

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Icanic Brands Company Inc. (“Icanic Brands” or the “Company”)
810 – 789 West Pender Street
Vancouver, BC V6C 1H2

Item 2 Date of Material Change

July 2, 2021

Item 3 News Release

The news release was disseminated on July 2, 2021 by way of the facilities of Globenewswire. Copies were also forwarded to the applicable Securities Commissions via SEDAR.

Item 4 Summary of Material Change

The Company announced that it has closed the previously announced acquisition of De Krown Enterprises LLC (“**De Krown**”), a California-based leading cannabis manufacturing partner and brand owner.

Pursuant to the definitive agreement, and in consideration for the purchase of 100% of the issued and outstanding units of membership interest of De Krown, the Company will pay 1x of De Krown’s Revenue based on a 12 month earn out, the consideration will be paid in 100% common stock of the Company. The Company also paid: (i) USD\$315,625 cash to extinguish certain debt and to reimburse for certain expenditures made since February 1, 2021; and (ii) issued an aggregate of 7,753,079 common shares of the Company (the “**Shares**”) of which a portion of the Shares were used to extinguish an aggregate of USD\$1,868,967.70 of debt all which will be deducted from the final purchase price. The Shares are being issued at a deemed VWAP price of CDN\$0.31.

Item 5.1 Full Description of Material Change

Please see the attached news release for the full description of the material change.

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Brandon Kou, Director & CEO
Business Telephone: 604-687-2038

Item 9 **Date of Report**

July 2, 2021

Icanic Brands Company, Inc.
Suite 810, 789 West Pender Street
Vancouver, British Columbia, Canada V6C 1H2

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THE UNITED STATES*

Icanic Brands Closes Acquisition of De Krown Enterprises LLC

VANCOUVER, BRITISH COLUMBIA – July 2nd, 2021 – Icanic Brands Company, Inc. (CSE: ICAN, OTCQB: ICNAF) (“Icanic Brands” or the “Company”), a multi-state brand operator in California and Nevada, is pleased to announce that it has closed the previously announced acquisition of De Krown Enterprises LLC (“**De Krown**”), a California-based leading cannabis manufacturing partner and brand owner.

De Krown is led by a team of successful and tenured executives from the California cannabis space as well as proven entrepreneurs in various other fields. De Krown currently manufactures for some of California’s premier cannabis companies including Pure Beauty, Next Green Wave, Kolas, Dahlia Capital, Cali Innovations, Smoakland, Kush Boys, Tyson Ranch and Viola.

Brandon Kou, CEO of Icanic Brands commented, “*We are very excited to officially welcome De Krown into the Icanic family. The founding team's expertise and experience are the perfect fit for our overall vision and will add significant value to our existing management team. De Krown will continue to manufacture for their impressive list of leading California brands while also serving as an additional manufacturing hub for our Icanic products including Ganja Gold. We are excited to bring our proprietary manufacturing technology and merge it with De Krown's existing manufacturing process to further establish Icanic as a leading California cannabis manufacturer.*”

Terms of Acquisition

Pursuant to the definitive agreement (the “**Agreement**”), and in consideration for the purchase of 100% of the issued and outstanding units of membership interest of De Krown (the “**Transaction**”), the Company will pay 1x of De Krown’s Revenue based on a 12 month earn out, the consideration will be paid in 100% common stock of the Company. The Company also paid: (i) USD\$315,625 cash to extinguish certain debt and to reimburse for certain expenditures made since February 1, 2021; and (ii) issued an aggregate of 7,753,079 common shares of the Company (the “**Shares**”) of which a portion of the Shares were used to extinguish an aggregate of USD\$1,868,967.70 of debt all which will be deducted from the final purchase price. The Shares are being issued at a deemed VWAP price of CDN\$0.31.

In addition, 3 main principles from De Krown shall execute Employment Agreements.

All securities issued with respect to the Transaction, will be subject to escrow and/or resale conditions as required by applicable securities laws and the policies of the Canadian Securities Exchange (the “CSE”).

The securities of the Company referred to in this news release have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws. Accordingly, the securities of the Company may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of any offer to buy any securities of the Company in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Icanic Brands Company, Inc.

Icanic Brands Company, Inc. is a leading cannabis branded products manufacturer based in California & Nevada, the largest and most competitive cannabis markets in the world. The company’s mission is to make cannabis safe and approachable - that starts with manufacturing high-quality products delivering consistent experiences.

For more information, please visit the company’s website at: www.icaninc.com.

About Ganja Gold

Ganja Gold, Inc., a wholly-owned subsidiary of Icanic Brands Company, Inc. (CSE: ICAN, OTCQB: ICNAF), is the premier brand of infused pre-rolls in the state. Ganja Gold focuses on using only the best available flower and concentrates with state of the art proprietary technology to create connoisseur level pre-rolls unseen in the marketplace. With our flagship Tarantula™, Ganja Gold continues to set the bar in quality and experience.

For more information about Ganja Gold, visit their website at www.ganjagold.com

ICANIC BRANDS COMPANY INC.

Per: “Brandon Kou”
Chief Executive Officer

For further information about Icanic Brands, please contact the Company at:

Email: ir@icaninc.com
Phone: (778) 999-4226

Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this news release. The Canadian Securities Exchange has not in any

way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

FORWARD LOOKING STATEMENTS:

Completion of the Transaction is subject to a number of conditions, including receipt of appropriate regulatory approvals. The Transaction cannot close until all such conditions are satisfied. There can be no assurance that the Transaction will be completed as proposed or at all.

Certain information in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. Forward-looking statements are often identified by terms such as “will”, “may”, “should”, “anticipate”, “expects” and similar expressions. All statements other than statements of historical fact, included in this release are forward-looking statements that involve 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. Important factors that could cause actual results to differ materially from the Company’s expectations include the failure to satisfy the conditions of the relevant securities exchange(s) and other risks detailed from time to time in the filings made by the Company with securities regulations. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will update or revise publicly any of the included forward-looking statements as expressly required by applicable law.