



Chemesis International Inc. Provides Corporate Update

January 27, 2020

Vancouver, BC – Chemesis International Inc. (CSE: CSI) (OTC: CADMF) (FRA: CWAA) (the “**Company**” or “**Chemesis**”), announces, further to its news release dated January 17, 2019, that the Puerto Rico Department of Health has commenced an appeal of the favourable judgment (the “**Decision**”) obtained by the Company from the Puerto Rico Superior Court, San Juan, in respect of the certain cannabis licenses (“**Licenses**”) held by its subsidiary, Natural Ventures PR, LLC (“**Natural Ventures**”) which had effectively been abeyed by the Puerto Rico Department of Health. The Decision, which is now under appeal, found that such abeyance of the Licenses was invalid and unconstitutional and nullified such action.

The Company notes that the Department of Health had applied for a order staying the effect of the Decision until the appeal has been heard and decided; however, the Court decided in favour of the Company and did not stay the effect of the Decision. As a result, the Company remains in active consultation with its legal team with a view to having the Decision implemented as soon as practicable.

The Company notes that, at the current time, the Licenses have not yet been reinstated to being operational, and that Natural Ventures is still not permitted to carry out any licensed activities under the Licenses, though it is permitted to carry out certain activities for the purposes of preserving and maintaining inventory. The Company will provide further updates as appropriate.

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.

Investor Relations:





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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 with respect to the Company's expectations regarding the implementation of the Decision, the outcome of the appeal, the reinstatement of the Licenses, its plans to continue to develop dispensaries in Puerto Rico, and its ability to obtain licenses in additional jurisdictions. 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 Decision may be successfully appealed by the Puerto Rico Department of Health, the appeal may not be resolved promptly, that the activities permitted under the Licenses will be restored, 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, including, but not limited to, in relation to developing dispensaries in Puerto Rico, and 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