



Cardiol Therapeutics Completes Initial Public Offering and the Company's Common Shares and Warrants Commence Trading on the Toronto Stock Exchange Under the Symbols "CRDL" and "CRDL.WT"

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Cardiol Therapeutics Inc. (**TSX:CRDL**) ("**Cardiol**" or the "**Company**"), a leader in the research and commercial development of pharmaceutical cannabidiol products and targeted therapies for heart failure and cancer, announces that it has completed its initial public offering (the "**IPO**") on the Toronto Stock Exchange (the "**TSX**"). In connection with the IPO, Cardiol issued (a) 3,000,000 units (the "**Units**") at a price of \$5.00 per Unit, with each Unit consisting of one Class A common share of the Company (a "**Unit Share**" and each Class A common share, a "**Common Share**") and one Common Share purchase warrant of the Company (a "**Warrant**"); and (b) an additional 374,544 Warrants at a price of \$0.38 per Warrant pursuant to the partial exercise by the underwriters of the Over-Allotment Option, resulting in aggregate gross proceeds of \$15,142,327. Cardiol's Common Shares will commence trading today on the TSX under the symbol "CRDL" and the Warrants will commence trading today under the symbol "CRDL.WT".

Each Warrant is exercisable into one Common Share (a "**Warrant Share**") at the price of \$6.50 per Warrant Share, subject to adjustment, for a period of two years, subject to accelerated expiry if, at any time, the volume weighted average trading price of the Common Shares is equal to or greater than \$10.00 for any 10 consecutive trading day period.

"Completing our Initial Public Offering represents a significant milestone as we believe it will provide the Company with the financial resources to commercialize our pharmaceutically-manufactured ultra-pure cannabidiol products in the growing market for medical cannabinoids, projected to reach \$2.31 billion in Canada by 2021," stated David Elsley, President and Chief Executive Officer of Cardiol. "It will also support our research and development program focused on advancing our patented nanotechnologies designed to deliver cannabinoids and other anti-inflammatory drugs to sites of inflammation in the failing heart and to pursue an innovative cancer immunotherapeutic in combination with cannabinoids for glioblastoma multiforme, the most malignant and deadly form of brain cancer."

The IPO was made through a syndicate of underwriters led by AltaCorp Capital Inc. and including Mackie Research Capital Corporation, Raymond James Ltd., Echelon Wealth Partners Inc., and Paradigm Capital Inc. (the "**Underwriters**"). Cardiol has granted the Underwriters an over-allotment option (the "**Over-Allotment Option**"), which has been partially exercised and which may also be exercisable in whole or in part, for a period of 30 days, to purchase additional: (a) Units at a price of \$5.00 per Unit ("**Over-Allotment Units**"); (b) Common Shares at a price of \$4.62 per Common Share ("**Over-Allotment Shares**"); (c) Warrants at a price of \$0.38 per Warrant ("**Over-Allotment Warrants**"); or (d) any combination of Over-Allotment Units, Over-Allotment Shares or Over-Allotment Warrants, so long as the aggregate number of Over-Allotment Shares that may be issued under the Over-Allotment Option does not exceed 450,000 Over-Allotment Shares and the additional number of Over-Allotment Warrants that may be issued under the Over-Allotment Option does not exceed 75,456 Over-Allotment Warrants.

No securities regulatory authority has either approved or disapproved of the contents of this news release. The common shares have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States, or to or for the account or benefit of any person in the United States, absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any common shares in the United States, or in any other jurisdiction in which such offer, solicitation or sale would be unlawful.

About Cardiol Therapeutics

Cardiol Therapeutics Inc., www.cardiolrx.com, is a leader in the research and commercial development of pharmaceutical cannabidiol products and targeted therapies for heart failure and cancer. The Company is leveraging its expertise in pharmaceutical cannabinoids to develop proprietary formulations for three important medical markets: (1) commercializing a line of >99.5% purity pharmaceutically-manufactured cannabidiol products (with less than 10 ppm THC) in the growing market for medical cannabinoids, projected to reach \$2.31 billion in Canada by 2021 (Source: New Frontier Data); (2) developing nanotechnologies designed to deliver cannabinoids and other anti-inflammatory drugs for the treatment of heart failure, a leading cause of death and hospitalization with associated healthcare costs exceeding \$30 billion annually in the U.S. alone; and (3) pursuing an immunotherapeutics program commencing with an innovative cancer immunotherapeutic in combination with cannabinoids for treating Glioblastoma Multiforme, the most malignant and deadly form of cancer of the central nervous system and a Fast Track eligible Orphan Indication.

Cardiol has research programs focused on developing nanotherapeutics to treat heart failure underway at international centers of excellence, including the University of Alberta, the Houston Methodist DeBakey Heart & Vascular Center, and TecSalud del Tecnológico de Monterrey, Mexico. Cardiol has also established an exclusive supply agreement with Dalton Pharma Services (“Dalton”), a Health Canada approved, U.S. Food and Drug Administration registered, Continuing Good Manufacturing Practice (“cGMP”) manufacturer of pharmaceuticals, including cannabinoids, for supplying finished pharmaceutically manufactured cannabidiol products to support the Corporation’s research and commercial development programs. Cardiol recently entered into an exclusive supply agreement with Noramco, Inc., a global leader in the manufacture and supply of controlled drug substance Active Pharmaceutical Ingredients, to support Dalton’s manufacturing with cannabidiol at >99.5% purity and less than 10 ppm THC.

Cardiol brings together a wealth of research and development experience, advanced manufacturing capabilities, and a Management team, Board of Directors, and Scientific Advisory Board comprising business and thought leaders with extensive industry experience and expertise in commercializing proprietary drugs.

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Cautionary statement regarding forward-looking information:

This news release contains “forward-looking information” within the meaning of applicable Canadian securities laws (“**Forward-looking Information**”). All statements, other than statements of historical fact, that address activities, events or developments that Cardiol believes, expects or anticipates will, may, could or might occur in the future are Forward-looking Information. Forward-looking Information is frequently identified by the use of words such as “plans”, “expects”, “projects”, “intends”, “believes”, “anticipates”, “forecasts”, and other similar words and phrases, including variations (and negative variations) of such words and phrases, or may be identified by statements to the effect that certain actions, events or conditions “may”, “could”, “should”, “would”, or “will” be taken, occur or be achieved. Forward-looking Information used herein include, but is not limited to, statements with respect to: future events; the IPO providing the Company with the funds to commercialize and market its >99.5% purity pharmaceutically-manufactured cannabidiol products (with less than 10 ppm THC); the future performance or the intended business strategy of Cardiol; the potential for Cardiol’s licensed drug encapsulation and delivery technologies to enhance the bioavailability of pharmaceuticals; management’s expectations regarding estimated future pharmaceutical research and development opportunities, collaborations and prospects; the success and proposed timing of Cardiol’s product development activities, including, but not limited to, the proposed timeline of Cardiol’s product candidate pipeline for commercial introduction; the ability of Cardiol to develop its product candidates; Cardiol’s plans to research, discover, evaluate and develop additional products; Cardiol’s proposed future collaborations to advance Cardiol’s lead nanoformulations into clinical development; and the potential for Cardiol’s cannabinoid-based products to provide sources of future revenue. Forward-looking Information contained herein reflects the current expectations or beliefs of Cardiol based on information currently available to it and is subject to a variety of known and unknown risks and uncertainties and other factors that could cause the actual events or results to differ materially from any future results, performance or achievements expressed or implied by the Forward-looking Information. These risks and uncertainties and other factors include, but are not limited to, the fact that the success of Cardiol’s product candidates are dependent upon or subject to, as the case may be: years of clinical development efforts; the results of clinical testing and trial activities of Cardiol’s products; Cardiol’s ability to obtain regulatory approval and market acceptance of its products; Cardiol’s ability to raise capital and the availability of future financing; Cardiol’s lack of operating history; unforeseeable deficiencies in the development of Cardiol’s product candidates; uncertainties relating to the availability and costs of financing needed in the future for Cardiol’s research and development initiatives; Cardiol’s ability to manage its research, development, growth and operating expenses; the potential failure of clinical trials to demonstrate acceptable levels of safety and efficacy of Cardiol’s product candidates; Cardiol’s ability to retain key management and other personnel; risks related to fluctuations in medicinal cannabinoid markets in Canada and worldwide; uncertainties regarding Cardiol’s ongoing collaborative and manufacturing partnerships; uncertainties regarding results of researching and developing products for human use; Cardiol competes in a highly competitive and evolving industry; Cardiol’s ability to obtain and maintain current and future intellectual property protection; and other risks and uncertainties and factors. These risks, uncertainties and other factors should be considered carefully, and investors should not place undue reliance on the Forward-looking Information. Any Forward-looking Information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, Cardiol disclaims any intent or obligation to update or revise such Forward-looking Information, whether as a result of new information, future events or results or otherwise. Although Cardiol believes that the expectations reflected in the Forward-looking Information are reasonable, they do involve the aforesaid and other risks and uncertainties and are not (and should not be considered to be) guarantees of future performance.