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ACQUISITION OF CANNABIS PERMIT FOR EAST AFRICAN COUNTRY/CHANGE OF BUSINESS

Vancouver, B.C., March 19, 2019 - Vatic Ventures Corp. (TSXV:VCV, OTCBB: VTTCF and Frankfurt: V8V3) (the "**Company**" or "**Vatic**") is pleased to announce that pursuant to an assignment agreement dated February 21, 2019 (the "Assignment Agreement") with R7 Capital Ventures Ltd. ("R7") the Company has acquired R7's right's under a letter of intent (the "LOI") dated December 20, 2018 among R7, Tim Rogers and CannOps Africa, which has a pending name change to Indian Ocean Organics Ltd. ("Indian Ocean") to acquire from Tim Rogers 70% of the issued shares of Indian Ocean (the "Shares").

Indian Ocean holds a permit to cultivate and exclusively process, package and export all CBD, medical cannabis, extracted oils and related pharmaceutical products in an east African country (the "Permitted Jurisdiction"). The permit was issued in November 2018 to Indian Ocean, a private company incorporated in the Permitted Jurisdiction, by the Permitted Jurisdiction's Ministry of Health, Solidarity, Social Protection and Gender Promotion (the "Ministry") and approved by the Attorney General of the Permitted Jurisdiction (the "Permit"). The Permit is for an initial 10 year period subject to meeting certain performance criteria and is renewable thereafter subject to agreement by the Ministry. The proposed transaction is arm's length and complying with the terms of the Assignment Agreement and exercising its rights to acquire the Permit pursuant to the LOI will constitute a change of business ("COB") for Vatic as that term is defined by the policies of the TSX Venture Exchange (the "Exchange").

The Permit has no restrictions and allows for exploration, growth, processing, packaging and exporting of CBD, medical cannabis, extracted oils and related pharmaceutical products from the Permitted Jurisdiction and gives the Permit holder exclusive license to design, produce and administer a medical CBD program for 800,000 citizens across the Permitted Jurisdiction using mobile and static dispensaries. Pursuant to the LOI as assigned to Vatic pursuant to the Assignment

Agreement Vatic will also inherit through its 70% ownership, the benefit of Indian Ocean's established infrastructure in the Permitted Jurisdiction including local accounting and legal services in order to operate within the Permitted Jurisdiction's Governmental and Regulatory framework as well as a 7,000 square foot office and accommodation space which has been refurbished and is ready for use. Indian Ocean has also secured, in the Permitted Jurisdiction, the services of a local general manager with strong Government relationships, a workforce for the initial 500 hectares to be cultivated, construction of greenhouses for seed incubation, and a cultivation team comprised of master growers from California and Canada who will oversee the initial seeding.

The Permit is subject to certain conditions imposed by the Ministry pursuant to a memorandum issued on January 10, 2019 (the "MOU") including the requirement for Indian Ocean to undertake that, from the cultivated products, oil will be extracted on site in an extraction facility which will be fully secured and guarded; the finished products will be transported to the packaging plant for export preparation and that product safety will be an absolute priority with the use of air transport whenever possible. Indian Ocean has engaged a highly qualified security professional with experience working in Africa to install and supervise the security program. Under the MOU Indian Ocean has also committed to meeting a development schedule which includes various milestones to be met within various timeframes over the next three months including: securing land for cultivation; establishing a corporate office; recruitment of administrative staff; identifying and recruiting of unskilled labour and qualified staff and providing training; fencing and site security; securing equipment and machinery and construction of a laboratory with equipment for oil extraction.

In addition to the Permit Indian Ocean has also secured 1500 acres of prime cultivation land and has identified over 4,500 hectares of suitable cultivation lands in the Permitted Jurisdiction. Tim Rogers has retained the right to acquire cultivation sub permits for third parties who wish to acquire land, subject to Indian Ocean having a right of first refusal on such additional lands after it has utilized the initial 1500 acres it has secured. If a third party purchases or leases lands and obtains a sub permit Indian Ocean will receive 25% of the profits generated from such endeavors. Although Indian Ocean may grant a third party the right to acquire and cultivate land pursuant to a sub permit, such third party will be subject to Indian Ocean's exclusive extraction and export rights under the Permit at agreed rates of conversion.

Indian Ocean has future plans and has undertaken initiatives through associated personnel to establish a European distribution warehouse and office located in Barcelona, Spain. Indian Ocean is negotiating to secure a 35,000 square foot combined space is designed specifically for the import and European Union ("EU") distribution of high value products and for integrated sales, marketing/ logistics operation. The operations in Barcelona will be headed by experienced existing Indian Ocean personnel who have extensive sales and marketing experience in the

EU medical, pharmaceutical and retail markets. Consideration for the European Initiative and the team heading the Barcelona facility will be in the form of options and performance related bonuses.

The LOI also provides Indian Ocean with the right to acquire 70% of the shares of a private company ("Privco") which is incorporated in an additional African country (the "Additional Jurisdiction") which is owned by the same parties who own Indian Ocean. Privco has been asked to provide the National Ministry of Health in the Additional Jurisdiction with a plan and a proposal to construct a national testing laboratory for medical cannabis and CBD export and to provide a plan to assist with a medical cannabis roll out program for the general population, which if successful, will give Privco a permit with a period of exclusivity for the supply of CBD related products. If the permit is issued it will allow Privco to cultivate in multiple locations which will enable it to grow different strains for different purposes and customers. Pursuant to the LOI the consideration to be paid by Vatic for the shares will be deemed as sufficient consideration for the acquisition of the 70% of Privco.

Upon completion of the COB the Company will, in accordance with the policies of the Exchange, be classified as a company in the life sciences. Indian Ocean was incorporated on September 10, 2018 and is managed by Tim Rogers who holds 70% of the issued shares. The remaining 30% is held by Battuta Enterprises, 80% of which is owned by Martin Drito and 20% of which is owned by Adinani Toahert Ahamad.

<u>Assignment Agreement Transaction Details</u>

In accordance with the terms of the Assignment Agreement Vatic is required to issue to R7 500,000 common shares as consideration for R7 having assigned to Vatic its rights under the LOI as it relates to the right to acquire the Shares. In the event that the initiatives in the Additional Jurisdiction are successful including having a CBD permit issued to Privco, Vatic will be required to issue a further 500,000 common shares pursuant to the Assignment Agreement. There are no finders' fees payable in respect to the proposed COB.

<u>LOI Transaction Details</u>

Pursuant to the LOI as assigned to Vatic pursuant to the Assignment Agreement Vatic has the right to acquire the Shares and the right to be issued 70% of the shares of Privco by:

a) providing an initial US$150,000 deposit to Indian Ocean to enable it to meet certain milestone conditions under the Permit, such amount having been previously advanced by Vatic on the basis that the advance is secured by an agreement by a creditor to cancel a Cdn$200,000 payable owed by Vatic to the creditor if Vatic fails to complete the COB; and

b) issuing to Indian Ocean Cdn$2,500,000 worth of shares of Vatic at a deemed price of $0.075 per share payable on closing of the acquisition by Vatic of the rights under the LOI (the "Consideration Shares").

In the event that Indian Ocean requires financing prior to the completion of the COB and private investors provide such funding to Indian Ocean it is anticipated that on the closing of the COB such funds advanced will be converted into securities of Vatic at the same price as the Consideration Shares are being issued at.

Indian Ocean and R7

Indian Ocean is an arm's length private company incorporated pursuant to the laws of the Permitted Jurisdiction. Indian Ocean was incorporated on September 10, 2018 and is managed by Tim Rogers, a resident of Ireland, who holds 70% of the issued shares. The remaining 30% is held by Battuta Enterprises, 80% of which is owned by Martin Drito and 20% of which is owned by Adinani Toahert Ahamad. Indian Ocean has no material liabilities and its material assets are described in this news release. R7 was incorporated on January 18, 2018 and is owned by Karim Rayani.

New Board Member of the Company

It is anticipated that Tim Rogers will become a member of the board of directors of the Company on the closing of the COB. Mr. Rogers, a co-founder of Indian Ocean with Martin Drito and Adinani Toahert Ahamad, was educated in the UK and Ireland at St. Anselms College, trained as an accountant before working in the Pharma industry in Paris at Institut Pasteur with Flow Labs before being seconded to Australia in 1989. In Australia he started EcoMist and various other companies from a Sydney office before returning to Europe in 1998. In 1999 he was instrumental in the Tantowel revolution across Europe and became one of the largest volume self-tan towelette suppliers supplying all the major own brands. Working with Dow Chemicals in Chicago from 2005 on Biocide projects for the oil and gas industry, Mr. Rogers developed a viscosity changing chemical for downhole paraffin which evolved into a service business across Texas, Louisiana and New Mexico.

Sidecar Financing

In order to provide Indian Ocean with working capital to progress its business prior to completion of the COB, it is anticipated that funds will be arranged by a third party private British Columbia company ("BC Co."). The proposed financing in BC Co., the amount of which to be determined at a later date, would be conducted by the issuance of units, each unit being issued at $0.075 and consisting of one common share of BC Co. and one-half of a share purchase warrant each whole warrant entitling the holder to purchase a further common share for $0.10 for a period of one year from the closing of the COB (the "BC Co. Units"). Funds raised by BC Co. would be loaned to Indian Ocean and concurrent with the closing of the COB the Company would issue and exchange units of the Company with the holders of the BC Co Units, such Company units having the same terms and characteristics as the BC Co Units including being issued at a deemed price of $0.075 with a warrant exercisable at $0.10 for one year from the date of closing of the COB.

Private Placement Financing Concurrent with Closing of the COB

In conjunction with this COB transaction the Company will be conducting a non-brokered private placement financing in an amount sufficient to enable it to fund the business of Indian Ocean and to execute on its business plan which is currently being prepared. The amount required to be raised and the terms of the financing will be established and announced at a later date.

Subsequent News Release

The Company will disseminate a subsequent news release prior to the shares of the Company being reinstated for trading. The subsequent news release will address various outstanding issues including: the names of the African jurisdictions Indian Ocean is doing business in; financial information relating to Indian Ocean; biographies on the management of Indian Ocean and on any new directors of the Company; and the details of the proposed financing of BC Co. and the proposed Company financing to be completed in conjunction with the closing of the COB.

Regulatory Matters

The Company will be seeking a waiver from the TSX Venture Exchange for the need to engage a sponsor for the proposed COB. The Company will be seeking a waiver of shareholder approval because the transaction is not a related party transaction, no other circumstances exist which may compromise the independence of the Company or other interested parties with respect to the proposed COB and there are no non-arm's length parties associated with the COB. The Company will be required to seek shareholder approval for the COB if the acquisition of the Shares results in a shareholder owning more than a 20% of the issued shares of the Company.

Completion of the proposed COB transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable, disinterested shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all. Trading in the securities of Vatic Ventures Corp. should be considered highly speculative. The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

On behalf of the Board of Directors of
Vatic Ventures Corp.

"Barry Coughlan"

Barry Coughlan, CEO & Director

For further information please contact:

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