

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: 135,467,603 common shares

Date: September 7, 2021 (for the month of August, 2021)

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, 2019.

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 had previously expanded throughout the west coast of the United States and 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 when fiscally appropriate.

The US corporate holdings company experienced distress in Q4-2019 through the "Covid-19" year of 2020 that resulted in a significant downturn in the value of company stock. As an immediate means of correction, the board resolved that corporate officers could execute a "6 to 1 reverse stock split" strategy to prevent company stock from being delisted and to improve the company's image and visibility as a preface to forthcoming measures to improve liquidity. By decreasing the number of shares outstanding and consolidating into fewer, proportionally more valuable shares, there was an immediate boost to the company's stock price, and there was no inherent effect on the company's value, with market capitalization remaining the same after execution.

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

During the month of August, Management was focused on completing and releasing financial results for the three and six-month periods ended June 30, 2021. In addition, Management worked diligently on increasing sales and continued to focus on cost reductions, driven primarily by modifications to operations related to our continued goal to drive down manufacturing costs and increase overall operating efficiency in the Washington and Oregon markets

3. 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.

4. 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.

None to report.

5. Describe any new business relationships entered 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.

None to report.

6. 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

7. 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.

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

Sales strategic plans for new customer growth and expansion of Ionic brands customers in WA and OR markets are ongoing.

Efforts are ongoing to extend Ionic Brands products to the east coast (Maine, New Jersey, Rhode Island) and inclusion of east coast product base in WA and OR.

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

None to report

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.

Legal claims by iKrusher and rebuttal corporate counterclaims for damages are still delayed by the CA court system from backlog of legal proceedings resulting from COVID-19.

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

None to report.

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

Security	Number Issued	Details of Issuance	Use of Proceeds (1)
Common Shares	134,171	Shares issued from conversion of preferred shares	Not applicable

(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.

None to report.

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

Uncertainty of ongoing changes in laws, rules and regulations related to Cannabis in the markets in which the Company operates. New transportation regulations for imported production materials have increased costs, established new minimum ordering requirements, and has affected ordering lead time for timely receipt. Some problems with availability of product packaging is causing delay and/or increase.

The world-wide pandemic and ongoing slow down affecting workplace issues and social distancing protocols continues to impact normalcy of business operations, impairing ability to accurately predict market with uncertainty over consumer discretionary disposable income.

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 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 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 September 7, 2021.

Nicole Rusaw
Name of Director/Senior Officer

/s/ Nicole Rusaw
Signature

Chief Financial Officer
Official Capacity

Issuer Details Name of Issuer IONIC Brands Corp.	For Month End August 2021	Date of Report YY/MM/D 2021/09/07
Issuer Address Suite 310, 1142 Broadway		
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