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**IGNITE INTERNATIONAL BRANDS, LTD.**  
**11 Cidermill Avenue, Vaughan, Ontario L4K 4B6**

## **NEWS RELEASE**

Vaughan, Ontario

(CSE: BILZ)

**IGNITE INTERNATIONAL BRANDS ANNOUNCES LETTER AGREEMENT FOR ACQUISITION OF  
IGNITE US, RELATED CHANGE OF BUSINESS, MANAGEMENT CHANGES AND CONCURRENT  
FINANCING**

*Dan Bilzerian to become major shareholder and Jim McCormick will be appointed President  
to drive the IGNITE brand strategy in North America and Internationally*

Vaughan, ON - March 1, 2019, Ignite International Brands, Ltd. (the "Company") today announces that it has entered into a letter agreement dated February 28, 2019 (the "Letter Agreement") with Ignite International, Ltd. ("Ignite US") pursuant to which the Company will acquire all the shares of Ignite US (the "Transaction"). The Transaction will constitute a change of business and a reverse take-over under the rules of the Canadian Securities Exchange (the "CSE").

The Company's shares will be halted from trading on the CSE until the Company has made adequate filings with the CSE in regards to its change of business and completes the Transaction.

### **Transaction**

The Letter Agreement provides that the Company shall, directly or indirectly, acquire all the Ignite US shares it does not already hold in exchange for 218,932,400 common or other equity securities of the Company, which would result in Ignite US becoming a wholly-owned subsidiary of the Company. As a result, the existing Ignite US shareholders would hold approximately 95.6% of the equity securities of the Company, with Dan Bilzerian, the Chairman of the Company, holding not less than 62.5% of the issued and outstanding shares, excluding any shares issued pursuant to the Financings (as described below).

As outlined below under "Change of Business", a key aspect of the Transaction is that the trademark & copyright license agreement dated September 29, 2018 between Ignite US and the Company would be amended such that Ignite US will grant to the Company or an affiliate thereof

an exclusive right to use the "IGNITE" brand for nicotine, CBD and THC products everywhere in the world except for the United States (the "**Amended License Agreement**").

In order to give effect to the Company's new business plan, upon the closing of the Transaction, Jim McCormick, the President of Ignite US, will be appointed as the President of the Company and the board of directors of the Company will be strengthened with the addition of other highly qualified persons. Eddie Mattei, the current Chief Financial Officer of the Company, will continue in his role and Dan Bilzerian will remain Chairman and CEO of the Company.

The parties to the Letter Agreement have also agreed to pursue the following two financings (collectively, the "**Financings**"): (i) the issuance of subscription receipts ("**Subscription Receipts**") pursuant to a brokered private placement, to be led by broker(s) selected by Ignite US, for gross proceeds currently expected to be a minimum of CAD\$50 million and a maximum of CAD\$100 million (the "**Brokered Financing**") at an issue price to be agreed upon (the "**Issue Price**") and (ii) a non-brokered concurrent private placement of up to CAD\$50 million at the same Issue Price as under the Brokered Financing.

The closing of the Transaction is subject to certain closing conditions, which may be waived, including the following:

- the issuance of Subscription Receipts and the payment of proceeds of the Brokered Financing into escrow not later than April 30, 2019;
- gross proceeds of the Financings being not less than CAD\$50 million;
- the Company obtaining all requisite shareholder approvals and requisite regulatory approvals from the CSE and any applicable Canadian securities regulatory authorities by May 29, 2019; and
- the Transaction closing by May 30, 2019.

### Change of Business

The Transaction is in response to business realities and market demand to operate the businesses of Ignite US and the Company together and, as a result, the Company will be required to change its business focus from being an investment company to a vertically-integrated company operating in the cannabis industry. As a vertically-integrated cannabis company, the Company will be seeking to leverage the "IGNITE" brand (under the Amended License Agreement) and engage, directly and indirectly, in the business of cultivation, development, extraction and distribution of cannabis and cannabis-infused products, as well as the production and distribution of cannabis-related accessories and the licensing of the "IGNITE" brand, which will result in a "change of business" under CSE policies. This will require the Company to:

- obtain shareholders' approval, which the Company anticipates obtaining at a shareholders' meeting expected to be held in May 2019 (the "**Meeting**");
- prepare and file a new Listing Statement with respect to its new proposed business;
- meet the criteria for a new listing as a cannabis company on the CSE, and make a complete initial application to qualify for listing by filing all necessary documents; and
- obtain the consent of the CSE to the Company's proposed change of business and listing as a cannabis company.

## Shareholders' Meeting and Additional Information

Dan Bilzerian and certain shareholders of the Company are related parties (within the meaning of Multilateral Instrument 61-101 ("MI 61-101")) and, as such, the Transaction is a related party transaction (within the meaning of MI 61-101) and the Company is required to obtain a formal valuation for, and minority approval of, the Transaction, in the absence of any available exemptions. The Company is exempt from the formal valuation requirement pursuant to section 5.5(b) of MI 61-101, given that it is listed on the CSE. The Company intends to obtain shareholder approval at the Meeting in accordance with MI 61-101, which will also be held to approve other matters in order to give effect to the Transaction.

Additional information required under MI 61-101 will be provided in the material change report of the Company to be filed in connection with this news release. Also, the Listing Statement to be prepared in connection with the Transaction and the change of business, and the management information circular to be prepared and mailed in connection with the Meeting, will provide additional information with respect to the matters summarized in this news release.

For further information, please contact:

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*THE CANADIAN SECURITIES EXCHANGE (CSE) HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.*

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION:** This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to: completion of the Transaction and the Financings, execution of the business plans of the Company and Ignite US, and expanding the Canadian and international commercial presence of the "IGNITE" brand and branded products. Forward-looking statements are necessarily based upon several estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: failure to obtain regulatory or shareholder approval; general business, economic, competitive, political and social uncertainties; ability of the Company to give effect to its business plan; reliance on Dan Bilzerian and the "IGNITE" brand which may not prove to be as successful as contemplated; the ability to and risks associated with unlocking future licensing opportunities with the Ignite brand, building a global cannabis brand and the ability of the Company to capture significant market share; ability to source and secure companies or businesses to acquire and risks related to the acquisition of such companies or businesses; and the uncertainties surrounding the cannabis industry in North America and internationally. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.