



Chemesis International Inc. Reports 2019 Year-End Audited Financial Statements

November 4, 2019

Vancouver, BC – Chemesis International Inc. (CSE: [CSI](#)) (OTC: [CADMF](#)) (FRA: [CWAA](#)) (the “Company” or “Chemesis”), announces the filing of its audited fiscal 2019 year-end consolidated financial statements and reports on the most recently completed periods.

2019 HIGHLIGHTS

- The Company reported combined revenues of CAD \$7.5M for Q4 and Q3 of fiscal 2019 respectively, with combined gross profit of CAD \$1.4M for those two periods.
- The Company [commercialized](#) its California based extraction facility in January 2019 and began to extract THC distillate for finished goods, for sale throughout the state.
- The Company [closed](#) the acquisition of Colombia based, La Finca Interactiva-Arachna Med, a licensed cultivator, producer, distributor, and seller of cannabis products with export abilities into global markets.
- The Company [closed](#) the definitive agreement to acquire an additional extraction and manufacturing facility in Cathedral City, California. The fully licensed facility further allowed the Company to expand its ability to extract THC, CBD and other cannabinoid and terpene products.
- The Company [closed](#) the acquisition of Puerto Rico based, Natural Ventures PR, a licensed medical cultivator, manufacturer and distributor of high-quality cannabis products.

SUBSEQUENT EVENTS

- The Company announced the closing of CAD \$2M in equity financings.
- Chemesis [completed](#) the acquisition of a controlling interest in GSRX Industries Inc. (“GSRX”), a leader in retail cannabis dispensaries, distribution & brand development. Through this acquisition, Chemesis further expands its operations into the retail dispensary markets in California and Puerto Rico. This allows the Company to increase profitability of its existing manufacturing and cultivation products through sales directly to consumers. GSRX's financial statements will be consolidated under Chemesis International from August 29, 2019 onwards. The consolidated financial statements for the year ended June 30, 2019, do not include GSRX's operations.
- Chemesis [announced](#) a partnership with Happy Tea and secured a \$4M USD purchase order Happy Tea's CBD product catalogue. The Company will distribute Happy Tea products throughout Puerto Rico and the United States.





Edgar Montero, CEO of Chemesis stated, “the Company’s operations continue to see increases in revenue quarter over quarter and we anticipate our operations will continue to grow as we see significant demand for the products we manufacture and package. The Company's revenues, accounts receivables and inventory are growing consistently. Chemesis is also putting forth further resources to expand into additional US States to expand the Company’s multi-state operations. The team has created a foundation that we believe will create significant opportunities in 2020.”

Chemesis remains in a stable financial position with access to CAD \$32.6M in drawdown equity facilities.

The audited condensed consolidated financial Statements and MD&A for the year ended June 30, 2019 will be filed on SEDAR and available at www.sedar.com.

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. 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.

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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, 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

