

EASTWOOD BIO-MEDICAL CANADA INC.  
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TSX-V: EBM

NEWS RELEASE

Eastwood Bio-Medical Canada Exercises Right to Purchase  
Manufacturing Assets of Eastwood Bio-Medical Research Inc.

April 17, 2018 – Vancouver, British Columbia – Eastwood Bio-Medical Canada Inc. (TSX-V: EBM) (the “Company”) announces it has entered into an asset purchase agreement (the “Asset Purchase Agreement”) with Eastwood Bio-Medical Research Inc. (“EBMR”) pursuant to which the Company will exercise its right to purchase certain manufacturing assets (the “Assets”) used in the production of natural health products that are sold by the Company and produced by EBMR. The purchase right was granted to the Company by EBMR under a loan agreement dated June 24, 2016 (the “Loan Agreement”).

EBMR’s manufacturing facilities holds a site licence granted by Health Canada in accordance to General Manufacturing Practices (GMP) requirements. The facilities are currently capable of producing up to 3 million capsules and packaging 10,000 bottles per day. The facilities are also capable of packaging powdered natural health products such as meal replacement foods and supplement sachets. Once acquired by the Company, this daily capacity would yield possible savings of up to \$7 million in manufacturing costs. In addition, the acquisition would allow the Company to research and develop additional products, as well fast track the market launch of new products in the Company’s pipeline. The acquisition would be another solid step towards the Company becoming a fully integrated pharmaceutical company.

Pursuant to the option granted under the Loan Agreement (the “Option”), the Company has the right to purchase the manufacturing business of EBMR, comprising certain land, buildings, equipment, manufacturing licenses, permits and other rights, operations, and know-how. This purchase right may be exercised at any time up to June 24, 2018. The Asset Purchase Agreement only covers certain specified assets subject to the Option. Other items which were covered by the Option are still subject to the Option and may be purchased at any time before the expiry of the Option on June 24, 2018. The Company expects to exercise these options before this expiry date.

EBMR holds 71.05% of the issued and outstanding common shares of the Company. The Asset Purchase Agreement constitutes a “related party transaction” within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Company is relying on the exemptions from the formal valuation and minority approval requirements contained in Sections 5.5(a) and 5.7(1)(a) of MI 61-101, on the basis that the fair market value of the transaction does not exceed 25% of the Company’s market capitalization.

For further information, please contact:

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*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*