



CHEMESIS INTERNATIONAL INC. SIGNS DEFINITIVE AGREEMENT TO ACQUIRE 80% OF PUERTO RICO BASED NATURAL VENTURES PR LLC.

Chemesis International Inc. signs a definitive agreement to acquire 80% of Natural Ventures, Puerto Rico's largest medical licensed cultivation and manufacturing cannabis company servicing 30,000+ patients.

August 23, 2018 – Vancouver, BC – Chemesis International Inc. (CSE: [CSI](#)) (the “Company” or “Chemesis”), a market leader in recreational and medical cannabis, is proud to announce that it has entered into a definitive agreement to acquire 80% of Natural Ventures PR LLC (“Natural Ventures”) via its subsidiary Chemesis PR, a 100% Puerto Rican company. The agreement amongst the parties has been submitted to the Puerto Rico Medical Cannabis Board for approval as per required by its regulatory framework. Natural Ventures is a seed to sale, medical cannabis company based in Caguas, Puerto Rico, a United States Territory. Natural Ventures represents a significant opportunity that will catapult Chemesis into position as a leader in both medical and recreational cannabis cultivation and manufacturing.

Natural Ventures has been operational since early 2017 and currently is expanding to meet its growing patient demand. Natural Ventures is licensed to cultivate 100,000 sq. ft. of cannabis and has 35,000 sq. ft. of manufacturing floor space for high quality cannabis products. It is currently producing solvent and CO₂ based extraction for its oil-based products, and it also is producing edibles and other cannabis products.

Puerto Rico legalized medical cannabis for qualifying health conditions in 2015 and permits the use of medical cannabis derivatives only (e.g., capsules, extractions, lotions, patches, edibles, flower, and oils). Currently, there are 18 pre-approved health conditions including HIV, cancer, multiple sclerosis, migraines, anxiety, and epilepsy that are eligible to be treated with medical cannabis. Chemesis is poised to meet demand as the island continues to expand the number of qualifying conditions, and more patients receive permits.

“The acquisition of Natural Ventures is a very significant landmark for Chemesis,” said CEO of Chemesis, Edgar Montero. “This acquisition gives the company access to a new consumer base as well as additional revenue opportunities. The operations in Puerto Rico unlock the ability to serve a large population for a variety of medical conditions, while being able to control costs and quality. The addition of Natural Ventures into the Chemesis family fits into our business model and growth strategy, as it will not only provide a strong benefit to our revenue stream but will unlock other opportunities in the global market place that are extremely important,” said Montero.

In exchange for an 80% interest in the capital stock of Natural Ventures PR LLC, the Company will pay US\$2,250,000 cash and US\$1,682,085 of stock valued at CAD\$1.00 per common share, subject to a 36-month phased lock-up. Closing is subject to Puerto Rico Medical Cannabis Board approval which is anticipated within 30 days. The Company has also agreed to make a convertible loan or capital contribution to Natural Ventures in the aggregate amount of US\$750,000 on an as-needed basis for expansion purposes.



About Chemesis International Inc.

Chemesis International Inc. is a vertically integrated global leader in the cannabis industry, with operations in California and exploring expansion through Latin America.

Chemesis is developing a strong foothold in key markets, from cultivation, to manufacturing, distribution, and retail. Chemesis has seed to sale operations, allowing for cost effective production and distribution of its products. In addition, Chemesis leverages exclusive brands and partnerships and uses the highest quality extraction methods to provide consumers with quality cannabis products.

Chemesis will add shareholder value by exploring opportunities in emerging markets while consistently delivering quality products to its consumers from seed to sale.

ON BEHALF OF THE BOARD OF DIRECTORS

Edgar Montero

CEO and Director

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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 the Company's business, its product offerings and plans for sales and marketing. 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