

Chemesis International

February 15, 2019

Vancouver, BC – Chemesis International Inc. (CSE: <u>CSI</u>) (OTC: <u>CADMF</u>) (FRA: <u>CWAA</u>) (the "Company" or "Chemesis"), has been requested by OTC Markets Group Inc. ("OTC Markets") to issue this statement about promotional material concerning its common stock.

On Monday, February 6, 2019, OTC Markets informed the Company that it became aware of certain promotional material concerning the Company and its common stock traded on the OTCQB Marketplace, including the distribution of promotional newsletter emails encouraging investors to purchase the Company's common stock (the "Promotional Material"). OTC Markets provided examples of the Promotional Material for reference. Until being informed by OTC Markets of the Promotional Material, the Company was unaware of the Promotional Material. The source of the Promotional Material was neither the Company, nor any of its directors, officers or significant shareholders, nor any of its third-party service providers. The Company does not know the extent to which circulation of the Promotional Material coincided with any increased trading activity in the Company's stock.

Upon reviewing the content of the Promotional Material, the statements and claims made appear to be taken from the Company's website, corporate presentations, quotes from historical press releases and, information from the OTC Markets website, which are factual and non-misleading, but neither the Company nor any of its third-party service providers had any editorial control over the content of the Promotional Material. The Promotional Material includes statements which encourage investors to purchase the common stock of the Company; such statements only express the view of the authors of the Promotional Material. The Company encourages investors to contact their investment advisors.

The Company initiated a review into this matter and made enquiries of its executive officers, directors, controlling shareholders (i.e., shareholders owning 10% or more of the Company's securities) and third-party service providers. Neither the Company, nor its executive officers, directors nor, to the Company's knowledge, its controlling shareholders, were involved in any way with the creation or distribution of, or payment for, the Promotional Material. The Company believes a third party marketing services provider engaged by the Company (Promethean Marketing - see below) may have generated web-traffic to a website hosting the Promotional Material. Additionally, as required under Canadian securities laws, all transactions involving the Company's shares by the Company's executive officers, directors and controlling shareholders are disclosed on the System for Electronic Disclosure by Insiders. Further, the Company has not issued any shares or convertible instruments allowing conversion to equity securities at prices constituting a discount to the current market rate at the time of the issuance.

The Company carries out investor relations in-house, through a dedicated member of management. In addition, the Company notes that it has engaged Promethean Marketing ("Promethean") to provide



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certain general marketing services to increase investor awareness of, and engagement with, the Company. As part of its mandate, Promethean generates web-traffic to websites that speak to the Company's activities. During the course of its work, Promethean may have directed web-traffic to a website hosting the Promotional Material.

The Company is committed to compliance with the OTC Markets Group Policy on Stock Promotion and the OTCQB Standards. The Company encourages those interested in the Company to rely solely on information included in press releases issued and distributed by the Company via approved newswire or Disclosure & News Services combined with its filings and disclosures made with the Canadian securities regulators and the Canadian Securities Exchange and available on their websites: www.sedar.com and www.thecse.com, respectively.

On Behalf of The Board of Directors

Edgar Montero
CEO and Director

About Chemesis International Inc.

Chemesis International Inc. is a vertically integrated global leader in the cannabis industry, currently operating within California, Puerto Rico, and Colombia.

Chemesis is developing a strong foothold in key markets, from cultivation, to manufacturing, distribution and retail. Chemesis has facilities in both Puerto Rico and California, allowing for cost effective production and distribution of its products. In addition, Chemesis leverages exclusive brands and partnerships and uses the highest quality extraction methods to provide consumers with quality cannabis products.

Chemesis will add shareholder value by exploring opportunities in emerging markets while consistently delivering quality product to its consumers from seed to sale.

Investor Relations:

<u>ir@chemesis.com</u> <u>1 (604) 398-3378</u>

Social Media:

Chemesis.facebook
Chemesis.twitter
Chemesis.instagram
DesertZen.instagram
CaliforniaSap.instagram
Jay&SB.instagram

Forward-Looking Information: This news release contains "forward-looking information" within the meaning of applicable securities laws relating to statements regarding the Company's business, products and future of the



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Company's business, its product offerings and plans for sales and marketing, including finalizing an acquisition in Colombia. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking information. Such forward-looking statements are subject to risks and uncertainties that may cause actual results, performance and developments to differ materially from those contemplated by these statements depending on, among other things, the risks that the Company's products and plan will vary from those stated in this news release and the Company may not be able to carry out its business plans as expected. Except as required by law, the Company expressly disclaims any obligation and does not intend to update any forward-looking statements or forward-looking information in this news release. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct and makes no reference to profitability based on sales reported. The statements in this news release are made as of the date of this release.

The CSE has not reviewed, approved or disapproved the content of this press release



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