



Chemesis International Inc. Provides Update on Sale of Puerto Rico Operations

December 11, 2020

Vancouver, BC – Chemesis International Inc. (the “Company”) (CSE: CSI) (OTC: CADMF) (FRA: CWAA)

On November 24, 2020, the Company announced that the Company’s former subsidiary, Natural Ventures PR, LLC (“NVPR”), sold all of its cannabis assets, and assigned all related liabilities, licenses and permits, to Puerto Rico Industrial Commercial Holdings Biotech Corp. (“PRICH”), in connection with which the Company received an immediate cash payment of US\$450,000, in respect of its 80% interest in NVPR (the “Transaction”). The Company wishes to clarify that the full sum to be received by NVPR from PRICH is US\$4,600,000, with substantially all of such amount, apart the US\$450,000 received by the Company, allocated towards the liabilities and accounts payable of NVPR, and potentially the remaining shareholder of NVPR (please see news release dated November 24, 2020 in which the Company states that it is in the process of ceasing to be a shareholder of NVPR). The Company also notes that the US\$4,600,000 amount is comprised of the US\$450,000 paid to the Company, and the remaining amount is payable in 36 installments of US\$112,500. The Company notes that it is possible it may receive further amounts pursuant to the Transaction, but does not view this as being likely, and that it will not be in a position to determine the matter until the completion of its next ordinary course audit.

The Company also wishes to clarify that while GSRX has received US\$2,250,000 from PRICH, \$1,506,666.67 of such amount is contingent on various closing procedures, comprised largely of asset transfers and assignments, being completed. Therefore, such amount should not yet be considered to have closed upon by GSRX.

On Behalf of The Board of Directors

Josh Rosenberg
President

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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 reconciliation of the remaining balance of the consideration received by NVPR from PRICH, whether the Company will receive any further amount pursuant to the Transaction and whether the closing procedures in respect of the sale of assets held indirectly by GSRX will be completed. 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*



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uncertainties that may cause actual results, performance and developments to differ materially from those contemplated by these statements including, among other things, the risks that the Company will not receive any further amount pursuant to the Transaction, the closing procedures in respect of the sale of assets held indirectly by GSRX may not close and that the Company's products and plans will vary significantly as a result. 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