

Icanic Brands Company, Inc.

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Icanic Brands Announces Binding LOI to Acquire Substance LLC

VANCOUVER, BRITISH COLUMBIA – September 30th, 2021 – Icanic Brands Company, Inc. (CSE: ICAN, OTCQB: ICNAF) (“**Icanic Brands**” or the “**Company**”), a multi-state brand operator of premium Cannabis brands in California and Nevada, is pleased to announce it has signed a binding Letter of Intent (“**LOI**”) to acquire Substance LLC (“**Substance**”), a premium California cannabis brand.

About Substance

Substance, a premium California cannabis brand committed to propelling racial equity donates \$8.46 with every unit sold to help in the fight to end mass incarceration. Cannabis has historically been used to criminalize black and brown people, exacerbating the already rampant racism in the US. Focused on utilizing Cannabis to help repair at least some of the damage, Substance represents an ethos of prioritizing people over profits.

\$8.46 represents the last 8 minutes and 46 seconds of George Floyd’s life, a significant and historic number.

Substance was founded and is led by Sharoz Makarechi and Simon Davies.

Sharoz is a hybrid-creative with a personal commitment to transforming ideas into value for clients, consumers, and society alike. She cut her teeth at the best ad agencies in the world before founding her own practice in NYC with a focus on the intersections between art and brand building. In 2013, Sharoz developed the winning creative standards by which all regulatory cannabis applications continue to be judged. For the love of storytelling, she has also curated culturally relevant exhibits and production designed award winning films.

Simon is an experienced marketer and erstwhile rocker who worked his way up in NYC ad agencies before shifting to direct client-side work. In 2002, Simon founded an innovative and influential social publishing company in Toronto, building proprietary social technologies in the continually evolving media-tech sector. In 2013, Simon helped start a medical cannabis LP in the nascent Canadian cannabis industry, with a successful exit in late 2019.

Substance can be found in leading California retailers such as Stiiizy, Green Wolf LA, Catalyst and Flower Co.

“We don’t take it lightly that Icanic is stepping up to share in the work necessary to repair some of the damage that cannabis prohibition has caused. Grateful for Brandon and psyched to demonstrate how benevolence and profitability can co-exist. Beautifully, together” explains Sharoz Makarechi, CEO of Substance.

“Substance is a brand dedicated to premium cannabis and social justice. It was entirely clear to us from the beginning that Icanic has an intense commitment to achieving excellence on both fronts. We are incredibly happy to be joining Brandon and his team on this purposeful adventure” continues Simon Davies, CMO of Substance.

“Substance is an ideal fit for Icanic and we are so excited to welcome Sharoz and Simon into our family. Not only does the brand provide tremendous potential to disrupt the California cannabis market but also possesses the unique ability to make a significant impact by giving back to society and being an example how profit and charity can co-exist” said Brandon Kou, CEO of Icanic Brands. “We will integrate Substance into our platform and streamline as faucets by leveraging our existing supply chain, manufacturing center of excellence and as well as our unified Icanic sales team and distribution process to really grow the brand while continuing to be laser focused on our gross margins and unit economics. By reducing redundancies and leveraging our economies of scale, Substance will be a great example of how we can fully maximize brand acquisitions in the future.”

Terms of the LOI

Under the terms of the LOI, the Company will acquire all of the issued and outstanding securities, interests and assets of Substance in exchange for common shares of the Company (the “**Icanic Shares**”). The purchase price (the “**Purchase Price**”) will be comprised of (i) 12 Month Earn out based on revenue (*as defined below*) and (ii) Milestone bonuses (*as defined below*).

The payment forming part of the Purchase Price (the “**Purchase Price**”) will be 1.3 times the trailing 12-months (“**TTM**”) revenue of Substance for the period ending 12 months post-closing of the acquisition. The Purchase Price will be satisfied in full through the issuance of Icanic Shares, at an issue price per share equal to the 30-day volume-weighted average trading price (“**VWAP**”) of the Icanic Shares on the Canadian Securities Exchange (the “**CSE**”).

The Proposed Acquisition is anticipated to be completed in Q4 2021 and is subject to customary closing conditions and regulatory approvals, including, among other things, the approval of the CSE, as well as the execution of a binding definitive agreement.

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.

ICANIC BRANDS COMPANY INC.

Per: "Brandon Kou"
Chief Executive Officer

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The CSE does not accept responsibility for the adequacy or accuracy of this release.

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

This news release may include forward-looking statements that are subject to risks and uncertainties. All statements within, other than statements of historical fact, are to be considered forward looking. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. We do not assume any obligation to update any forward-looking statements except as required under the applicable laws.