

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: **ISOL**

Number of Outstanding Listed Securities: **48,274,532**

Date: **April 4, 2019**

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. It specializes in identifying emerging trends and opportunities from all Cannabinoids available in hemp. The Issuer's growth strategy includes the development of over-the-counter and pharmaceutical drugs and expanding its phytoceutical portfolio by aggressively continuing international expansion into Latin America, Asia, and Europe.

During the month of March 2019, management continued to develop the Issuer's business and search for other strategic business relationships.

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

On March 4, 2019, the Issuer announced by way of news release its financial and operational results for the third quarter of fiscal year 2019, ended December 31, 2018.

The Issuer is a global organization with its corporate offices in Canada, multiple operating facilities and retail stores throughout the United States, 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.

With the increasing commoditization of hemp and its extracts, management of the Issuer 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. The Issuer 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.

In this March 4, 2019, news release, the issuer provided the following other updates:

Azure Bottling LLC

The Issuer 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. The Issuer 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 the Issuer's wholly owned subsidiary Kure Corp. The creditors' meeting will be held at Suite 1500, 1055 West Georgia Street, 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 Issuer on January 30, 2019. With this divestiture, the Issuer 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.

On March 19, 2019, the Issuer announced by way of news release it is exhibiting at the ASD Market Week ("ASD") alongside the Asian American Trade Associations Council ("AATAC").

ASD is the most comprehensive trade show for consumer merchandise in the U.S. As the leading B2B trade show in Las Vegas, ASD brings the world's widest variety of retail merchandise together in one efficient shopping experience.

Each year 45,000 buyers from over 90 countries visit ASD. Of those, 98% of the attendees have major purchasing power. The average buyer spends \$82,500 per show, equating to \$2.8 billion annually across hundreds of product categories. From department stores to convenience stores, general stores to gift shops, from grocery store distributors to fashion boutiques, this is the trade show where any buyer can find unique merchandise that will set their store merchandise apart. (source: <https://www.asdonline.com/about/show-overview>)

ASD is also home to the SourceDirect trade show, a B2B show for importers, distributors, wholesalers, and large retailers to buy wholesale goods directly from overseas manufacturers. SourceDirect at ASD is the go-to destination for buyers looking to source new product categories and find new ways to directly profit from manufacturers coming from top sourcing countries.

The Issuer and AATAC are primarily promoting the Fast CBD Relief™ brand, which the Issuer recently acquired with the CBD Naturals® brands portfolio and also launched as its flagship cannabinoid (CBD) products in the C-Store program partnership with AATAC.

Currently, Fast CBD Relief™ is available in the following forms:

- 'The Patch': The patch delivers fast and targeted pain relief and can be cut to size and applied to the area needed, delivering relief up to 12 hours;
- 'The Cream': Ideal for smaller areas of discomfort, this cooling cream supplies instant relief and can be applied to fingers, knees, ankles, neck, and any other areas of discomfort;
- 'The Shot': A concentrated beverage in four varieties that taste great and target specific issues, including RESCUE (relieves tension), SLEEP (promotes rest), IMMUNE (boosts immunity), and FOCUS (enhances concentration); and
- 'The Roll-On': Promoting a sense of calm and relaxation, this topical serum is fast and effective.

Also on March 19, 2019, the Issuer announced by way of news release the launch of its products with Holland & Barrett International ("Holland & Barrett"), beginning with an initial order of ten SKUs of hemp-extract based cannabidiol (CBD) products from the Company's RapidCBD™ and Iso-Sport™ brand catalogues for more than US\$1 million.

The launch has commenced online and more than 45,000 units are expected to be available in up to 800 Holland & Barrett stores by the end of March 2019 throughout the United Kingdom and the Republic of Ireland. Holland & Barrett is the largest health and wellness retailer in Europe, operating more than 1,300 stores, 10 million customer loyalty program members, and US\$800 million in annual revenues.

The RapidCBD™ and Iso-Sport™ food supplement and cosmetic skin care products contain the Issuer's proprietary ISO99™ hemp extract and botanical blends that work synergistically to provide positive health and wellness benefits to the body and mind. All of the products in the Issuer's program for Holland & Barrett are specially formulated for the U.K. and E.U. markets.

This announcement comes on the heels of the Issuer's February 26, 2019, announcement of its partnership with the Asian American Trade Associations Council (AATAC) for the Issuer's convenience store (C-Store) retail program into an initial 1,250 locations in the United States, with expansion plans of up to 10,000 additional locations. The Issuer will launch its Fast CBD Relief™ brand from the CBD Naturals® brands portfolio as its flagship cannabinoid (CBD) products in its C-Store program.

On March 22, 2019, the Issuer announced by way of news release that at the meeting of the former shareholders of Kure Corp. (the “Creditors”) held on March 20, 2019 (the “Meeting”), the Creditors in attendance by person or proxy unanimously voted in favour of a resolution (the “Arrangement Resolution”) to approve the previously announced plan of arrangement (the “Arrangement”) involving the Issuer, Kure Corp. (“Kure”), and the Creditors pursuant to which the Issuer will distribute all of the issued and outstanding shares of Kure (the “Kure Shares”) to the Creditors and in consideration for the Kure Shares, the Issuer will be absolved of its February 1, 2019, obligation to issue shares having a value of up to US\$35,000,000 to the Creditors.

The Arrangement required the approval of: (i) a majority of the Creditors present in person or by proxy at the Meeting; and (ii) not less than 75% of the value of Creditors. Of the votes cast at the Meeting, 100% of the votes cast by Creditors were in favour of the Arrangement Resolution.

The Issuer has received a final order from the Supreme Court of British Columbia dated March 22, 2019, approving the Arrangement.

Assuming that the conditions to closing are satisfied or waived, it is expected that the Arrangement will be completed after the close of trading on March 29, 2019, following which date Kure will no longer be a wholly-owned subsidiary of the Issuer.

On March 28, 2019, the Issuer announced by way of news release the launch of its fiscal year 2020 trade show program, presenting the CBD Naturals® brands in each product category of the Weight Management, Sports Nutrition, Vitamin & Hemp Solutions EPPS of the ECRM Trade Conference being held March 31, 2019, through April 3, 2019, at the DoubleTree by Hilton Hotel near the entrance to Universal Orlando in Orlando, Florida.

The Efficient Collaborative Retail Marketing Company, LLC (“ECRM”) helps buyers and suppliers increase productivity, optimize product assortments, and enhance collaboration efforts through service offerings that include product discovery, category development, and category planning. In addition, the Efficient Program Planning Sessions (“EPPS”) within the ECRM event series allow vendors to have direct discussions with more than 80 retailers and other brands about business objectives, such as product launches, marketing campaigns, and more.

The EPPS event brings vendors together with major health and wellness retail buyers for successive 20-minute, one-on-one private meetings. Among the retailers participating in our EPPS category are CVS, The Vitamin Shoppe, Whole Foods Market, Sam’s Club, Harris Teeter, Costco, 7-11, 24 Hour Fitness, and GNC, which currently carries Isodiol’s Iso-Sport® products in the United Kingdom (www.gnc.co.uk/shop/brands/iso-sport/).

The above referenced news releases may 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.

In addition, during the month of March 2019, management of the Issuer filed its condensed consolidated interim financial statements and management discussion and analysis for the nine months ended December 31, 2018 (together, the “Interim Financial Filings”). The Interim Financial Filings 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.

An annual meeting of shareholders of the Issuer was also scheduled for June 6, 2019. The record date for this meeting is April 18, 2019.

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 March 2019.

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 March 2019.

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 with respect to the launch of the Issuer's products with Holland & Barrett International, one of the world's leading health and wellness retailers and the largest in Europe, supplying its customers with a wide range of vitamins, minerals, health supplements, specialist foods, and natural beauty products.

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 March 2019.

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.

Please see item 2 with respect to the Issuer's divestiture of its ownership of (a) Azure Bottling LLC, and (b) Kure Corp.

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

None to report during the month of March 2019.

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

None to report during the month of March 2019.

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 March 2019.

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

None to report during the month of March 2019.

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 March 2019.

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 March 2019.

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
Common Shares	6,643,759	Common shares issued March 29, 2019, in consideration for forgiveness of debt	Not applicable

(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 March 2019.

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

None to report during the month of March 2019.

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 1, 2019, 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 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 April 4, 2019

Eli Dusenbury
Name of Director or Senior Officer

/s/ Eli Dusenbury
Signature

Chief Financial Officer
Official Capacity

<i>Issuer Details</i> Name of Issuer Isodiol International Inc.	For Month End March 2019	Date of Report YY/MM/DD 19/04/04
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