

# ISODIOL®

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FOR IMMEDIATE RELEASE

## **ISODIOL INTERNATIONAL INC. FILES NOTICE OF CIVIL CLAIM AGAINST BRAIN BIOCEUTICAL CORP FOR BREACH OF CONTRACT & UPDATE ON STOCK TRADING HALT**

**JANUARY 28, 2021 – Vancouver, BC – [Isodiol International Inc.](#)** (CSE: ISOL) (OTCQB: ISOLF) (FSE: LB6B.F) (the “Company” or “Isodiol”) is sharing a corporate update to provide investors and the public transparency with the Company’s efforts to claim payment for the March 19, 2019 sale of BSPG Laboratories Limited to Brain Bioceutical Corp. 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 Isodiol (seller). The claim states that Brain Bioceutical Corp (buyer) is in breach of the Definitive Purchase Agreement for the sale of BSPG Laboratories Limited executed in March of 2019.

The Definitive Purchase Agreement by Isodiol and Brain Bioceutical Corp. was for an aggregate sum of \$14,000,000 USD to be made in five milestone payments. The first two milestone payments made by the buyer were accepted by Isodiol. In August of 2019, the buyer notified Isodiol that the Company would be unable to achieve the third milestone payment requesting an amendment to Definitive Purchase Agreement and an offset of cash payment to be accepted by Isodiol 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 \$2,000,000 USD be paid on or around November 15, 2019
- A cash payment in the amount of \$2,000,000 USD be paid on or around September 20, 2020

Between August 8, 2019 and February 11, 2020 , the buyer delivered product to Isodiol valued at \$312,188 USD in partial satisfaction of the Amended Third Post-Closing Payment. An additional payment was made by the buyer on or around December 2, 2019, bringing the total sum of partial payments to \$1,742,749 USD. Isodiol remains unpaid by Brain Bioceutical Corp for the final \$257,251 USD for the Amended Third Post-Closing Payment and the final milestone payment of \$2,000,000 USD.

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

The time for response by Brain Bioceutical Corp to Isodiol is within 21-days of service.

Andrew S. Alvis states, “Isodiol is enforcing agreements and making all efforts to claim what is due to the Company. We empathize with all companies that have undergone transition during the global health crisis. However, as we all forge ahead, Isodiol has an obligation to uphold accountability for all business agreements that the Company executes. We thank all of Isodiol’s supporters for their patience while the Company engages the legal process in this matter.”

In addition, and as a direct result of these delayed payments and continued impacts due to COVID-19, Isodiol has experienced delays in completing its previous Fiscal year-end audit and current fiscal year financial reporting requirements, resulting in a CTO trading halt of our stock in mid- December. Alvis states, “I fully understand the confusion and frustration this has caused across our shareholder community, and while we had minimal line of sight to the challenges 2020 would offer, we have remained committed to the restructuring of our businesses to remain competitive in the marketplace, identifying strategic partnerships and leadership across the industry, while implementing internal controls and processes to complete the audit and become current on all financial reporting during this global pandemic as swiftly as possible.”

**Follow our Corporate updates on Facebook at <https://www.facebook.com/isodiol/> on Twitter [@Isodiolintinc](https://twitter.com/Isodiolintinc) on LinkedIn at <https://www.linkedin.com/company/isodiol/> and on Instagram [@isodiol](https://www.instagram.com/isodiol)**

ON BEHALF OF THE BOARD

ANDREW S. ALVIS  
PRESIDENT, DIRECTOR & INTERIM CFO

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CHIEF EXECUTIVE OFFICER & DIRECTOR

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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 consumables and topical skin care products. Isodiol's growth strategy includes the development of over-the-counter and pharmaceutical drugs and continued international expansion into Latin America, Asia, and Europe. For additional information, visit <https://isodiol.com>

***Forward-Looking Information:*** *This news release may contain certain forward-looking information and statements. All statements included herein, other than statements of historical fact, are forward-looking information and such information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in the Company's disclosure documents on the SEDAR website at [www.sedar.com](http://www.sedar.com). The Company does not undertake to update any forward-looking information except in accordance with applicable securities laws.*