

## **Vodis USA and Our Church International Sign 15 Year Licensing and Marketing Agreement**

February 23, 2017 – Vancouver, British Columbia – **Vodis Pharmaceuticals Inc.** (CSE: VP / FSE: 1JV) (“Vodis” or the “Company”) announced today the Vodis name, image and various Vodis-inspired designs and concepts will be used to brand, market, and sell marijuana products across Washington State through a Product Licensing and Marketing Agreement (the “Licensing Agreement”) between a Washington State marijuana licensee, Our Church International, LLC (“OCI”), and Vodis’s wholly-owned subsidiary, Vodis USA, Inc. (“Vodis USA”).

The Licensing Agreement entered into by Vodis USA and its Bellingham facility tenant, OCI, will result in the Vodis name and related images being used for branding, marketing, and commercialization of OCI’s cannabis products. In addition, with Vodis developing marketing strategies and providing operational support we expect the Vodis brand will become synonymous across and eventually beyond the State of Washington with premium-branded cannabis products. “This is an important step to continue developing the association between the Vodis brand and high quality, consumer recognized cannabis products. We have worked hard with the OCI team to ensure all Vodis branding will be associated with the best OCI has to offer,” stated Vodis CEO Ivan Miliovski.

This agreement is seen by Vodis not only as a source of additional value-added revenue from its client OCI, but also as an important opportunity to capitalize on the recently announced Phase 2 production expansion at OCI’s Washington facility. Establishing early consumer recognition of Vodis USA as a premium cannabis brand through packaging and superior merchandising is key to immediate and long-term growth of sales and revenue for both companies.

Washington law prohibits non-residents from obtaining a percentage of profits from the operations of marijuana licensees. Accordingly, the Licensing Agreement between OCI and Vodis USA establishes a graduated compensation schedule increasing the compensation to Vodis USA as sales and marketing goals are achieved. The compensation schedule, based on gross aggregate sales, ranges from \$0.34 to \$0.40 per dollar of Vodis branded product sold by OCI. The company anticipates revenues to Vodis from Vodis branded cannabis products sold by OCI, at full operational capacity, would be in excess of \$2.0M annually based on today's market prices.

Cannabis sales in Washington exceeded \$1.1B in FY 2016, offering a promising opportunity for both Vodis USA and OCI to capitalize on the ever-growing legal cannabis industry.

Vodis and its subsidiaries cannot have any interest whatsoever in any proceeds as a result of production, processing or retail activities in the United States, it can license its brand and production consulting services to approved Washington State license holders to ensure that all products produced under the Vodis name and/or associated with the "VIP" brand meet or exceed the Vodis brand quality standards.

**For further information please contact:**

**Soy Garipoglu**

**Investor Relations**

**Vodis Pharmaceuticals Inc.**

**8788 River Road**

**Delta, BC V4G 1B4**

**Contact: 778-990-8985**

**Email: [investorrelations@vodis.ca](mailto:investorrelations@vodis.ca)**

**Web: [www.vodis.ca](http://www.vodis.ca)**

***Forward-Looking Information:***

*Certain information contained herein may constitute "forward-looking information" under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "expects" or "it is expected", or variations of such words and phrases or statements that*

*certain actions, events or results “will” occur. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information, including: the use of proceeds of this financing. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company does not undertake to update any forward-looking statements or forward-looking information that is incorporated by reference herein, except as required by applicable securities laws.*

**The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release and accepts no responsibility for the adequacy or accuracy hereof.**