



Isodiol International Inc. Reports Fiscal Q3 2019 Financial Results with Revenue in Excess of \$7.1 Million

Isodiol continues to shift its core focus to increase revenues and gross profit margins by expanding its portfolio of consumer packaged goods (CPG).

March 4, 2019 - Vancouver, BC – [Isodiol International Inc.](#) (CSE: [ISOL](#)) (OTCQB: [ISOLF](#)) (FSE: [LB6B.F](#)) (the “Company” or “Isodiol”) announces its financial and operational results for the third quarter of fiscal year 2019, ended December 31, 2018.¹

Isodiol is a global organization with its corporate offices in Canada, multiple operating facilities and retail stores throughout the United States, a pharmaceutical lab in the United Kingdom, pharmaceutical operations in Brazil, and over-the-counter (OTC) product development operations in Mexico. With approximately 200 employees, consultants, and advisors worldwide for the reported period, consolidated operations generated more than \$7.1 million in revenue with a gross profit exceeding \$3.6 million.

“The legalities of hemp-based CBD are becoming more favorable, and consumer awareness of CBD is rapidly rising,” said Kevin Swadish, Isodiol’s Chief Revenue Officer. “As a result, we believe the greatest growth opportunities in the industry, and for Isodiol, lie in the consumer packaged goods marketplace. Fortunately, we are poised to execute on these expanding opportunities in ways that the majority of our peers are not.”

With the increasing commoditization of hemp and its extracts, management is continuing to shift its core focus to building a portfolio of consumer packaged goods (CPG) and enhancing its bulk offerings of CBD with value-added offerings to increase gross profit margins. Isodiol plans to expand its retail footprint with new distribution contracts and mass retail accounts and will continue to expand its management team with top-tier employees with retail and CPG expertise.

“I am confident in the direction of expanding our CPG division and believe the appointment of [Kevin Swadish as Chief Revenue Officer](#) and his staff will enhance our market position,” said Isodiol’s CEO Marcos Agramont. “One of the issues that comes with being the pioneer in an industry is determining where the best short- and long- term opportunities exist. We cast a wide net exploring various opportunities and hedging against market forces through vertical integration that is no longer necessary as hemp and CBD continue to be commoditized and co-packers are more willing to participate in the manufacture of CBD products. While we have stumbled at times trying to do it all, we now have a clear direction and the right personnel at the helm to make our vision of becoming the preeminent hemp-based CPG company in the

¹ Isodiol’s fiscal year end is March 31.



world a reality.”

Mr. Agramont continued, stating “the Company already is making significant headway in the U.S. CPG market, which is evident from the recent [acquisition of additional consumer brands](#) and the launching of our [convenience store retail program](#). We expect that these opportunities are just the tip of the iceberg and look forward to announcing our ongoing initiatives to the public as they come to fruition. We have always known what Isodiol is to the industry. Now we are learning what the Company is not, and we are doing everything in our power to align behind our core strengths.”

The unaudited condensed consolidated interim financial statements and MD&A for the three months ended December 31, 2018 are on file with [SEDAR](#).

Other Updates

Azure Bottling LLC

Isodiol divested its ownership in the Florida-based water bottling company Azure Bottling LLC in 3Q2019, which yielded cash of US\$1,000,000 and the extinguishment of over US\$500,000 in associated payables. Isodiol retained a three-year reservation of capacity for the production of its water format beverages that the Company intends to distribute on the East Coast. The decision for the divestiture was based on the Company’s choice to utilize beverage bottlers and co-packers at strategic geographical locations throughout the country instead of concentrating its resources in a single location that results in high transportation costs in a highly competitive, low-margin, high-volume market segment.

Kure Corp.

By an order of the Supreme Court of British Columbia granted on February 22, 2019, Isodiol was authorized to convene, hold, and conduct a creditors’ meeting to consider a plan of arrangement for the divestiture of Isodiol’s wholly owned subsidiary Kure Corp. The creditors’ meeting will be held at 1500 – 1055 West Georgia St., Vancouver, BC on March 20, 2019 at 10:00am Pacific Time, to approve the plan of arrangement upon the terms and conditions set forth therein and as previously disclosed by the Company on [January 30, 2019](#). With this divestiture, the Company will avoid an additional short-term cash cost of over US\$7,000,000, plus up to US\$35,000,000 of stock dilution to our shareholders.

About Isodiol International Inc.

Isodiol International Inc. is focused on the nutritional health benefits 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 in 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.

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ON BEHALF OF THE BOARD

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Forward-Looking Information: *This news release contains "forward-looking information" within the meaning of applicable securities laws relating to statements regarding the Company's business, proposed arrangement with creditors, products and future the Company's business, its product offerings and plans for sales and marketing. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking information. Such forward-looking statements are subject to risks and uncertainties that may cause actual results, performance and developments to differ materially from those contemplated by these statements depending on, among other things, the risks that the Company's products and plan will vary from those stated in this news release and the Company may not be able to carry out its business plans as expected. Except as required by law, the Company expressly disclaims any obligation and does not intend, to update any forward-looking statements or forward-looking information in this news release. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct and makes no reference to profitability based on sales reported. The statements in this news release are made as of the date of this release.*

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