

# Chemesis International Inc. Signs International Supply Agreement for CBD Products

Chemesis signs \$1,100,000 USD initial purchase order with a UK based distributor to manufacture CBD products

Products will be manufactured in its California-based licensed manufacturing facility

## August 26, 2019

Vancouver, BC – Chemesis International Inc. (CSE: <u>CSI</u>) (OTC: <u>CADMF</u>) (FRA: <u>CWAA</u>) (the "Company" or "Chemesis"), announces it has received an initial purchase order for \$1,100,000 USD for manufacturing CBD products. The purchase order is for CBD products that will be shipped to the United Kingdom ("UK"). These products include cartridges, tinctures, sprays, shots and other liquid formulations.

The total current European cannabis market is estimated to be worth \$68.5 billion USD, while the UK is projected to account for \$4.6 billion USD of this market<sup>1</sup>. Currently, the UK CBD market is growing over 10% annually and is expected to approximately total £1 billion by 2025<sup>2</sup>.

This purchase order validates Chemesis' world class processes and products and allows the Company to gain access to the European marketplace. The Company will continue to work with partners that can bring additional penetration into the UK and other European markets.

"This purchase order generates additional sales and most importantly, it allows the Company to access new revenues streams in the growing European market," said Chief Executive Officer of Chemesis, Edgar Montero. "As we continue to work towards accessing global marketplaces where cannabis is thriving, we hope to secure additional contracts and purchase orders."

Due to the competitive nature of the cannabis market, the Company will not disclose who the distributor is at this time.

### On Behalf of The Board of Directors

Edgar Montero
CEO and Director

## **About Chemesis International Inc.**

Chemesis International Inc. is a vertically integrated U.S. Multi-State operator with International operations in Puerto Rico and Colombia.

The Company focuses on prudent capital allocation to ensure it maintains a first mover advantage as it enters new markets and is committed to differentiate itself by deploying resources in markets with major opportunities. The Company operates a portfolio of brands that cater to a wide community of cannabis consumers, with focus on quality and consistency.



Chemesis, Inc. (CSE: CSI) (OTC: CADMF) (FRA:CWAA)

<sup>&</sup>lt;sup>1</sup> New Frontier Data, 2019 Industry Outlook

<sup>&</sup>lt;sup>2</sup> Centre for Medicinal Cannabis



Chemesis has facilities in both Puerto Rico and California and is in the process of constructing a GMP certified facility in Colombia. Chemesis' Puerto Rico operations are licensed to operate 100,000 ft<sup>2</sup> of cultivation, and 35,000 ft<sup>2</sup> of manufacturing floor space. The Company is positioned to win additional licenses in highly competitive merit-based US states and will expand its footprint to ensure it maintains a first mover advantage.

#### **Investor Relations:**

ir@chemesis.com 1 (604) 398-3378

#### **Social Media:**

Chemesis.facebook
Chemesis.twitter
Chemesis.instagram
DesertZen.instagram
GreenSpiritRX

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 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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