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Chemesis International Inc. Provides Update on Operations and GSRX Transaction

August 23, 2019

Vancouver, BC – Chemesis International Inc. (CSE: [CSI](#)) (OTC: [CADMF](#)) (FRA: [CWAA](#)) (the “Company” or “Chemesis”), announces that it is continuing to proceed toward completing the previously [announced](#) transaction (“Acquisition”) to purchase a majority stake in [GSRX Industries Inc.](#) (“GSRX”) ([OTCQB:GSRX](#)), with an anticipated closing date of August 31, 2019.

GSRX currently operates five dispensaries in Puerto Rico and has plans to open five additional dispensaries on the island. The company also operates one retail CBD kiosk in Clarksville, Tennessee with a retail store front expected to open up in Nashville, Tennessee as well as Lakeway, Texas. GSRX also holds a fully licensed distribution centre and a boutique dispensary in Point Arena, California. In addition, GSRX expects to open a dispensary in Palm Springs, California by calendar Q1, 2020.

“Upon the successful closing of the Acquisition, Chemesis will have controlling interest for the purposes of financial reporting, making the Company a fully vertically integrated, multi-state operator with assets in California, Tennessee, Arizona, Michigan, Texas, and Puerto Rico,” said CEO, Edgar Montero. “The Company continues to position itself in the market to ensure we are able to develop the business in a way that builds long term shareholder value.”

In addition, Chemesis’ California extraction facilities are seeing an increase in trim being processed month over month. The Company also continues to manufacture finished products for its in-house and partner brands. The team is working on expanding its manufacturing capabilities to increase product offerings while expanding its relationship with Happy Tea and Jay & Silent Bob to add additional SKU’s.

This news release does not constitute an offer to sell or the solicitation of an offer to purchase any securities. The securities referenced herein may not be offered sold in the United States absent registration under the U.S. Securities Act of 1933, as amended, or an exemption therefore.

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.

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Forward-Looking Information: *This news release contains "forward-looking information" within the meaning of applicable securities laws, including in relation to: the Acquisition completing by August 31, 2019 and the ability of the Company to integrate its operations with GSRX. Although the Company believes that the expectations reflected in the forward-looking information are reasonable in the circumstances, 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. 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 Acquisition will not complete as anticipated by August 31, 2019, or at all, that the Company will not be able to integrate its operations with those of GSRX upon completion of the Acquisition, and that the Company or GSRX 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 in the circumstances, there can be no assurance that such expectations will prove to be correct. 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

