



Chemesis International Inc. Announces Conversion of \$2,109,461 Convertible Debt to Equity and Grants Options

January 14, 2019

Vancouver, BC – Chemesis International Inc. (CSE: CSI) (OTC: CADMF) (FRA: CWAA) (the “**Company**” or “**Chemesis**”), announces that it has entered into an arrangement with certain convertible debenture holders whereby it will repay approximately \$2,109,461 (the “**Debt**”) owing under various convertible debentures by converting such amount into Company equity (the “**Debt Conversion**”). The Debt will be converted into 2,343,846 units (the “**Units**”) of the Company at a conversion price of \$0.90 CDN per Unit, with each Unit being comprised of one common share (each, a “**Common Share**”) and one common share purchase warrant (each, a “**Warrant**”). Each Warrant will be exercisable for one common share (each, a “**Warrant Share**”) at a price of \$1.12 CDN for a period of 24 months from the date of its issuance.

The Debt Conversion is expected to complete by January 17, 2020.

The Company also announces that it has granted an aggregate of 2,295,000 incentive stock options to directors, officers and consultants of the Company under its share-based compensation plan. The options are exercisable at a price of \$0.90 CDN per Common Share, being the last closing price prior to date of grant, for a five-year term.

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 believes it is well-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.



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



Investor Relations:

ir@chemesis.com

1 (604) 398-3378

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 with respect to the Company's expectations regarding its plans to continue to develop dispensaries in Puerto Rico, its ability to obtain licenses in additional jurisdictions, and its ability to complete the Debt Conversion. 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 Debt Conversion will be completed as contemplated, or at all, that the Company's products and plan will vary from those stated in this news release and that the Company may not be able to carry out its business plans as expected, including, but not limited to, in relation to its ability to obtain licenses in additional jurisdictions. 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