CE BRANDS INC. AND EBUYNOW ECOMMERCE LTD. ANNOUNCE PROPOSED QUALIFYING TRANSACTION

Calgary, Alberta, and Victoria, British Columbia – June 18, 2019 – CE Brands Inc. (TSXV:CEBI.P, "**CEBI**") and eBuyNow eCommerce Ltd. ("**EBN**") are pleased to announce that they have entered into a non-binding letter of intent dated June 17, 2019 (the "**Letter of Intent**"), pursuant to which CEBI would be prepared to acquire all of the issued and outstanding securities of EBN (the "**Proposed Qualifying Transaction**"). CEBI intends the Proposed Qualifying Transaction to constitute its Qualifying Transaction, as that term is defined by the policies of TSX Venture Exchange Inc. (the "**Exchange**").

EBN

EBN carries on the business of the business of developing, manufacturing, and distributing consumer electronics in partnership with globally-recognized brands. Using proprietary market data, it identifies gaps in global markets, creates products to fill those gaps, and leverages brands to accelerate product sales. EBN has been the research and development and online-sales team behind more than 30 products delivered in partnership with brands such as Kodak, LG, Motorola, Panasonic, Samsung, Sharp, and Skype.

EBN is currently developing, manufacturing, and distributing Kodak Smart Home products, including Cherish Home Security Cameras and Cherish Video Baby Monitors. EBN is in the process of launching Motorola Smart Watches and Wearables, as well as a range of patented Air Purifiers.

EBN was incorporated under the laws of the Province of British Columbia in April 2012. Immediately before the Proposed Qualifying Transaction, EBN expects its outstanding capital to consist of (a) 79,015,871 class "A" common voting shares (the "**EBN Shares**"); (b) options to purchase an aggregate of 6,575,000 EBN Shares (the "**EBN Options**"); and (c) warrants to purchase an aggregate of 7,527,503 EBN Shares (the "**EBN Warrants**"). No person has beneficial ownership of or control or direction over, directly or indirectly, 20% of more of the outstanding EBN Shares.

EBN intends to disclose significant information about its historical financial performance in a subsequent press release.

CEBI

CEBI is a CPC, as that term is defined in the policies of the Exchange. It does not carry on any business other than the identification and evaluation of assets and businesses with a view to completing a Qualifying Transaction.

CEBI was incorporated under the laws of the Province of Alberta in October 2018. Its outstanding capital consists of 8,600,000 common shares (the "**CEBI Shares**") and options to purchase 1,000,000 CEBI Shares (the "**CEBI Options**"). Historical financial information about CEBI is available on its SEDAR profile at www.sedar.com.

Proposed Qualifying Transaction

The Letter of Intent contemplates that, pursuant to the Proposed Qualifying Transaction:

(a) EBN and a wholly-owned subsidiary of CEBI will amalgamate and continue as one corporation (the "**Amalgamation**");

(b) all of the issued and outstanding EBN Shares will be exchanged for CEBI Shares, on the basis of five CEBI Shares for each EBN Share held (the "**Share Exchange**");

(c) all of the issued and outstanding EBN Options will be exchanged for CEBI Options, on the basis of five CEBI Options for each EBN Option held (the "**Option Exchange**");

(d) all of the issued and outstanding EBN Warrants will be exchanged for warrants to purchase CEBI Shares (the "**CEBI Warrants**"), on the basis of five CEBI Warrants for each EBN Warrant held (the "**Warrant Exchange**");

(e) CEBI will complete an offering of CEBI Shares, or securities that are convertible into or exchangeable for CEBI Shares, for gross proceeds of approximately $10,000,000 (the "**Offering**");

(f) CEBI will consolidate all of the issued and outstanding CEBI Shares, on the basis of one post-consolidation CEBI Share for every ten CEBI Shares held (the "**Consolidation**"); and

(g) CEBI will change its name to "eBuyNow eCommerce Inc." (the "**Name Change**").

The Proposed Qualifying Transaction assumes that the value of each CEBI Share is $0.20 and the value of each EBN Share is $1.00. If different values are assigned to the CEBI Shares and EBN Shares prior to the consummation of the Proposed Qualifying Transaction, then CEBI and EBN will adjust the terms of the Share Exchange, Option Exchange, and Warrant Exchange to reflect such values.

Conditions Precedent to Closing

The Proposed Qualifying Transaction is subject to a number of significant conditions, including that: (a) the Exchange has conditionally accepted the Proposed Qualifying Transaction; (b) CEBI has completed the Offering; (c) holders of the CEBI Shares have approved the Consolidation and Name Change in accordance with applicable corporate law; (d) holders of the EBN Shares have approved the Amalgamation and Share Exchange in accordance with applicable corporate law; (e) holders of the EBN Options have approved the Option Exchange; and (f) holders of the EBN Warrants have approved the Warrant Exchange. The Proposed Qualifying Transaction is not subject to shareholder approval under the policies of the Exchange.

Post-Closing Business of CEBI

After the completion of the Proposed Qualifying Transaction, CEBI will be classified in the

"Technology" industry segment of the Exchange, and will carry on the current business of EBN, namely the business of developing, manufacturing, and distributing consumer electronics in partnership with globally-recognized brands.

Post-Closing Capitalization of CEBI

Immediately after the Proposed Qualifying Transaction, CEBI and EBN expect the outstanding capital of CEBI to consist of: (a) 40,367,936 post-Consolidation CEBI Shares; (b) 3,387,500 post-Consolidation CEBI Options; and (c) 3,763,752 post-Consolidation CEBI Warrants. *These numbers do not take into account any securities issued pursuant to the Offering.*

Post-Closing Directors and Officers

CEBI and EBN intend to provide the names and biographies of the proposed directors and officers of CEBI following completion of the Proposed Qualifying Transaction in a subsequent press release.

Arm's Length Negotiations

The Non-Arm's Length Parties, as that term is defined in the policies of the Exchange, to CEBI (a) do not own any direct or indirect beneficial interest in EBN; (b) are not Insiders, as that term is defined in the policies of the Exchange, of EBN; and (c) do not have any relationship with the Non-Arm's Length Parties to EBN. Furthermore, the Proposed Qualifying Transaction does not constitute a Non-Arm's Length Qualifying Transaction, as that term is defined in the policies of the Exchange.

Exclusivity

The LOI contains a binding "exclusivity" clause that, until the termination of the Letter of Intent:

(a) requires CEBI and EBN to negotiate, on an exclusive basis, the Proposed Qualifying Transaction;

(b) prohibits CEBI or EBN from taking any action to initiate, encourage, or assist the submission of any proposal, negotiation, or offer from any third party regarding any of the following transactions (an "**Alternative Transaction**"): (i) the direct or indirect acquisition of 20% or more of its assets, or the acquisition of assets to which 20% or more of its net revenues or net income, on a consolidated basis, are attributable, (ii) the direct or indirect acquisition of 20% or more of its equity or voting securities, (iii) a take-over bid that, if consummated, would result in the third party beneficially owning 20% or more of its equity or voting securities, or (iv) an amalgamation, arrangement, reorganization, or similar transaction under which the third party would own 20% or more of its consolidated assets, net revenues, or net income; and

(c) requires CEBI and EBN to promptly notify the other of any inquiry, proposal, or offer whatsoever made by any third party regarding an Alternative Transaction.

If CEBI or EBN breaches the any of the foregoing obligations, then it must pay to the other a break fee of $100,000.

Trading Halt

The Exchange halted trading in the CEBI Shares pending the dissemination of this press release. Trading in the CEBI Shares will remain halted until further notice.

Sponsorship

In connection with the Proposed Qualifying Transaction, CEBI intends to apply for an exemption from the sponsorship requirements of the Exchange. There can be no assurance that the Exchange will grant the exemption. If the Exchange does not grant the exemption, then CEBI must retain a sponsor of the Proposed Qualifying Transaction in accordance with the policies of the Exchange.

Exchange Advisory

Completion of the Proposed Qualifying Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to the requirements of the Exchange, majority of the minority shareholder approval. Where applicable, the Proposed Qualifying Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Qualifying Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the prospectus to be prepared in connection with the Proposed Qualifying Transaction, any information released or received with respect to the Proposed Qualifying Transaction may not be accurate or complete and should not be relied upon.

Trading in the securities of a CPC should be considered highly speculative.

The Exchange has in no way passed upon the merits of the Proposed Qualifying Transaction and has neither approved nor disapproved the contents of this press release.

Neither the Exchange nor its regulation services provider (as defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this press release.

Forward-Looking Information Disclaimer

This press release contains forward-looking information within the meaning of applicable securities legislation. In general, forward-looking information refers to disclosure about future conditions, courses of action, and events. The use of any of the words "anticipates", "expects", "intends", "will", "would", and similar expressions are intended to identify forward-looking information. More particularly and without limitation, this press release contains forward looking information concerning the proposed terms, and the anticipated results, of the Proposed Qualifying Transaction, as well as the proposed Motorola product launches. The forward-looking information is based on certain key expectations and assumptions made by CEBI and EBN, including expectations and assumptions concerning the ability of CEBI and EBN to complete the Proposed Qualifying Transaction. Although CEBI and EBN believe that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward looking information because neither CEBI and EBN can give any assurance that they will prove to be accurate. By its nature, forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed in this press

release. These risks and uncertainties, include, but are not limited to, the inability of CEBI and EBN to satisfy the conditions precedent to the Proposed Qualifying Transaction identified in this press release. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date of this press release, and to not use such forward-looking information for anything other than its intended purpose. Neither CEBI nor EBN undertakes any obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.

Further Information

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