

# CBD MED Research Corp.: Twenty Million Dollar Concurrent Financing & Amended Letter of Intent for R.T.O. with World Class Extractions Inc.

Vancouver, British Columbia--(Newsfile Corp. - October 18, 2018) - Further to **CBD Med Research Corp.'s** (TSXV: CBM.H) (the "Company") Material News Release of August 15, 2018, the Company is pleased to report that it has amended the non-binding Letter Of Intent (the "LOI") dated August 8, 2018 with World Class Extractions Inc.

Whereby both parties will complete a business combination by way of a transaction that will constitute a Reverse Take Over (RTO) of the "Company" by World Class Extractions Inc., pursuant to the transaction, the "Company" will apply to list on the Canadian Securities Exchange (the "CSE").

## Amending Terms:

1. \$20,000,000.00 Concurrent Financing

The "Company" has agreed to increase the financing up to \$20,000,000 dollars on a post basis at 0.13 cents per share.

## Share-split Forward

2. The "Company" (CBD Med Research Corp.) has agreed to amend the "LOI" to reflect the previously agreed (share split) from a one for two 1:2 ratio to a one for three 1:3 ratio, resulting in approximately 23,014,575 CBD shares outstanding on a post share split basis.

WCE, the target private Company, will effect a share split forward ("WCE share split") of its current issued and outstanding shares (the "WCE shares") on closing of the transaction on a 1:5 to 1 ratio basis, resulting in 244,745,242 shares issued.

The resulting issuer that will exist upon completion of the Transaction (the "**Resulting Issuer**") intends to apply for listing of its common shares on the CSE. The final structure of the Transaction will be determined by the parties following receipt of tax, corporate and securities law advice and is subject to the approval of the CSE. The Transaction is an arm's length transaction. Upon the closing of the Transaction (the "**Closing**") and after giving effect to the maximum Private Placement (each defined below), it is expected that former shareholders of World Class Extractions will hold approximately 58% of the common shares of the Resulting Issuer (the "**Resulting Issuer Shares**"), the current shareholders of the Company will hold approximately 5.5% of the Resulting Issuer Shares (on a non-diluted basis) and the subscribers of the Private Placement will hold approximately 36.5% of the Resulting Issuer Shares (on a non-diluted basis).

## Description of World Class Extractions and its Business

World Class Extractions is a Canadian based, Ontario incorporated, Developer of an innovative Extraction Process for both the Hemp and Cannabis industry. World Class Extractions intends to provide single step continuous flow extraction services to the Hemp and Cannabis industry. Using patent pending technology, WCE's results produce higher yields and better quality crude hemp oil at faster rates. The technology allows the extraction of CBD Oil and other related extracts from wet or dried natural plants. WCE can save its clients floor space, utility drying costs, equipment and processing labour costs.

Upon entering into the definitive agreements in respect of the Transaction, CBD intends to issue a further news release, which will disclose, among other things, details of insiders and proposed directors and officers of the Resulting Issuer, and a summary of financial information pertaining to WCE.

## Annual General and Special Meeting

CBD Med Research Corp. (the "Company") will be holding its AGM and Special Meeting in Vancouver, B.C. October 24, 2018, for the purpose of approving the WCE transaction among other CBD meeting matters.

ON BEHALF OF THE BOARD

"Gary F Zak"

Gary F. Zak, Chief Executive Officer

## For further information, please contact:

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## Cautionary Notes Regarding Forward-looking Statements

*This news release contains "forward-looking information" within the meaning of applicable securities laws relating to the proposal to complete the Transaction and associated transactions. Any such forward-looking statements may be identified by words such as "expects", "anticipates", "believes", "projects", "plans" and similar expressions. Readers are cautioned not to*

*place undue reliance on forward-looking statements. Statements about, among other things, the closing of the Transaction, expected terms of the Transaction, the number of securities of CBD that may be issued in connection with the Transaction, the ownership ratio of the Resulting Issuer post-closing, shareholder approval, WCE's strategic plans and the parties' ability to satisfy closing conditions and receive necessary approvals are all forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the Transaction will occur or that, if the Transaction does occur, it will be completed on the terms described above. CBD and WCE assume no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.*

*Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance, if required, and if applicable, disinterested shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.*

*The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release."*