## ISODIOL INTERNATIONAL INC. ANNOUNCES LETTER OF INTENT TO SUPPLY 99.5%+ CANNABIDIOL ISOLATE TO SUNDIAL

With government approval for the manufacturing of the active substance cannabidiol, Isodiol is able to export its pure, natural CBD from the United Kingdom.

## May 24, 2018 - Vancouver, BC – <u>Isodiol International Inc.</u> (CSE: <u>ISOL</u>) (OTC: <u>ISOLF</u>) (FSE: <u>LB6A.F</u>)

(the "Company" or "Isodiol"), a global CBD innovator specializing in the development of pharmaceutical and health and wellness products and now supporting the pharmaceutical industry at large with its recently approved CBD as an Active Pharmaceutical Ingredient, is pleased to announce that it has signed a Letter of Intent ("LOI") with Sundial Growers Inc. ("Sundial"), a privately held Alberta-based Health Canada ACMPR-approved licensed producer of medical cannabis, to import CBD isolate into Canada, subject to applicable regulatory approvals.

Sundial currently operates a 31,000 square foot production facility in Rocky View, Alberta, and has two separate production facilities in various stages of completion and licensing. Sundial combines tried and true heartland farming practices with innovative horticultural techniques to grow a select range of cannabis strains. By 2020, it expects to be one of the leading cannabis companies in the country with a projected production of over 100 million grams of dry cannabis and the ability to process over 32 million grams of cannabis extracts.

Marcos Agramont, CEO of Isodiol, stated: "Isodiol continues to position itself as a go-to partner in the global supply for the highest quality, pharmaceutical grade CBD isolate. We are pleased to begin this new relationship with Sundial and assist them in producing products that customers can trust."

"We continue to see a strong demand in Canada for CBD products and we are pleased to add another key supply agreement with a leading pharmaceutical grade consumer product manufacturer," said Sundial CEO, Torsten Kuenzlen. "We will look forward to formulating additional products with both pharmaceutical and nutraceutical grade CBD isolate provided by Isodiol."

Under the terms of the agreement, CBD will be imported into Canada through a Health Canada approved Licensed Dealer. All imported products will be tested by Sundial in accordance with Canadian standards. Sundial and Isodiol intend to execute a Definitive Supply Agreement which will be subject to required regulatory approvals, including those from applicable exchanges and government authorities in the United Kingdom and Canada and receipt of all related permits.

Having met all requirements, Isodiol recently announced that the Company's wholly owned subsidiary BSPG Laboratories LTD. has received government approval from United Kingdom's Medicines and Healthcare Products Regulatory Agency (MHRA), in accordance with The Human Medicines Regulations 2012 (SI 2012/1916), for the manufacturing of the active substance Cannabidiol (CBD) under certificate number: UK API 48727.

Active ingredients are the substances in drugs that are responsible for the beneficial health effects experienced by consumers. Regulating active ingredients helps to increase the quality and safety of drugs for consumers and Isodiol believes it is the first company in the industry to receive this approval for a CBD related product. To manufacture, import or distribute an active substance, organizations must comply with good manufacturing and distribution practice, where products must be of consistent high quality, appropriate to their intended use, and meet the requirements of the marketing authorisation (MA) or product specification.

## About Isodiol International Inc.

**Isodiol International Inc.** is the market leader in pharmaceutical grade phytochemical compounds and the industry leader in the manufacturing and development of consumer products.

Isodiol is the pioneer of many firsts for the cannabis industry including commercialization of 99%+ pure, pharmaceutical grade cannabinoids, micro-encapsulations, and nanotechnology for the highest quality consumable and topical skin care products and most recently received approval as having the first CBD designated as an Active Pharmaceutical Ingredient as was announced <u>April 26, 2018</u>.

Isodiol's growth strategy includes the development of over-the-counter and pharmaceutical drugs, expanding its phytoceutical portfolio and will aggressively continue international expansion into Latin America, Asia and Europe.

Join Us On Facebook: <u>https://www.facebook.com/isodiol/</u> Twitter: @isodiol

ON BEHALF OF THE BOARD Marcos Agramont, CEO & Director

INVESTOR RELATIONS: Ir@isodiol.com www.isodiol.com