

IONIC BRANDS

CSE: IONC | FRA: IB3 | OTC: IONKF

For Immediate Release

Ionic Brands Corp. Receives CAD\$773,000 Bridge Loan Financing from Strategic Investors, retains Consultants, engaged an Investor Relations Firm and appoints Board member

January 13, 2021

TACOMA, WASHINGTON, USA, January 13, 2021, IONIC BRANDS CORP. (CSE: IONC) (OTC: IONKF) (FRA: IB3) (“IONIC BRANDS” or the “Company”), a regional manufacturer of innovative cannabis edibles and concentrate extract products, is pleased to announce that it has entered into a secured credit facility (the “First Note”) with a group of lenders (together, the “Lenders”) for a loan of CAD\$325,000 (the “First Loan”) maturing on February 15th, 2021 (the “First Loan Maturity Date”).

Credit facility terms are secured in third place to the senior debenture holders and junior debenture holders against all or substantially all the assets of the Company. The aggregate outstanding principal amount of the First Loan, all accrued and unpaid interest and all other amounts payable under the First Note shall be due and payable on the First Loan Maturity Date. Beginning on January 1st, 2021, the Company may prepay the First 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. The credit facility bears interest at 12% per annum. Interest shall be calculated and payable monthly in arrears to the Lenders. The Company has also agreed to issue to the Lenders 162,500 common share purchase warrants of the Company (the “Warrants”). Each Warrant entitles the holder to acquire one common share of the Company (each, a “Share”) at CAD\$0.05 per Share.

The Company also issued an unsecured convertible note (the “Second Note”) in the principal amount of CAD\$250,000 (the “Second Loan”) to a lender, which accrue interest at the rate of 12% per annum payable on February 15th, 2021 (the “Second Loan Maturity Date”). The Subscriber has the sole right and discretion, at any time and from time to time prior to the Second Loan Maturity Date or before the Company redeems the Second Note, to convert the outstanding principal amount to Shares at a conversion price at CAD\$0.05 per Share.

The Company also entered into a non-interest-bearing promissory obligation (unless in default where interest will accrue on the unpaid principal balance at a rate of 15% per annum) to borrow US\$150,000 (the "Third Loan") from Alabama Management Partners, LP, a New Jersey limited partnership in the USA (the "US Lender"). The Company agreed to a US\$10,000 loan origination fee and the principal balance due on or before February 15th, 2021. As additional consideration for the Third Loan, the Company agreed to issue to the U.S. Lender 300,000 Shares at CAD \$0.05 per Share.

John Gorst, CEO of the IONIC BRANDS, stated, "the nature of these short-term bridge financings are meant to assist the company with inventory and working capital until we complete a larger corporate financing as part of our planned acquisitions of Cowitliz County Cannabis and Extraction Artists. We remain committed to working tirelessly to build value for our shareholders. Furthermore, the Company extends its gratitude to the advisors that have stuck by the Company through very difficult times over the last two years. We look forward to the accretive value that they continue to bring to the company through international strategic partnerships, M&A, capital markets and general corporate advice."

The Company has also entered into advisory agreements with three consultants and agreed to issue 51,500,000 Shares to the consultants at \$0.05 per Share.

The Company also entered into an agreement (the "Marketing Agreement") with Stone House Ventures Inc. ("Stone") whereby Stone will provide the Company with investor acquisition services. Under the Marketing Agreement, the Company agreed to pay US\$10,000 upon signing, \$10,000 per month for three months and issue to Stone 500,000 Shares at \$0.05 per Share.

All securities issued in connection with the First Loan, the Second Loan, the Third Loan, the advisory agreements and the Marketing Agreement are subject to a statutory hold period of four month plus one day in accordance with applicable legislation.

Effective January 12, 2021, the Company appointed Jonathan Yan to the board of the directors of the Company.

About IONIC BRANDS CORP.

The Company is dedicated to building a regionally based multi-state consumer-focused cannabis concentrate brand portfolio with strong roots in the premium and luxury segments of vape concentrates and edibles. The cornerstone Brand of the portfolio, IONIC, is a top 10 vaporizer brand in Washington State and has aggressively expanded throughout the Pacific Northwest of the United States. The brand is currently operating in Washington and Oregon. IONIC BRANDS' strategy is to be the leader of the highest-value segments of the cannabis market.

On behalf of the Board of Directors

John Gorst
Chief Executive Officer & Chairman

For more information visit www.ionicbrands.com or contact:

To stay better informed with the current events of the company you can join our investor community at <https://www.ionicbrands.com/investor-community>

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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.