

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: **ISOL**

Number of Outstanding Listed Securities: **128,534,359**

Date: **March 4, 2021**

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 January 2021, the Issuer actively continued general and corporate operations.

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

During the month of January 2021, management continued to support and control the Issuer's business activities, develop the Issuer's business, search for other strategic business relationships, and work towards completion and filing of its outstanding audited annual financial statements for the year ended March 31, 2020, and subsequent interim financial statements.

On January 27, 2021, the Issuer provided a corporate update by way of news release to provide investors and the public transparency with the Issuer's efforts to claim payment for the March 19, 2019, sale of BSPG Laboratories Ltd. to Brain Biocetual Corp. ("Brain"). The Notice of Civil Claim (Court File VLC-S-S-201-3835) was filed in the Supreme Court of British Columbia on December 31, 2020, by the Issuer (seller). The claim states that Brain (buyer) is in breach of the definitive purchase agreement for the sale of BSPG Laboratories executed in March 2019.

The definitive purchase agreement by the Issuer and Brain was for an aggregate sum of USD\$14,000,000 to be made in five milestone payments. The first two milestone payments made by Brain were accepted by the Issuer. In August 2019, Brain notified the Issuer that it would be unable to achieve the third milestone payment, requesting an amendment to the definitive purchase agreement and an offset of cash payment to be accepted by the Issuer in the form of product.

In September 2019, the parties executed an amended definitive purchase agreement with the following terms:

- **A cash payment in the amount of USD\$2,000,000 be paid on or around November 15, 2019;**
- **A cash payment in the amount of USD\$2,000,000 be paid on or around September 20, 2020.**

Between August 8, 2019, and February 11, 2020, Brain delivered product to the Issuer valued at USD\$312,188 in partial satisfaction of the amended third post-closing payment. An additional payment was made by Brain on or around December 2, 2019, bringing the total sum of partial payments to USD\$1,742,749. The Issuer remains unpaid by Brain for the final USD\$257,251 for the amended third post-closing payment and the final milestone payment of USD\$2,000,000.

The relief sought by the Issuer from Brain includes damages in debt, pre-judgement and post-judgement interest at a rate of 9% compounded annually, alternatively prejudgment and post-judgment interest at a rate of 5% compounded annually, costs, and any other relief as the Honourable Court may deem appropriate.

The time for response by Brain to the Issuer is within 21 days of service.

In addition, and as a direct result of these delayed payments and continued impacts due to COVID-19, the Issuer has experienced delays in completing its previous fiscal year-end audit and current fiscal year financial reporting requirements, resulting in a cease trade order (CTO) trading halt of its stock in mid-December.

The above noted news release 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 January 2021.

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 January 2021.

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.

None to report during the month of January 2021.

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 January 2021.

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 January 2021.

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

None to report during the month of January 2021.

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 January 2021.

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 January 2021.

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

None to report during the month of January 2021.

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.

The Issuer filed a notice of civil claim against Brain for breach of contract.

See Item #2 for further details.

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 January 2021.

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

None to report during the month of January 2021.

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

None to report during the month of January 2021.

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

None to report during the month of January 2021.

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.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.

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 March 5, 2021

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 January 2021	Date of Report YYYY/MM/DD 2021/03/05
Issuer Address 700, 555 Burrard Street Vancouver, BC, V7X 1S8	Issuer Fax No. 604-608-3348	Issuer Telephone No. 604-409-4409
Contact Name Marcos Agramont	Contact Position CEO and Director	Contact Telephone No. 604-409-4409
Contact Email Address ir@isodiol.com	Web Site Address https://isodiol.com	