

## FORM 7

### MONTHLY PROGRESS REPORT

Name of Listed Issuer: IONIC BRANDS CORP. (the "Issuer" or the "Company").

Trading Symbol: IONC

Number of Outstanding Listed Securities: 164,172,963 as of October 31, 2019.

Date: November 5, 2019 (for the month of October 2019)

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

On March 22, 2019, Ionic Brands Corp. (formerly Zara Resources Inc.) ("Ionic Brands" or the "Company") completed the reverse acquisition of Blacklist Holdings Inc. The Company commenced trading under its new name Ionic Brands Corp. and ticker symbol "IONC" on April 22, 2018.

IONIC BRANDS is a national cannabis holdings company based in Washington State, 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 of the market. The cornerstone brand of the portfolio, IONIC, is one of the top vaporizer brands in Washington State. The Company has aggressively expanded throughout the west coast of the United States. IONIC is currently operating in Washington, Oregon, California and Nevada. IONIC BRANDS strategy is to be the leader in the highest-value segments of the cannabis market and to expand nationally.

Provide a general overview and discussion of the activities of management.

See No. 1 above.

2. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None to report.

3. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

On September 26, 2019, the Company announced that as part of its response to recent vape product safety concerns, specifically the concern with the proliferation of illegal and unregulated black-market products in California, it has temporarily suspended production in California until state regulators demonstrate that they can effectively enforce the laws of the State. The Company feels that it is too great a risk to its customers, shareholders and brands to continue production in California until regulators can take control of this problem.

4. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

The Company entered into a contract with M Brands LLC in which the Company will license from M Brands its tradenames and intellectual property. In addition to its current products, the Company will manufacture and distribute products bearing the M Brands trade names including Mr. Twister, Gaga Edibles, Rasta Roll and Mr. Vapester.

5. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

None to report

6. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

None to report

7. Describe the acquisition of new customers or loss of customers.

None to report.

Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

None to report.

8. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

None to report

9. Report on any labour disputes and resolutions of those disputes if applicable.

None to report.

10. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None to report.

11. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

None to report.

12. Provide details of any securities issued and options or warrants granted.

None to report

Security	Number Issued	Details of Issuance	Use of Proceeds (1)

(1) State aggregate proceeds and intended allocation of proceeds.

13. Provide details of any loans to or by Related Persons.

None to report.

14. Provide details of any changes in directors, officers or committee members.

None to report

15. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The most significant trends and uncertainties which management expects could impact its business and financial condition are (i) the changing legal and regulatory regime which regulates the production and sale of cannabis and cannabis related products; (ii) the ability of companies who may receive funds from the sale of cannabis and cannabis related products to adequately track and legally transfer such funds.

Most recently there have been distressing reports associated with vaping and vape products. The reported incidents appear to involve the use of both nicotine-containing and tetrahydrocannabinol-containing products. The U.S. Center of Disease Control and Prevention (CDC) is working with the United States Food and Drug Administration (FDA) and various U.S. state health departments to investigate the cause of the illnesses and if they are linked to: specific vaporizer devices; ingredients or contaminants in the devices; or substances associated with e-cigarette product use. No specific substance or device has been identified as the cause of these incidents.

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated November 5, 2019 .

Rhett Couture  
Name of Director or Senior  
Officer

/s/ Rhett Couture  
Signature

Chief Financial Officer  
Official Capacity

<b>Issuer Details</b> Name of Issuer  IONIC Brands Corp.		For Month End  October 31, 2019	Date of Report YY/MM/D  19/11/05
Issuer Address Suite 300, 1142 Broadway			
City/Province/Postal Code  Tacoma, WA, 98402	Issuer Fax No.  N/A	Issuer Telephone No.  253.248.7926	
Contact Name  Rhett Couture	Contact Position  CFO	Contact Telephone No. 253.248.7926	
Contact Email Address <a href="mailto:rhett.couture@ionicbrands.com">rhett.couture@ionicbrands.com</a>	Web Site Address <a href="http://www.ionicbrands.com">www.ionicbrands.com</a>		