Contained in this Circular

The information contained in this Circular is given as at January 21, 2020, except where otherwise noted.

The delivery of this Circular will not, under any circumstance, provide any assurance or create any implication that there has been no change in the information set forth herein since the date as of which such information is given in this Circular.

This Circular does not constitute an offer to buy, or a solicitation of an offer to sell, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or solicitation.

Debentureholders should not construe the contents of this Circular as legal, tax or financial advice and should consult with their own professional advisors in considering the relevant legal, tax, financial or other matters contained in this Circular.

If you hold the Debentures through a broker, investment dealer, bank, trust company, nominee or other intermediary (collectively, an “**Intermediary**”), you should contact your Intermediary for instructions and assistance in voting at the Meeting.

Conventions

Words importing the singular include the plural and *vice versa*.

In this Circular, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars and references to “dollars” or “\$” are to Canadian dollars.

GENERAL PROXY INFORMATION

Solicitation of Proxies

Solicitations will be made by mail and possibly supplemented by telephone, electronic means or other personal contact to be made without special compensation by directors, officers and employees of the Company. The Company may reimburse Debentureholders' nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy.

No person has been authorized to give any information or to make any representation other than as contained in this Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Circular shall not create, under any circumstances, any implication that there has been no change in the Information set forth herein since the date of this Circular. This Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Record Date

The directors of the Company have fixed January 15, 2020 (the "Record Date") as the record date for the determination of Debentureholders entitled to receive notice of the Meeting. Debentureholders of record on that date are entitled to vote at the Meeting.

Appointment of Proxyholder

Only those persons whose name appears on the register of the Company as the owner of Debentures (the "Registered Debentureholders") or duly appointed proxyholders are permitted to vote at the Meeting. Those Debentureholders so desiring may be represented by proxy at the Meeting. The persons named in the form of proxy accompanying this Circular are directors and/or officers of the Company (the "Management Appointees"). A Debentureholder has the right to appoint a person or company (who need not be a Debentureholder) to attend and act on the Debentureholder's behalf at the Meeting other than the Management Appointees. To exercise this right, the Debentureholder must either insert the name of the desired person in the blank space provided in the form of proxy accompanying this Circular and strike out the names of the Management Appointees or submit another proper form of proxy.

Voting by Proxyholder

The Management Appointees named in the Proxy will vote or withhold from voting the Debentures represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Debentures will be voted accordingly. The Proxy confers discretionary authority on the Management Appointees named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified,
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the Management Appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy, including FOR the approval of the Debenture Amendment Resolution as described in this Circular.

Registered Debentureholders

Whether or not they are able to attend the Meeting in person, Registered Debentureholders may wish to vote by proxy by completing, dating and signing the enclosed proxy and return it to the Company's registrar and transfer agent, Odyssey Trust Company ("**Odyssey**") by mail to United Kingdom Building, 323-409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2 (Attention: Proxy Department) by 5:00 p.m. (Pacific Time) on February 14, 2020 or forty-eight hours (excluding Saturdays, Sundays and holidays) prior to the time of any adjournment or postponement thereof at which the enclosed proxy is to be used. Notwithstanding the foregoing, the Chair of the Meeting has the discretion to accept proxies received after such deadline.

Non-Registered (Beneficial) Debentureholders

Only Registered Debentureholders whose names appear on the records of the Company or duly appointed proxyholders are permitted to vote at the Meeting. Most Debentureholders of the Company are not Registered Debentureholders because the Debentures they own are not registered in their names. More particularly, a person is not a Registered Debentureholder in respect of Debentures which are held on behalf of that person (a "**Beneficial Debentureholder**") but which are registered either (a) in the name of an intermediary (an "**Intermediary**") that the Beneficial Debentureholder deals with in respect of the securities including, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans; or (b) in the name of a clearing agency such as CDS of which the Intermediary is a participant. In accordance with securities regulatory policy, the Company has distributed copies of the Notice of Meeting, this Circular and the form of proxy accompanying this Circular (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries.

Current securities regulatory policy requires Intermediaries to forward the Meeting Materials to, and to seek voting instructions from, Beneficial Debentureholders unless a Beneficial Debentureholder has waived the right to receive them. Intermediaries will often use service companies to forward the Meeting Materials to Beneficial Debentureholders. Generally, Beneficial Debentureholders who have not waived the right to receive Meeting Materials will either:

- (a) Be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of securities beneficially owned by the Beneficial Debentureholder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Beneficial Debentureholder when submitting the proxy. In this case, the Beneficial Debentureholder who wishes to submit a proxy should otherwise properly complete this form of proxy and **submit it to the Company, c/o Odyssey Trust Company, Proxy Department, United Kingdom Building, 323-409 Granville Street, Vancouver, British Columbia, Canada, V6C 1T2; or**
- (b) more typically, be given a voting instruction or proxy authorization form **which is not signed by the Intermediary**, and which, when properly completed and signed by the Beneficial Debentureholder and **returned to the Intermediary or its service company**, (such as Broadridge Financial Solutions Inc.), will constitute voting instructions (often called a "**proxy authorization form**") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for this proxy form to validly constitute a proxy authorization form, the Beneficial Debentureholder must remove the label from the instructions and affix it to the proxy form, properly complete and sign the proxy form and return it to the Intermediary or its service company, or otherwise communicate voting instructions to the Intermediary or its service company (by way of telephone or the Internet, for example) in accordance with the instructions of the

Intermediary or its service company. **A Beneficial Debentureholder cannot use a proxy authorization form to vote Debentures directly at the Meeting.**

In either case, the purpose of this procedure is to permit Beneficial Debentureholders to direct the voting of the Debentures which they beneficially own.

Although a Beneficial Debentureholder may not be recognized directly at the Meeting for the purposes of voting the Debentures registered in the name of its Intermediary, he or she may attend the Meeting as a proxyholder for the Registered Debentureholder and vote his or her Debentures in that capacity. Should a Beneficial Debentureholder wish to vote at the Meeting in person, it should enter its own name in the blank space on the form of proxy or voting information form provided to the Beneficial Debentureholder and return the document to its Intermediary (or the agent of such Intermediary) in accordance with the instructions provided by such Intermediary or agent well in advance of the Meeting.

Beneficial Debentureholders should carefully follow the voting instructions they receive, including those on how and when voting instructions are to be provided, in order to have their Debentures voted at the Meeting.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Registered Debentureholder or the Registered Debentureholder's attorney authorized in writing, or if the Registered Debentureholder is a corporation, by a duly authorized officer or attorney thereof, and deposited either at the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, or, as to any matter in respect of which a vote shall not already have been cast pursuant to such proxy, with the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof, and upon either of such deposits the proxy is revoked.

Only Registered Debentureholders have the right to revoke a proxy. Beneficial Debentureholders who wish to change their vote must arrange for their Intermediaries to revoke the proxy on their behalf.

THE PROPOSED AMENDMENTS

Background

On May 16, 2019, the Company completed a brokered private placement of 17,227 convertible debenture units (the “**Units**”) for gross proceeds of \$17,227,000. Concurrent with the closing of the brokered private placement, the Company also closed a non-brokered private placement of 2,532 Units for gross proceeds of \$2,532,000. The Units sold under the brokered private placement have the same terms as the Units sold under the non-brokered private placement. Each Unit consisted of (i) \$1,000 principal amount of Debentures, and (ii) 1,333 common share purchase warrants of the Company (the “**Warrants**”). Of the original \$19,759,000 principal amount of Debentures and 26,338,747 Warrants issued, an aggregate of \$19,699,000 principal amount of Debentures and 26,338,747 Warrants are outstanding as of January 15, 2020.

On December 20, 2019, the indenture dated May 16, 2019 entered into between the Company and Odyssey that governs the Debentures was amended and restated to, among other things, (a) grant to Odyssey, on its behalf and on behalf of the Debentureholders, a security interest in all of the Company’s present and after acquired properties, including causing its material subsidiaries to grant to Odyssey, on its behalf and on behalf of the Debentureholders, a security interest in each of the Company’s material subsidiaries’ present and after acquired properties; (b) cause certain shareholders of the Company to pledge to Odyssey, on its behalf and on behalf of the Debentureholders, 50% of the common shares of the Company (the “**Shares**”) held directly or indirectly by such shareholders; (c) increase the interest rate from 8% to 10%; and (d) provide for the future payments of interest in kind, subject to certain conditions, all as further set out in the Amended and Restated Indenture between the Company and Odyssey dated December 20, 2019 (the “**Amended and Restated Indenture**”). A copy of the Amended and Restated Indenture is available on the Company’s SEDAR profile page at www.sedar.ca.

The Debenture Proposed Amendments

The Company is seeking to make the following proposed amendments (the “**Debenture Proposed Amendments**”) to the Amended and Restated Indenture: (a) decrease the conversion price at which the Debentureholders may convert the outstanding principal amount of the Debentures into Shares from \$0.75 per Share to \$0.05 per Share such that each \$1,000 of outstanding principal amount under the Debentures will be convertible into 20,000 Shares; and (b) decrease the price per Share upon which the acceleration clause which gives the Company the right (but not the obligation) to convert the outstanding principal amount under the Debentures into Shares is triggered, such that if prior to May 16, 2022, being the maturity date of the Debentures, the daily volume weighted average price of the Shares on the Canadian Securities Exchange (the “**CSE**”) for five consecutive trading days exceeds \$0.16 per Share, the Company will have the right, at its option, to convert all of the principal amount of the Debentures into Shares at the conversion price of \$0.05 per Share.

At a meeting of Debentureholders to be held on February 19, 2020, at the same place and on or about the same time as the meeting of shareholders of the Company, Debentureholders will be asked to consider, and if deemed advisable, to approve a resolution approving the Debenture Proposed Amendments (the “**Debenture Amendment Resolution**”). The Debenture Amendment Resolution must be approved by holders of not less than 66⅔% of the aggregate principal amount of the Debentures, present or represented by proxy at the meeting of Debentureholders and voted upon on a poll. If the Debenture Amendment Resolution is passed and shareholders of the Company (the “**Shareholders**”) approve the Debenture Amendment Resolution, the Company and Odyssey will enter into a supplemental indenture to amend the terms of the Amended and Restated Indenture to include the Debenture Proposed Amendments.

Quorum and Votes Necessary to Pass the Debenture Proposed Amendments at the Meeting

The Amended and Restated Indenture provides that quorum for the transaction of business at the Meeting consists of Debentureholders present in person or by proxy representing not less than 25% of the principal amount of Debentures then outstanding. If quorum is not present within 30 minutes after the time appointed for the Meeting, the Meeting shall be adjourned to the same day in the next week (unless such day is not a business day in which case it shall be adjourned to the next following business day thereafter) at the same time and place to the extent possible and no notice shall be required to be given in respect of such adjourned meeting. At the adjourned Meeting, the Debentureholders present in person or by proxy shall form a quorum and may transact the business for which the Meeting was originally convened, notwithstanding that they may not represent 25% of the aggregate principal amount of Debentures then outstanding. The Debenture Amendment Resolution is an extraordinary resolution under the terms of the Amended and Restated Indenture. Pursuant to the Amended and Restated Indenture, in order for an extraordinary resolution to be approved, holders of not less than 66 $\frac{2}{3}$ % of the aggregate principal amount of outstanding Debentures represented in person by proxy at the Meeting or any adjournment thereof must, on a poll, vote in favour of the extraordinary resolution. Pursuant to the policies of the CSE, a transaction that results, or could result, in issued more than 25% of the issued and outstanding common shares of the reporting issuer, will also require approval of the shareholders, excluding the votes by shareholders that are required to be excluded pursuant to the policies of the CSE. The Company intends to seek such shareholder approval at the special meeting of Shareholders to be held after the Meeting.

Effective Date of the Debenture Proposed Amendments

The Proposed Debenture Amendments will become effective on the date the Company enters into supplemental indenture with Odyssey (the "**First Supplemental Debenture Indenture**") such First Supplemental Debenture Indenture reflecting the Proposed Debenture Amendments. Assuming all necessary approvals are received, the Company proposes to enter into such First Supplemental Debenture Indenture on February 21, 2020 substantially in the form set forth in Appendix B to this Circular. Although the Company intends to enter into the First Supplemental Debenture Indenture on such date, the Board has retained the discretion, without further notice to or approval of the Debentureholders, and to the extent necessary, Shareholders, to revoke the Debenture Amendment Resolution at any time prior to entering into the First Supplemental Debenture Indenture.

Recommendation of the Board

After careful considerations, the Board has unanimously determined that the Debenture Amendment Resolution is fair to the Debentureholders and is in the best interests of the Company. The Board unanimously recommends that Debentureholders vote **FOR** the Debenture Amendment Resolution.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Debentures

As of the date of this Circular, the Company has an aggregate of CAD\$19,699,000 principal amount of Debentures issued and outstanding. In accordance with the terms and conditions of the Amended and Restated Indenture, on a poll, each Debentureholder present in person or represented by proxy at the Meeting will be entitled to one vote in respect of each \$1,000 principal amount of Debentures of which he, she or it is then the holder. Registered Debenture as at the Record Date are entitled to receive the Notice of Meeting. A Debentureholder who wishes to be represented by proxy at the Meeting must deliver their proxy at the place and within the time set for the above under the heading “*General Proxy Information*” to entitle the person appointed by the proxy to attend and vote at the Meeting.

To the knowledge of the directors and executive officers of the Company, the following persons, beneficially own, directly or indirectly, or exercise control or direction over, Debentures carrying more than 10% of the voting rights attached to any class of voting securities of the Company:

| Name of Debentureholder | Principal Amount of Debentures | Percentage of Class |
|--------------------------------|--------------------------------|---------------------|
| NewGen Alternative Income Fund | 2,500,000 | 12.7% |
| NewGen Equity Long Short Fund | 7,500,000 | 38.1% |

As of January 15, 2020, management and the directors of the Company and their associates or affiliates beneficially own or control 390,000 Debentures representing approximately 2.0% of the issued and outstanding Debentures.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company or any associate or affiliate of any informed person of the Company has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s most recently completed financial year, or in any proposed transaction that has materially affected or would materially affect the Company, except with respect to an interest arising from the ownership of Debentures where such person or company will receive no extra or special benefit or advantage not shared on a pro-rata basis by all holders of the Debentures. See also *Interest of Certain Persons or Companies in Matters to be Acted Upon* below.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as otherwise set out below, none of the directors or executive officers of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company’s last financial year and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

John Gorst, Chief Executive Officer and Director of the Company, beneficially owns, directly or indirectly, 16,333,404 Shares, \$390,000 principal amount of Debentures and 519,870 Warrants.

OTHER MATTERS

As of the date of this Circular, management knows of no other matters to be acted upon at this Meeting. However, should any other matters properly come before the Meeting, the Debentures represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Debentures represented by the proxy.

ADDITIONAL INFORMATION

Additional information is also available upon request at the operating office of the Company. The Company's telephone number is 253.248.7920.

DIRECTOR APPROVAL

The contents of this Circular and its distribution to Debentureholders have been approved by the Board.

Dated at Tacoma, Washington, United States, on this 21st day of January 2020

BY ORDER OF THE BOARD OF DIRECTORS OF THE COMPANY

"John Gorst"

John Gorst

Chief Executive Officer and Director

APPENDIX A

DEBENTURE AMENDMENT RESOLUTION

BE IT RESOLVED AS AN EXTRAORDINARY RESOLUTION THAT, subject to approval of 66 $\frac{2}{3}$ % of the holders of 10.0% convertible senior secured debentures due May 16, 2022 (the “**Debentures**”) of IONIC Brands Corp. (the “**Company**”):

1. the Company and Odyssey Trust Company (the “**Debenture Trustee**”) be and are hereby authorized to enter into and perform their respective obligations under a supplemental indenture (the “**First Supplemental Debenture Indenture**”) to be entered into between the Company and the Debenture Trustee at such time as may be determined by the Company, in its sole discretion, pursuant to which the amended and restated indenture between the Company and the Debenture Trustee dated December 20, 2019 (the “**Amended and Restated Indenture**”) and governing the Debentures shall be supplemented and amended to:
 - a. decrease the conversion price at which the Debentureholders may convert the outstanding principal amount of the Debentures into common shares of the Company (the “**Shares**”) from \$0.75 per Share to \$0.05 per Share such that each \$1,000 of outstanding principal amount under the Debentures will be convertible into 20,000 Shares; and
 - b. decrease the price per Share upon which the acceleration clause which gives the Company the right (but not the obligation) to convert the outstanding principal amount under the Debentures into Shares is triggered, such that if prior to May 16, 2022, being the maturity date of the Debentures, the daily volume weighted average price of the Shares on the Canadian Securities Exchange for five consecutive trading days exceeds \$0.16 per Share, the Company will have the right, at its option, to convert all of the principal amount of the Debentures into Shares at the conversion price of \$0.05 per Share;

a copy of the First Supplemental Debenture Indenture (in draft form) is attached as Appendix B to the management information circular of the Company dated January 21, 2020 for the meeting of holders of Debentures, such First Supplemental Debenture Indenture being subject to such changes and amendments as may be approved by the persons authorized to sign the First Supplemental Debenture Indenture (as changed or amended), and the First Supplemental Debenture Indenture (as changed or amended, if applicable) as signed is the First Supplemental Indenture which is hereby approved;

2. the Company and the Debenture Trustee are hereby authorized and directed to executed and deliver the First Supplemental Debenture Indenture;
3. the Debenture Trustee is hereby authorized and directed to execute and to cause to be executed and to cause to be executed on behalf of the holders of Debentures or to deliver or cause to be delivered all such documents, agreements and instruments and to do or cause to be done all such other acts and things as the Company or its advisors shall determine to be necessary or desirable to carry out the intent of this extraordinary resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document, agreement or instrument or the doing of any such act or thing;
4. the Debenture Trustee is hereby authorized and directed to execute and deliver all documents and to do all other acts or things as the Debenture Trustee may determine to be necessary or appropriate from time to time to give effect to the foregoing, such determination to be conclusively evidenced by the execution and delivery by the Debenture Trustee of such documents or the doing of such other acts or things;

5. notwithstanding that this extraordinary resolution has been passed by the holders of the Debentures, the Company is authorized, without further notice or approval of holders of Debentures, to not enter into the First Supplemental Debenture Indenture; and
6. any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or cause to be delivered, all such documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such authorization to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

APPENDIX B

FORM OF FIRST SUPPLEMENTAL DEBENTURE INDENTURE

THIS FIRST SUPPLEMENTAL INDENTURE is made as of the [●] day of February 2020

BETWEEN:

IONIC BRANDS CORP., a corporation incorporated under the laws of
the Province of British Columbia
(the “**Corporation**”)

AND:

ODYSSEY TRUST COMPANY, a trust company existing under the
laws of the Province of Alberta
(the “**Trustee**”)

WHEREAS:

- A. The Corporation and the Trustee executed an amended and restated indenture (the “**Indenture**”) dated as of December 20, 2019 providing for the issue of up to \$20,880,000, 10% convertible senior secured debentures due May 16, 2022 (the “**Debentures**”);
- B. The Corporation desires to supplement the Indenture by amending and replacing certain terms and provisions and schedules contained in the Indenture;
- C. Section 14.1 of the Indenture provides for the creation of indentures supplemental to the Indenture for the purposes of giving effect to any Extraordinary Resolution passed as provided in Article 11 of the Indenture;
- D. The Trustee is authorized and directed to enter into this first supplemental indenture (the “**First Supplemental Indenture**”) and to hold all rights, interests and benefits contained herein for and on behalf of those persons who are Debentureholders issued pursuant to the Indenture as modified by this First Supplemental Indenture from time to time;
- E. All necessary acts and proceedings have been performed and taken and all necessary resolutions have been passed to authorize the execution and delivery of this First Supplemental Indenture and to make this First Supplemental Indenture legal, valid, effective and binding upon each of the Corporation and the Trustee for and on behalf of the Debentureholders in accordance with the terms of the Indenture, as amended by this First Supplemental Indenture; and
- F. The foregoing recitals are made as representations and statements of fact by the Corporation and not by the Trustee.

NOW THEREFORE, THIS SUPPLEMENTAL INDENTURE WITNESSES that for good and valuable consideration mutually given and received, the receipt and sufficiency of which is hereby acknowledged, and the parties hereto agree as follows:

1. This First Supplemental Indenture is supplemental to the Indenture and the Indenture will henceforth be read in conjunction with this First Supplemental Indenture and all the provisions of the Indenture, except only insofar as the same may be inconsistent with the express provisions hereof, will apply and have the same effect as if all the provisions of the Indenture and of this First Supplemental Indenture were contained in one instrument and the expressions used herein will have the same meaning as is ascribed to the corresponding expressions in the Indenture.
2. All capitalized terms contained in this First Supplemental Indenture (including the recitals hereto), unless otherwise defined herein, shall, for the purposes hereof, have their respective meanings as set out in the Indenture, unless otherwise or the context otherwise requires.
3. On and after the date hereof, each reference to the Indenture, as amended by this First Supplemental Indenture, “this indenture”, “herein”, “hereby”, and similar references, and each reference to the Indenture in any other agreement, certificate, document or instrument relating thereto, will mean and refer to the Indenture as amended by this First Supplemental Indenture.
4. The Indenture is hereby amended as follows (collectively, the “**Amendments**”):

(a) clause 2.5(5)(b) will be deleted in its entirety and replaced with the following:

“The Conversion Price in effect on the date hereof for each Common Share to be issued upon the conversion of Initial Debentures shall be equal to \$0.05 such that 20,000 Common Shares shall be issued for each \$1,000 principal amount of Initial Debentures so converted. Except as provided below, no adjustment in the number of Common Shares to be issued upon conversion will be made for dividends or distributions on Common Shares issuable upon conversion, the record date for the payment of which precedes the date upon which the holder becomes a holder of Common Shares in accordance with Article 6, or for interest accrued on Initial Debentures surrendered. No fractional Common Shares will be issued, and holders will receive a cash payment in satisfaction of any fractional interest based on the Current Market Price as of the Date of Conversion, provided, however, the Corporation shall not be required to make any payment of less than \$5.00. The Conversion Price applicable to, and the Common Shares, securities or other property receivable on the conversion of, the Initial Debentures is subject to adjustment pursuant to the provisions of Section 6.5. Holders converting their Initial Debentures will receive, in addition to the applicable number of Common Shares, accrued and unpaid interest (less any taxes required by law to be deducted or withheld) in cash in respect of the Initial Debentures surrendered for conversion up to and including the Date of Conversion from, and including, the most recent Interest Payment Date. The Conversion Price will not be adjusted for accrued interest.”

(b) clause 2.5(5)(c) will be deleted in its entirety and replaced with the following:

“If prior to the Maturity Date, the daily VWAP for the preceding five consecutive trading days exceeds \$0.16, as adjusted in a similar manner as the Conversion Price is adjusted in accordance with Section 6.5, the Corporation shall have the right to convert all but not less than all of the principal amount of the Initial Debentures (less any tax required by law to be deducted or withheld) into Common Shares at the Conversion Price, upon giving the Debentureholders not less than 30 days’, but no more than 60 days’, advance written notice by way of a news release and written notice in accordance with Section 12.2 and concurrently providing a written notice to the Trustee in accordance with Section 12.3 (the “**Forced Conversion Notice**”). In the event that the Corporation exercises its conversion right, the effective date of the conversion of the Initial Debentures (the “**Forced Conversion Date**”) shall be the date stipulated in the Forced Conversion Notice and upon such Forced Conversion Date: (i) all of the principal amount of the Initial Debentures (less any tax required by law to be deducted or withheld) shall be converted

into Common Shares at the then-applicable Conversion Price; (ii) the Debentureholders shall be entered in the books of the Corporation as at the Forced Conversion Date as the holders of the number of Common Shares, as applicable, into which the Initial Debentures held by them are convertible; and (iii) the Corporation shall pay to the Debentureholders all accrued and unpaid interest (less any tax required by law to be deducted or withheld) in cash in respect of the converted Debentures for the period from and including the last Interest Payment Date to, but excluding, the Forced Conversion Date. For the avoidance of doubt, notwithstanding the delivery by the Corporation of a Forced Conversion Notice, a holder of Initial Debentures may convert such Initial Debentures in whole or in part at any time until 5:00 p.m. (Vancouver time) on the Business Day prior to the Forced Conversion Date.”; and

- (c) Schedule A will be deleted in its entirety and replaced with Appendix A attached hereto.
5. The Debentures issued and outstanding shall be deemed to include the Amendments as set forth herein, without any further action of the Debentureholders or surrender or exchange of their Debenture Certificates.
 6. The Corporation and the Trustee hereby acknowledge and confirm that, except as specifically supplemented, modified or changed by the provisions of this First Supplemental Indenture, all of the terms and conditions contained in the Indenture are and shall remain in full force and effect, unamended, in accordance with the provisions thereof. The matters provided for in this First Supplemental Indenture shall not prejudice any act or thing done prior to the date hereof and do not constitute a novation.
 7. This First Supplemental Indenture shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and shall be treated in all respects as British Columbia contracts, with respect to any suit, action or proceedings relating to this First Supplemental Indenture, each party irrevocably submits and attorns to the non-exclusive jurisdictions of the courts of the Province of British Columbia.
 8. The First Supplemental Indenture may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.
 9. For the purpose of convenience, this First Supplement Indenture may be referred to as bearing the formal date of February [●], 2020 irrespective of the actual date of execution hereof.

[The balance of this page is intentionally left blank. The execution page follows.]

IN WITNESS WHEREOF the parties have executed this First Supplemental Indenture under the hands of their proper officers in that behalf.

IONIC BRANDS CORP.

Per: _____
Authorized Signatory

ODYSSEY TRUST COMPANY

Per: _____
Authorized Signatory

Per: _____
Authorized Signatory

APPENDIX A

Schedule A – Form of Debenture

[INITIAL DEBENTURES LEGEND]

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE SEPTEMBER 17, 2019.

(INSERT IF BEING ISSUED TO CDS) THIS DEBENTURE IS A GLOBAL DEBENTURE WITHIN THE MEANING OF THE INDENTURE HEREIN REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. THIS DEBENTURE MAY NOT BE TRANSFERRED TO OR EXCHANGED FOR DEBENTURES REGISTERED IN THE NAME OF ANY PERSON OTHER THAN THE DEPOSITORY OR A NOMINEE THEREOF AND NO SUCH TRANSFER MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE AMENDED AND RESTATED TRUST INDENTURE DATED AS OF THE 20TH DAY OF DECEMBER, 2019 BETWEEN IONIC BRANDS CORP. AND ODYSSEY TRUST COMPANY, AS AMENDED BY THE FIRST SUPPLEMENTAL INDENTURE DATED AS OF THE 21ST DAY OF FEBRUARY, 2020 BETWEEN IONIC BRANDS CORP. AND ODYSSEY TRUST COMPANY (THE “**INDENTURE**”). EVERY DEBENTURE AUTHENTICATED AND DELIVERED UPON REGISTRATION OF, TRANSFER OF, OR IN EXCHANGE FOR, OR IN LIEU OF, THIS DEBENTURE SHALL BE A GLOBAL DEBENTURE SUBJECT TO THE FOREGOING, EXCEPT IN SUCH LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF CDS CLEARING AND DEPOSITORY SERVICES INC. (“**CDS**”) TO IONIC BRANDS CORP. OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN RESPECT THEREOF IS REGISTERED IN THE NAME OF CDS & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS (AND ANY PAYMENT IS MADE TO CDS & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED HOLDER HEREOF, CDS & CO., HAS A PROPERTY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE HEREIN AND IT IS A VIOLATION OF ITS RIGHTS FOR ANOTHER PERSON TO HOLD, TRANSFER OR DEAL WITH THIS CERTIFICATE.”

[U.S. LEGEND – TO BE INCLUDED ON ALL INITIAL DEBENTURES ISSUED TO U.S. PURCHASERS.]

THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON CONVERSION HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”). THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT SUCH SECURITIES MAY BE OFFERED,

SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN ACCORDANCE WITH ALL LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR ANY APPLICABLE STATE LAWS AND REGULATIONS GOVERNING THE OFFER AND SALE OF SECURITIES, AND IN THE CASE OF (C) OR (D), THE HOLDER HAS PRIOR TO SUCH SALE FURNISHED TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

CUSIP 462202AB8

ISIN CA462202AB80

No. ●

●\$

IONIC BRANDS CORP.

(A corporation incorporated under the laws of British Columbia)

10.0% SECURED CONVERTIBLE DEBENTURE

DUE MAY 16, 2022

IONIC Brands Corp. (the “**Corporation**”) for value received hereby acknowledges itself indebted and, subject to the provisions of the Amended and Restated Debenture Indenture (the “**Indenture**”) dated as of December 20, 2019 between the Corporation and Odyssey Trust Company (the “**Trustee**”), promises to pay to the registered holder hereof on May 16, 2022 or on such earlier date as the principal amount hereof may become due in accordance with the provisions of the Indenture (any such date, the “**Maturity Date**”) the principal amount hereof in lawful money of Canada on presentation and surrender of this Initial Debenture at the main branch of the Trustee in Calgary, Alberta in accordance with the terms of the Indenture and, subject as hereinafter provided, to pay interest on the principal amount hereof from, and including, the date hereof, or from the last Interest Payment Date to which interest shall have been paid or made available for payment hereon, whichever is later, at the rate of 10.0% per annum (based on a year of 360 days comprised of twelve 30-day months), in like money, in arrears in equal (with the exception of the first interest payment which will include interest from May 16, 2019 as set forth below) semi-annual instalments (less any tax required by law to be deducted or withheld) on the last day in June and December in each year commencing on June 28 2019 and the last payment (representing interest payable from the last Interest Payment Date to, but excluding, the Maturity Date) to fall due on the Maturity Date and, should the Corporation at any time make default in the payment of any principal, premium, if any, or interest, to pay interest on the amount in default at the same rate, in like money and on the same dates. For the avoidance of doubt, the next interest payment after the date of the Indenture will include interest accrued from June 28 2019 to December 31, 2019, which will be equal to \$41.95 for each \$1,000 principal amount of Initial Debentures.

This Initial Debenture is one of the 10.0% Secured Convertible Debentures (referred to herein as the “**Initial Debentures**”) of the Corporation issued or issuable in one or more series under the provisions of the Indenture. The Initial Debentures authorized for issue immediately are limited to an aggregate principal amount of up to \$20,880,000 in lawful money of Canada. Reference is hereby expressly made to the Indenture for a description of the terms and conditions upon which the Initial Debentures are or are to be issued and held and the rights and remedies of the holders of the Initial Debentures and of the Corporation and of the Trustee, all to the same effect as if the provisions of the Indenture were herein set forth to all of which provisions the holder of this Initial Debenture by acceptance hereof assents.

The Initial Debentures are issuable only in denominations of \$1,000 and integral multiples thereof. Upon compliance with the provisions of the Indenture, Debentures of any denomination may be exchanged for an equal aggregate principal amount of Debentures in any other authorized denomination or denominations.

Any part, being \$1,000 or an integral multiple thereof, of the principal of this Initial Debenture, provided that the principal amount of this Initial Debenture is in a denomination in excess of \$1,000, is convertible, at the option of the holder hereof, upon surrender of this Initial Debenture at the principal office of the Trustee in Calgary, Alberta, at any time prior to 5:00 p.m. (Pacific Time) on the Business Day preceding the Maturity Date or, if called for repurchase pursuant to a Change of Control (as defined in the Indenture) on the Business Day immediately prior to the payment date, into common shares of the Corporation (the “**Common Shares**”) (without adjustment for interest accrued hereon or for dividends or distributions on Common Shares issuable upon conversion) at a conversion price of \$0.05 (the “**Conversion Price**”) per Common Share, being a rate of 20,000 Common Shares for each \$1,000 principal amount of Initial Debentures, all subject to the terms and conditions and in the manner set forth in the Indenture. No Initial Debentures may be converted during the five Business Days preceding the last day in June and December in each year, commencing June 28 2019, as the registers of the Trustee will be closed during such periods. The Indenture makes provision for the adjustment of the Conversion Price in the events therein specified. No fractional Common Shares will be issued on any conversion but in lieu thereof, holders will receive a cash payment in satisfaction of any fractional interest based on the Current Market Price as of the Date of Conversion, provided, however, the Corporation shall not be required to make any payment of less than \$5.00. Holders converting their Debentures will receive accrued and unpaid interest thereon in cash. If a Debenture is surrendered for conversion on an Interest Payment Date or during the five preceding Business Days, the person or persons entitled to receive Common Shares in respect of the Debentures so surrendered for conversion shall not become the holder or holders of record of such Common Shares until the Business Day following such Interest Payment Date and, for clarity, any interest payable on such Debentures will be for the account of the holder of record of such Debentures at the close of business on the relevant record date.

Subject to the provisions in the Indenture and without further action on the part of the Registered Holder, if prior to the Maturity Date, the daily VWAP for the preceding five consecutive trading days exceeds \$0.16, as adjusted in a similar manner as the Conversion Price is adjusted in accordance with Section 6.5, the Corporation shall have the right to convert all but not less than all of the principal amount of the Initial Debentures (less any tax required by law to be deducted or withheld) into Common Shares at the Conversion Price, upon giving the Debentureholders not less than 30 days’, but no more than 60 days’, advance written notice by way of a news release and written notice in accordance with Section 12.2 of the Indenture and concurrently providing a written notice to the Trustee in accordance with Section 12.3 of the Indenture (the “**Forced Conversion Notice**”). In the event that the Corporation exercises its conversion right, the effective date of the conversion of the Initial Debentures (the “**Forced Conversion Date**”) shall be the date stipulated in the Forced Conversion Notice and upon such Forced Conversion Date: (i) all of the principal amount of the Initial Debentures (less any tax required by law to be deducted or withheld) shall be converted into Common Shares at the then-applicable Conversion Price; (ii) the Debentureholders shall be entered in the books of the Corporation as at the Forced Conversion Date as the holders of the number of Common Shares,

as applicable, into which the Initial Debentures held by them are convertible; and (iii) the Corporation shall pay to the Debentureholders all accrued and unpaid interest (less any tax required by law to be deducted or withheld) in cash in respect of the converted Debentures for the period from and including the last Interest Payment Date to, but excluding, the Forced Conversion Date. For the avoidance of doubt, notwithstanding the delivery by the Corporation of a Forced Conversion Notice, a holder of Initial Debentures may convert such Initial Debentures in whole or in part at any time until 5:00 p.m. (Vancouver time) on the Business Day prior to the Forced Conversion Date. In the event that the Corporation delivers a Forced Conversion Notice, upon surrender of this Initial Debenture to the Trustee, the Corporation shall deliver certificates for the Common Shares into which the Debentures have been converted.

Not less than 30 days prior to the consummation of: (i) any transaction (whether by purchase, merger or otherwise) whereby a Person or Persons acting jointly or in concert directly or indirectly acquire(s) the right to cast, at a general meeting of shareholders of the Corporation, more than 50% of the votes that may be ordinarily cast at a general meeting; (ii) the Corporation's amalgamation, consolidation or merger with or into any other Person, any merger of another Person into the Corporation, unless the holders of voting securities of the Corporation immediately prior to such amalgamation, consolidation or merger hold securities representing 50% or more of the voting control or direction in the Corporation or the successor entity upon completion of the amalgamation, consolidation or merger; or (iii) any conveyance, transfer, sale lease or other disposition of all or substantially all of the Corporation's and the Corporation's subsidiaries' assets and properties, taken as a whole, to another arm's length Person (collectively, a "**Change of Control**"), the Corporation shall notify the holders of the Initial Debentures of the Change of Control, and the holders of the Initial Debentures shall, in their sole discretion, have the right to require the Corporation to, either: (i) purchase the Initial Debentures at 105% of the principal amount thereof plus unpaid interest to the Maturity Date; (ii) if the Change of Control results in a new issuer, convert the Initial Debentures into a replacement debenture of the new issuer in the aggregate principal amount of 105% of the aggregate principal amount of the Initial Debenture; or (iii) convert the Initial Debentures at the Conversion Price (the "**Change of Control Purchase Offer**"). If 90% or more of the principal amount of all Initial Debentures outstanding on the date the Corporation provides notice of a Change of Control to the Trustee have been tendered for purchase pursuant to the Change of Control Purchase Offer, the Corporation has the right to redeem all the remaining outstanding Initial Debentures on the same date and at the same price.

If an offer is made for the Initial Debentures which is a take-over bid for the Initial Debentures within the meaning of applicable securities legislation and 90% or more of the principal amount of all the Initial Debentures (other than Initial Debentures held at the date of the offer by or on behalf of the offeror, associates or affiliates of the offeror or anyone acting jointly or in concert with the offeror) are taken up and paid for by the offeror, the offeror will be entitled to acquire the Initial Debentures of those holders who did not accept the offer on the same terms as the offeror acquired the first 90% of the principal amount of the Initial Debentures.

The indebtedness evidenced by this Initial Debenture, and by all other Initial Debentures now or hereafter certified and delivered under the Indenture, is a direct secured obligation of the Corporation and the IONIC Subsidiaries, and is subordinated in right of payment, to the extent

and in the manner provided in the Indenture, to the prior payment in full of all Senior Indebtedness.

This Initial Debenture and the Common Shares issuable upon conversion hereof have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or the securities laws of any state of the United States. This Initial Debenture may not be converted by or for the account or benefit of a U.S. person or a person in the United States absent an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. In addition, this Initial Debenture and the underlying Common Shares may only be offered and sold to a U.S. person or a person in the United States pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. “**U.S. person**” and “**United States**” are as defined in Regulation S under the U.S. Securities Act.

The Indenture contains provisions binding upon all holders of Initial Debentures outstanding thereunder (or in certain circumstances specific series of Initial Debentures) resolutions passed at meetings of such holders held in accordance with such provisions and instruments signed by the holders of a specified majority of Initial Debentures outstanding (or specific series), which resolutions or instruments may have the effect of amending the terms of this Initial Debenture or the Indenture.

The Indenture contains provisions disclaiming any personal liability on the part of holders of Common Shares and officers, directors and employees of the Corporation in respect of any obligation or claim arising out of the Indenture or this Initial Debenture.

This Initial Debenture may only be transferred, upon compliance with the conditions prescribed in the Indenture, in one of the registers to be kept at the principal office of the Trustee in Calgary, Alberta and in such other place or places and/or by such other registrars (if any) as the Corporation with the approval of the Trustee may designate. No transfer of this Initial Debenture shall be valid unless made on the register by the registered holder hereof or its executors or administrators or other legal representatives, or its or their attorney duly appointed by an instrument in form and substance satisfactory to the Trustee or other registrar, and upon compliance with such reasonable requirements as the Trustee and/or other registrar may prescribe and upon surrender of this Initial Debenture for cancellation. Thereupon a new Initial Debenture or Initial Debentures in the same aggregate principal amount shall be issued to the transferee in exchange hereof.

This Initial Debenture shall not become obligatory for any purpose until it shall have been certified by the Trustee under the Indenture.

Capitalized words or expressions used in this Initial Debenture shall, unless otherwise defined herein, have the meaning ascribed thereto in the Indenture. In the event of any inconsistency between the terms of this Initial Debenture and the Indenture, the terms of the Indenture shall govern.

IN WITNESS WHEREOF IONIC BRANDS CORP. has caused this Debenture to be signed by its authorized representatives as of February [●], 2020.

IONIC BRANDS CORP.

By: _____

TRUSTEE'S CERTIFICATE

This Initial Debenture is one of the 10.0% Secured Convertible Debentures due May 16, 2022 referred to in the Indenture within mentioned.

Dated:

ODYSSEY TRUST COMPANY

By: _____

Name:

Title:

REGISTRATION PANEL

(No writing hereon except by Trustee or other registrar)

| Date of Registration | In Whose Name Registered | Signature of Trustee or Registrar |
|-----------------------------|---------------------------------|--|
| | | |
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FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____, whose address and social insurance number, if applicable, are set forth below, this Initial Debenture (or \$ _____ principal amount hereof*) of **IONIC BRANDS CORP.** standing in the name(s) of the undersigned in the register maintained by the Corporation with respect to such Initial Debenture and does hereby irrevocably authorize and direct the Trustee to transfer such Initial Debenture in such register, with full power of substitution in the premises.

Dated: _____

Address of Transferee: _____
(Street Address, City, Province and Postal Code)

Social Insurance Number of Transferee, if applicable: _____

*If less than the full principal amount of the within Initial Debenture is to be transferred, indicate in the space provided the principal amount (which must be \$1,000 or an integral multiple thereof, unless you hold an Initial Debenture in a non-integral multiple of \$1,000 by reason of your having exercised your right to exchange upon the making of a Change of Control Purchase Offer, in which case such Initial Debenture is transferable only in its entirety) to be transferred.

Check if the undersigned Transferor is a U.S. Purchaser that acquired Initial Debentures under the Offering as “restricted securities” and which: (a) are represented by one or more Debenture Certificate endorsed with a U.S. Legend pursuant to Error! Reference source not found. of the Indenture; or (b) have been included in the Unrestricted Debenture pursuant to Error! Reference source not found. of the Indenture. IF THIS BOX IS CHECKED, THE TRANSFEROR MUST COMPLETE AND DELIVER A CERTIFICATE OF TRANSFER SUBSTANTIALLY AS SET FORTH IN SCHEDULE D TO THE INDENTURE.

REASON FOR TRANSFER – For US Residents only (where the individual(s) or corporation receiving the securities is a US resident). Please select only one (see instructions below).

Gift Estate Private Sale Other (or no change in ownership)

Date of Event (Date of gift, death or sale): **Value per Debenture** on the date of event:

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CAD **OR** USD

1. The signature(s) of the transferor(s) must correspond with the name(s) as written upon the face of this certificate(s), in every particular, without alteration or enlargement, or any

change whatsoever. The signature(s) on this form must be guaranteed by an authorized officer of Royal Bank of Canada, Scotia Bank or TD Canada Trust whose sample signature(s) are on file with the transfer agent, or by a member of an acceptable Medallion Signature Guarantee Program (STAMP, SEMP, NYSE, MSP). Notarized or witnessed signatures are not acceptable as guaranteed signatures. The Guarantor must affix a stamp bearing the actual words: "SIGNATURE GUARANTEED", "MEDALLION GUARANTEED" OR "SIGNATURE & AUTHORITY TO SIGN GUARANTEE", all in accordance with the transfer agent's then current guidelines and requirements at the time of transfer. For corporate holders, corporate signing resolutions, including certificate of incumbency, will also be required to accompany the transfer unless there is a "SIGNATURE & AUTHORITY TO SIGN GUARANTEE" Stamp affixed to the Form of Transfer obtained from an authorized officer of the Royal Bank of Canada, Scotia Bank or TD Canada Trust or a "MEDALLION GUARANTEED" Stamp affixed to the Form of Transfer, with the correct prefix covering the face value of the certificate.

2. The registered holder of this Initial Debenture is responsible for the payment of any documentary, stamp or other transfer taxes that may be payable in respect of the transfer of this Debenture.

Signature of Guarantor:

Authorized Officer

Signature of transferring registered holder

Name of Institution