

Isodiol International Inc. Acquires CBD Naturals® Consumer Brands, Expands Consumer Package Goods Portfolio and Receives Strategic Funding to Expand U.S. Retail Footprint

The transaction includes over 15 brands, 40 brand domain names, 50 proprietary ingredient and product formulas, over 100,000 units of inventory, numerous pre-existing distribution relationships, and a comprehensive distribution and marketing strategy.

February, 14 2019 – Vancouver, BC – [Isodiol International Inc.](#) (CSE: [ISOL](#)) (OTCQB: [ISOLF](#)) (FSE: [LB6B.F](#)) (the “Company” or “Isodiol”) today announced the acquisition of the **CBD Naturals®** beverage brands and intellectual property portfolio, including **Hemp Rain, Rasa, Bliss Me, Fast CBD**, and **Simplex** in a deal that includes additional financing from the Company’s founder, **Jared Berry**, to be used for guaranteed product placement in over 1,000 U.S. retail locations. The transactions include the transfer to Isodiol’s subsidiaries of substantially all of the intellectual property and inventory of **Carlsbad Naturals LLC**, a Wyoming limited liability company (“Carlsbad WY”), and **Carlsbad Naturals LLC**, a New Mexico limited liability company (“Carlsbad NM”).

“With the passage of the 2018 Farm Bill, we have seen an increased demand for novel cannabinoid products with an emphasis on beverages and skin care,” said Isodiol International, CEO, Marcos Agramont. “These transactions further expand our U.S. footprint in Consumer Packaged Goods (CPG) and position us at the front of the market on the whole, as well as in these highly competitive and highly lucrative categories.”

“CBD Naturals® is one of few brands to receive a registration mark from the USPTO in the hemp and cannabis industry and was the first trademark to ever be filed with ‘CBD’ in the name, which is evidence of its head start and innovation in the industry,” said Mr. Berry. “This deal will build on the brand equity and innovation that we’ve created by increasing distribution and consumer access to our products throughout all retail points of sale from direct-to-consumer sales to mainstream brick-and-mortar.”

The CBD Naturals® brand was established by Mr. Berry, Isodiol’s founder, prior to his sale of Iso International LLC to Isodiol in 2017. Over the next two years, Mr. Berry invested millions of dollars in further developing new technologies, ingredients, consumer products, and brands in multiple CPG categories. These efforts culminated in the CBD Naturals® intellectual property portfolio that is being acquired by Isodiol today.

“Jared Berry is a visionary and a pioneering innovator in cannabinoid ingredients and consumer products,” said Marcos Agramont, CEO of Isodiol. “It is not a stretch to say Mr. Berry is personally responsible for both bringing the first CBD isolate-based products to market and popularizing them. As such, it is no surprise he has leveraged his success with Isodiol by reinvesting in even more advanced technologies and brands, not just with CBD but with numerous other cannabinoids. We are fortunate that his loyalty to Isodiol has brought these incredible new opportunities to the company he founded years ago.”

“Isodiol has changed the face of this industry time and time again, and now is the time for the next revolution,” said Jared Berry. “Other players may be rushing into the game, but those players are only just now experiencing the complexity of how cannabinoid ingredients interact with traditional product formulas, are delivered to their intended location, and interact with various parts of the body. We are confident the bandwagoners will be shaken out of the industry while we continue to move forward and introduce innovative new products that enhance the health and wellness of our customers.”

In addition to the CBD Naturals® CPG products, the acquisition also includes several novel CBD ingredients, such as the liposomal advanced technology cannabinoid formulations branded as: *EndoActives*, *PuraZomes*, *PolyZomes*, *MitoZomes*, *PhytoZomes*, *CBG-Pro*, *CBC-Pro*, *BetaCPro*, *AlphaCPro*, and *HydroZomes*.

“We believe that most CBD companies only achieve around 6-9% bioavailability from their isolate- and distillate- based ingredients, whereas we can achieve seven to eight times that level of bioavailability of CBD through our highly advanced liposomal, colloidal, nano-amplified bulk ingredients,” said Mr. Berry. “We also are able to apply this technology to other cannabinoids. For example, we believe our skincare ingredient “PhytoZomes” is the first ever time-released skin care product with a proprietary multi-spectrum cannabinoid ingredient that contains five isolated cannabinoids dosed in accuracy and reduced to an average of 40nm with a four-layer bi-lipid on each constituent. So, what does all that jargon mean to the consumer? Highly efficient, targeted delivery of cannabinoids with long-lasting, industry-leading effectiveness.”

Following the sale of Iso International LLC to the Company, Isodiol maintained a 19% ownership interest in Carlsbad WY. However, in an effort to unwind all legacy business between Isodiol and Carlsbad WY, that ownership recently was divested by Isodiol. These new transactions mark Isodiol’s acquisition of 100% of the CBD Naturals® brands portfolio held by Carlsbad WY. As part of these transactions, Carlsbad WY and Carlsbad NM will discontinue all of their CPG operations, and the CBD Naturals® products will become available for sale through Isodiol’s distribution and retail channels.

Within Isodiol, the transactions will result in substantially all of the intellectual properties of Carlsbad WY and Carlsbad NM being transferred to Isodiol’s wholly owned subsidiary **World Holdings Inc.**, which is a Wyoming corporation that acts as Isodiol’s intellectual property holding company. All of the CBD Naturals® CPG inventories will be transferred to Isodiol’s wholly owned subsidiary, **Iso International LLC**, which is a Wyoming limited liability company that acts as Isodiol’s primary CPG operating subsidiary.

Isodiol will issue an aggregate amount of shares of its common stock to Carlsbad WY and Carlsbad NM equal to US\$8,500,000, subject to Canadian Securities Exchange regulations and priced as of the market close on February 13, 2019 at \$1.27 CDN per share, for a total of 8,861,417 shares.

In addition to the CBD Naturals® transactions, Jared Berry personally made a direct private placement investment in Isodiol's common stock in the amount of US\$500,000, for a total of 521,260 shares, bringing the total value of the transactions to US\$9,000,000. The private placement shares are subject to Canadian Securities Exchange regulations and were priced as of the market close on February 13, 2019 at a price of \$1.27 CDN per share.

In support of the foregoing transactions, the Company has appointed veteran beverage industry executive **Kevin Swadish** as Chief Revenue Officer to oversee Isodiol's expanding beverage portfolio and related CPG activities.

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About Isodiol International Inc.

Isodiol International Inc. is focused on the nutritional health benefits that are derived from hemp and is a product development, sales, marketing and distribution company of hemp-based Consumer Packaged Goods (CPG) and solutions. Isodiol has commercialized a 99%+ pure, naturally isolated CBD, including micro-encapsulations, and nano-technology for quality consumable and topical skin care products. The Company received approval for its CBD as an Active Pharmaceutical Ingredient (API) for use in Finished Pharmaceutical Products (FPPs), as was announced on April 26, 2018. Isodiol's growth strategy includes the development of over-the-counter and pharmaceutical drugs and continued international expansion into Latin America, Asia, and Europe.

About CBD Naturals®

Launched in 2011 by industry trailblazer Jared Berry, [CBD Naturals](http://www.cbdnaturals.com)® has logged an impressive list of industry firsts, including becoming the first CBD brand to ever be filed with the USPTO for trademark and receive registration. Prior to filing for this intellectual property, a "CBD marketplace" didn't exist, marking Berry and his team of scientists the original trailblazers of the space. CBD Naturals® continues to pioneer scientific advancements in uncovering the full wellness potential of the cannabis plant. Using proprietary technology and industry leadership, they aim to bring the nutritional benefits of this plant to those interested in living a healthier life. For more information, please visit www.cbdnaturals.com.

ON BEHALF OF THE BOARD

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The CSE has not reviewed, approved or disapproved the content of this press release.