

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: **Isodiol International Inc.** (the "Issuer")

Trading Symbol: **ISOL**

Number of Outstanding Listed Securities: **98,334,359**

Date: **October 6, 2020**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Issuer 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 products and solutions. The Issuer has commercialized a 99%+ pure, naturally isolated cannabinoid, including micro-encapsulations, and nano-technology for quality consumable and topical skin care products. The Issuer's growth strategy includes the development of over-the-counter and pharmaceutical drugs and continued international expansion into Latin America, Asia, and Europe.

During the month of September 2020, the Issuer actively continued general and corporate operations.

2. Provide a general overview and discussion of the activities of management.

During the month of September 2020, management continued to support and control the Issuer's business activities, develop the Issuer's business, and search for other strategic business relationships.

On September 9, 2020, the Issuer announced by way of news release it is completing the final stage of restructuring from a traditional business model to an agile, global online sales, research and development company. From executive staff to remote support, the Issuer has navigated extreme change amid COVID-19 resulting in many positive developments that the Issuer would like to announce to its shareholders and to the public.

Leadership

To address shareholders' inquiries about an announcement made on July 27, 2020, regarding filling the office of Chief Financial Officer, Andrew Alvis is appointed as interim CFO and the Issuer is currently working with a CPA consulting firm. As soon as the right candidate is selected, the Issuer will make an announcement.

Financial Reporting

As previously announced, the Issuer is experiencing a delay with financial reporting. This is an arduous process that normally would take between 1-2 months per quarter. With the departure of the former Chief Financial Officer and the Issuer's restructuring amid COVID-19, delays are occurring. The Issuer sincerely appreciates its shareholders' patience during this process. The Issuer is making swift progress to fulfil its reporting requirements and will make an update as soon as possible.

Business Development

With the vision for long-term growth, the Issuer is making continual progress to expand its global sales distribution channels. Vitamin Shoppe, a distributor of the Issuer's Iso-Sport products, recently announced CBD HQ is now available at over 570 locations, offering 20+ brands of trusted CBD hemp extract products.

Research and Development

The Issuer has continued its strong path into Latin America and work towards direct distribution into pharmacies. International compassionate care programs are distributing the Issuer's Isodiolex and Purodiol products; these brands are not for sale in the U.S. These highly visible name brands are accelerating acceptance of hemp cannabidiol and hemp phytocannabinoids in medical and pharmaceutical markets.

Operations & Communications

The Issuer has launched its new ecommerce website to fully transition from a traditional sales model to a global online fulfillment platform. The new functionality streamlines order processing for quick fulfillment and a consistent user experience across all devices. Consumer assurance includes a shopping guarantee by Dunn & Bradstreet with merchant verification and protection of \$10,000 identity theft protection, \$1,000 purchase guarantee, and \$100 low price guarantee. The Issuer also implemented Trust Pilot amid the global pandemic to track customer satisfaction and has received an excellent 4.5-star rating since implementing the program.

Corporate Communications & Public Relations – A public relations firm with nearly eight years of hemp cannabidiol (CBD) experience now heads the Issuer’s communications team. For media inquiries, contact media@isodiol.com.

Community Development

The Issuer is proud to announce that it is in discussions with professional sports, including basketball, hockey, and baseball, teams. The Issuer is also committed to aiding retired athletes and veterans battling brain injury. As details are finalized, the Issuer will share these details. The Issuer sincerely appreciates its shareholders and supporters who are committed to the Issuer’s long-term vision for hemp CBD industry growth, product purity, and consistency for consumers worldwide. The Issuer trusts that this behind-the-scenes corporate update further emphasizes the Issuer’s ability to navigate forward progress amid a turbulent global business climate. The Issuer looks forward to sharing additional details on these industry advances shortly.

On September 15, 2020, the Issuer announced by way of news release it has not been able to file its audited annual financial statements for the fiscal year ended March 31, 2020, and its management's discussion and analysis relating thereto (collectively, the "Required Annual Filings") before the deadline of September 14, 2020.

The prescribed deadline for the Required Annual Filings was initially July 29, 2020; however, the Issuer relied on the blanket relief provided by the Canadian Securities Administrators (the “CSA”), under BC Instrument 51-517 and similar orders in the Issuer’s other reporting jurisdictions. On May 20, 2020, the CSA issued a notice stating that securities regulators will be providing coordinated relief consisting of a 45-day extension for certain periodic filings required to be made between June 2, 2020 and August 31, 2020, as a result of the COVID19 pandemic. The relief extended the deadline from July 29, 2020, to September 14, 2020.

The Issuer is working expeditiously with its auditor and making every effort to file the Required Annual Filings on or before October 14, 2020.

In connection with the late filing, the Issuer applied to the British Columbia Securities Commission (the "BCSC") and other applicable securities regulators under National Policy 12-203, *Cease Trade Orders for Continuous Disclosure Defaults* ("National Policy 12-203"), requesting that a management cease trade order (an “MCTO”) related to the Issuer’s securities be imposed against some or all persons who have been directors, officers or insiders of the Issuer. The MCTO would prohibit such specified persons from trading in the securities of the Issuer for such time as the Required Annual Filings are not filed and the MCTO remains in force. The issuance of an MCTO does not generally affect the ability of persons who are not directors, officers or other insiders of the Issuer to trade in the Issuer’s securities.

The BCSC approved the Issuer’s MCTO application and issued the MCTO on September 15, 2020.

The Issuer confirms that it intends to satisfy the provisions of section 4.4 of National Policy 12-203 and issue bi-weekly default status reports for so long as the Issuer remains in default of the financial statement filing requirement. Such report will disclose any material changes to the information in this release; all actions taken by the Issuer to remedy the default; particulars of any failure by the Issuer to fulfill these provisions; any subsequent defaults of the Issuer requiring a default announcement; and any other material information concerning the affairs of the Issuer not previously disclosed.

On September 17, 2020, the Issuer announced by way of news release the execution of a non-exclusive distribution agreement with SalesBird, LLC, a well-established U.S. and international sales distribution company. This strategic partnership is intended to augment the Issuer's internal sales operations, expand market penetration to traditional brick-and-mortar and "big box" retailers, and aid the Issuer's efforts with operating in a growing online sales environment. SalesBird holds more than 50-years of combined experience in sales, marketing, and brand management worldwide.

The Issuer believes that SalesBird's analytics and innovative models provide a clear path and strategy for the future of the Issuer's sales. The Issuer's partnership with SalesBird is expected to assist and guide the Issuer's products through the ever-changing and evolving sales landscape, with actively driving e-commerce sales, entering into large retail stores, and with expanding market share. Management believes that the SalesBird partnership provides the opportunity to grow the Issuer's brand and place the Issuer as a visible industry leader within the hemp CBD retail marketplace in-stores and online.

On September 29, 2020, the Issuer provided its bi-weekly default status report in accordance with National Policy 12-203, *Management Cease Trade Orders* ("NP 12-203").

On July 30, 2020, the Issuer advised it would be unable to file its audited annual financial statements for the year ended March 31, 2020 (the "Annual Financial Statements"), and its interim financial statements for the three months ended June 30, 2020 (the "Interim Financial Statements"), by the prescribed deadlines of July 29, 2020, and August 31, 2020, respectively, due to impacts arising from the COVID-19 pandemic. Therefore, the Issuer had relied on the coordinated relief provided by the Canadian Securities Administrators consisting of a 45-day extension for certain periodic filings required to be made between June 2, 2020 and August 31, 2020.

As the Issuer was not able to file the Annual Financial Statements by the extended deadline of September 14, 2020, it applied for and was granted a temporary management cease trade order (the "MCTO") by the British Columbia Securities Commission (the "BCSC") as announced on September 15, 2020. The MCTO prohibits specified insiders of the Issuer from trading in the securities of the Issuer while the MCTO remains in force.

Pursuant to NP 12-203, the Issuer must file bi-weekly default status reports in the form of further news releases during the period of the MCTO. The Issuer reports that since its news release of September 15, 2020, there have been no material changes regarding the information contained in that news release. The Issuer confirms there have been no failures by the Issuer in fulfilling its stated intentions with respect to satisfying the provisions of the alternative information guidelines under NP 12-203, and, other than the disclosure set forth above relating to the late filing of the Annual Financial Statements and Interim Financial Statements, there has not been, nor is there anticipated to be, any specified default subsequent to the default announced in the Issuer's news release of September 15, 2020. The Issuer also confirms that there is no other material information concerning the affairs of the Issuer that has not been generally disclosed as of the date of this news release.

The aforementioned news releases can be viewed under the Issuer's profile on SEDAR (www.sedar.com) and on the Issuer's Disclosure Page on the Canadian Securities Exchange's website.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of

any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None to report during the month of September 2020.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

None to report during the month of September 2020.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements, etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

Please see Item 2 regarding the execution of a non-exclusive distribution agreement with SalesBird, LLC, a well-established U.S. and international sales distribution company.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

None to report during the month of September 2020.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

None to report during the month of September 2020.

8. Describe the acquisition of new customers or loss of customers.

None to report during the month of September 2020.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

None to report during the month of September 2020.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

None to report during the month of September 2020.

11. Report on any labour disputes and resolutions of those disputes if applicable.

None to report during the month of September 2020.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None to report during the month of September 2020.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

None to report during the month of September 2020.

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
No Securities Were Issued During the Month of September 2020.			

(1) State aggregate proceeds and intended allocation of proceeds

15. Provide details of any loans to or by Related Persons.

None to report during the month of September 2020.

16. Provide details of any changes in directors, officers or committee members.

During the month of September 2020, Andrew Alvis was appointed Interim Chief Financial Officer of the Issuer.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The trends and risks which are likely to impact the Issuer are detailed in the Issuer's Management Discussion and Analysis dated March 2, 2020, under the heading "Risk Factors", which can be viewed under the Issuer's profile on SEDAR (www.sedar.com) and on the Issuer's Disclosure Page in its Form 5, Quarterly Listing Statement, dated March 2, 2020, on the Canadian Securities Exchange's website.

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Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated October 6, 2020

Marcos Agramont
Name of Director or Senior Officer

/s/ Marcos Agramont
Signature

Chief Executive Officer and Director
Official Capacity

<i>Issuer Details</i> Name of Issuer Isodiol International Inc.	For Month End September 2020	Date of Report YYYY/MM/DD 2020/10/06
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