

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 November 30, 2019.

Date: December 5, 2019 (for the month of November 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 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 and Oregon. 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.

As reported in October, 2019, production in California market was suspended and we are liquidating remaining inventory, anticipated to be completed by January 2020.

On November 8, 2019, the Company received from Vegas Valley Growers North (VVG N) a letter purporting to terminate the Membership Interests Purchase Agreement between VVG N and Company. The letter purports that the Company has breached the agreement and therefore, VVG N is entitled to terminate such Contract, resulting in suspended operations in Nevada.

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.

A memorandum of understanding was entered into with individuals associated with Innovative Packaging Company (IPC) in which the individuals provided a \$500,000 loan to the Company. As part of such loan, the Company agreed to purchase a minimum number of devices from IPC where negotiations are underway for an Inventory Purchase Agreement. IPC currently provides the Company with packaging and other products.

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.

On November 8, 2019, the Company received from Vegas Valley Growers North (VVG N) a letter purporting to terminate the Membership Interests Purchase Agreement between VVG N and Company. The letter purports that the Company has breached the agreement and therefore, VVG N is entitled to terminate such Contract

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.

On November 8, 2019, the Company received from Vegas Valley Growers North (VVG N) a letter purporting to terminate the Membership Interests Purchase Agreement between VVG N and Company. The letter purports that the Company has breached the Contract and therefore, VVG N is entitled to terminate such Contract. The Company is currently in negotiations with VVG N regarding the disposition of Company assets in Nevada.

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

On November 8, 2019, the Company received from Vegas Valley Growers North (VVG N) a letter purporting to terminate the Membership Interests Purchase Agreement between VVG N and Company. The letter purports that the Company has breached the Contract and therefore VVG N is entitled to terminate such Contract. As a result of the suspended operations in Nevada, the Company has ceased providing products to any customers in Nevada.

Increased legislation enacted October 2019 requiring packaging disclosure of ingredients and manufacturing constraints on allowable ingredients, where IONIC BRANDS was already in compliance, resulted in some competition being unable to meet new state requirements, thus providing increased market opportunity for IONIC BRANDS.

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

Patents for CannaCafe coffee and tea were finalized and filed with the US Patents Office.

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

In November, the Company terminated its Chief Revenue Officer, the Director of Events along with all remaining California employees.

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

None to report.

11. 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.

A judgement was entered against Natural Extractions in Pierce County Superior Court against Natural Extractions, a subsidiary of the Company in the approximate amount of \$55,000 for non-payment of certain legal services incurred by Natural Extractions prior to its merger with the Company.

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

A memorandum of understanding was entered with individuals associated with Innovative Packaging Company (IPC) in which the individuals provided a \$500,000 loan to the Company. As part of such loan, the Company agreed to purchase a minimum number of devices from IPC. Negotiations are underway for an Inventory Purchase Agreement.

The Company entered into a secured promissory note (the "Note") with a group of lenders (together, the "Lenders") for a loan of up to US\$1,000,000 (the "Loan"), maturing on November 22, 2020 (the "Maturity Date"), whereby the Lenders have made an initial advance of US\$400,000 to the Company. The Loan is secured against all or substantially all assets of the Company, as outlined in a general security agreement corresponding to the Note. The aggregate unpaid principal amount of the Loan, all accrued and unpaid interest and all other amounts payable under this Note shall be due and payable on the Maturity Date. Beginning on February 22, 2020, the Company may prepay the 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. No prepaid amount may be reborrowed. Advances bear interest at an annual rate equal to twelve percent (12%), calculated from the date such advance is made. Interest shall be calculated and payable monthly in arrears to the Lenders.

13. 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.

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

None to report.

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

In November, the Chief Revenue Officer was terminated.

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

The ongoing changes in laws, rules and regulations related to Cannabis in the markets in which the Company operates. In addition, the ongoing negative media regarding the potential health effects of vaping.

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 December 5, 2019 .

Scott Manson
Name of Director or Senior Officer

/s/ Scott Manson
Signature

Chief Financial Officer
Official Capacity

Issuer Details		For Month End	Date of Report
Name of Issuer			YY/MM/D
IONIC Brands Corp.		November 30, 2019	19/12/05
Issuer Address			
Suite 300, 1142 Broadway			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
Tacoma, WA, 98402		N/A	253.248.7920
Contact Name		Contact Position	Contact Telephone No.
Scott Manson		CFO	412-877-6884
Contact Email Address		Web Site Address	
scott.manson@ionicbrands.com		www.ionicbrands.com	