

Chemesis International Inc. to Launch Hemp Cigarettes

Chemesis will manufacture, distribute and retail Hemp Cigarettes across the United States & International Markets

October 1, 2019

Vancouver, BC – Chemesis International Inc. (CSE: <u>CSI</u>) (OTC: <u>CADMF</u>) (FRA: <u>CWAA</u>) (the "Company" or "Chemesis"), will manufacture, distribute and retail hemp cigarettes. The cigarettes will be distributed throughout the United States and European markets as the Company scales production.

In addition to the vape market, the global cigarette market was worth \$888 billion USD in 2018, and is expected to grow at 4% CAGR during 2019-2024¹. With recent regulation changes and a shift away from vaping, the Company believes Hemp Cigarettes will become increasingly popular as an alternative.

The Company will offer white-labelling contracts along with its own branded products which will be distributed throughout Chemesis' dispensaries and distribution network. The Company will also look to offer via e-commerce platforms as its retail strategy further expands.

"Chemesis has been increasing its manufacturing and distribution capabilities steadily," said Chief Executive Officer, Edgar Montero. "The Company will continue to expand its catalogue offerings through unique products that give consumers flexibility and choice. Hemp cigarettes provide the Company with another product that brings shareholder value through high margins and mass distribution. The product line compliments the previously announced tobacco-free smokeless cannabis chew."

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 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 ft² of cultivation, and 35,000 ft² 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.

1 Cigarette Market: Global Industry Trends



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



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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. 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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