



FOR IMMEDIATE RELEASE:
March 31, 2017

INTERNATIONAL ISOTOPES INC. ANNOUNCES 2016 YEAR END FINANCIAL RESULTS

IDAHO FALLS, IDAHO, March 31, 2017. International Isotopes Inc. (OTCQB: INIS) (the "Company") announces its financial results for the fiscal year ended December 31, 2016.

Revenue

Total revenue for the Company in 2016 decreased by approximately 7% compared to 2015, primarily due to a decline in radiological services during 2016 as described below. Additional details regarding the financial results of our business segments are discussed further in this release.

Steve Laflin, President and CEO of the Company said, "While we saw a small decline in revenue for 2016, I am pleased with the significant progress we have made towards launching new products and we expect sales to increase in 2017, and beyond. We believe our most significant accomplishment for the year was our submittal of the abbreviated New Drug Application to the U.S. Food and Drug Administration ("FDA") for our Iodine/MAX™ sodium iodide (I-131) radiopharmaceutical product. This is the first generic application in the U.S. for this product which is in strong demand for the treatment and diagnosis of various diseases of the thyroid gland such as Graves' disease, thyroid cancer and hyperthyroidism. The time frame for FDA approval is uncertain. However, once approved, we are prepared to quickly launch full-scale commercial sales of the drug product and expect to see a positive impact to our total company revenue from the sales of this single product alone."

Sales of radiochemical products accounted for approximately 26% of our total revenue in 2016. In 2016 our revenue in this segment increased by approximately 1% and was driven largely by an 18% increase in revenue in the fourth quarter of 2016 compared to the fourth quarter of 2015. The large increase in revenue in the fourth quarter of 2016 was primarily the result of having a major competitor for sodium iodide stop supplying that product in October 2016. This change in competitive outlook is expected to have a lasting positive impact on sales of that product through 2017.



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Cobalt product sales accounted for approximately 13% of our total sales revenue in 2016. Sales in this segment decreased approximately 8% in 2016 compared to 2015. The decrease was due to the continued impact of the interruption of cobalt supply from the Department of Energy's (DOE's) Advanced Test Reactor (ATR) and our limited options of obtaining an alternate cobalt supply. We have identified at least one alternative short term supply of cobalt and we anticipate having a significant improvement in revenue within this segment in 2017 and 2018.

Sales of nuclear medicine standards accounted for approximately 47% of our total revenue in 2016. Revenue in this segment decreased by approximately 1% in 2016 as compared to 2015 and was largely the result of the decline in sales by TI Services. About 34% of the revenue within this segment is attributed to sales by TI Services, LLC ("TI Services"), a 50/50 joint venture that we formed with RadQual in December 2010. The remaining 66% of revenue in this segment are produced under our exclusive manufacturing agreement with RadQual. In 2016, revenue from TI Services declined approximately 11% while sales to RadQual increased about 5% compared to 2015. We expect a continued small decline in TI Services sales in 2017 but anticipate continued growth in the sales to RadQual.

Revenue from our radiological services segment accounted for approximately 12% of our total sales revenue in 2016. Revenue in this segment decreased by approximately 35% compared to 2015 and this decline had the largest impact upon our 2016 revenue results. The decline in revenue was largely attributed to the reduction in opportunities for contract awards under the DOE's Off Site Source Recovery Program (OSRP). We anticipate a significant increase in contract opportunities under the OSRP in 2017 and also expect several international source recovery contract opportunities as well. We have already received three award contracts under this program thus far in 2017.

There was no revenue to report from the Fluorine Products segment for 2016, however, the Company still remains confident in the future opportunity for this project. Therefore, we continue to maintain all necessary licenses, permits, and agreements within New Mexico to ensure we are in a position to rapidly resume work on this project when market conditions present the opportunity.

Cost of Revenues and Gross Profit

Cost of revenue for 2016 decreased approximately 15% compared to 2015, and our gross profit percentage increased to 43% for 2016, from 38% in 2015. During 2016, we continued to monitor and control direct costs. Raw materials used in both our radiochemical products and our nuclear medicine standards manufacturing represent the bulk of direct costs in each of these business segments. We were able to significantly reduce the manufacturing costs in our nuclear medicine products in 2016 by decreasing scrapped material by approximately 76% which made a major impact on overall manufacturing cost.



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Operating Costs and Expenses

Total operating costs and expenses for 2016 increased approximately 5% compared to 2015. The increase was primarily attributable to increases in general administrative and consulting expenses caused by increases in waste disposal and other administrative costs during 2016. The increase in waste disposal cost is not expected to occur again for several years. The increase in legal expense was related to an ongoing arbitration the Company is pursuing and should conclude in the first half of 2017.

Net Loss

Our Net Loss was \$1,879,112 in 2016, compared to a Net Loss of \$1,818,225 in 2015. This is an increase in loss of approximately 3%. Our increase in net loss is primarily the result of our decrease in revenue of approximately 7% as well as our increased expenditures for operating costs.

Mr. Laflin further commented, “While we expect sales of our new I¹³¹odine/MAXTM sodium iodide product to offer long term improvement in revenue we believe we have also taken decisive steps to improve revenue in the nearer term for our cobalt products and radiological services segments. In the radiological services segment we anticipate a significant increase in the number and size of contract opportunities for radiological field services and source recovery in 2017 under the DOE’s OSRP program. In the cobalt products segment we have been able to acquire some cobalt to resume sealed source manufacturing later in 2017 and will also begin to ship cobalt, and recognize revenue, under our agreement with the DOE beginning in mid to late 2018. These factors should have a significant impact on overall Company revenue in 2017 and 2018.”

“Continuing to look even further down the road we believe that, similar to I¹³¹odine/MAXTM sodium iodide, there are several other opportunities for generic pharmaceutical products that the Company can readily manufacture. We expect to continue to advance our pipeline of additional generic products in the coming years, and that should provide a very positive outlook for our shareholders.”



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International Isotopes Inc. Year Ended December 31,				
	2016	2015	\$ Change	% Change
Sale of Product	\$ 6,552,149	\$ 7,062,196	\$ (510,047)	-7%
Gross Profit	\$ 2,844,591	\$ 2,702,962	\$ 141,629	5%
Total Operating Expense	\$ 4,347,575	\$ 4,144,620	\$ 202,955	5%
Operating Loss Before Other Exp.	\$ (1,502,984)	\$ (1,441,658)	\$ (61,326)	4%
Other Expense	\$ (392,559)	\$ (384,322)	\$ (8,237)	2%
Net Loss	\$ (1,879,112)	\$ (1,818,225)	\$ (60,887)	3%
Net (Loss) Per Common Share	\$0.00	\$0.00		
Weighted Ave. Sh. Outstanding	403,302,425	398,055,278		

About International Isotopes Inc.

International Isotopes Inc. manufactures a full range of nuclear medicine calibration and reference standards, a variety of Cobalt-60 products, and provides a wide selection of radioisotopes and radiochemicals for medical applications, calibration, and clinical research. The Company also provides radiological services including source installation/removal, and decommissioning of various radiation units on a contract basis to clients.

International Isotopes Inc. Safe Harbor Statement

Certain statements in this press release are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements with respect to revenue expectations for the future within our business segments, our ability to launch new products, FDA approval of new products, the timing for the start of commercial sales of new products, increased contract opportunities for services, our ability to produce and acquire cobalt for source production, our long term revenue outlook and benefit to shareholders, and the prospect of improving market conditions for the uranium de-conversion project. Information contained in such forward-looking statements is based on current expectations and is subject to change. These statements involve a number of risks, uncertainties and other factors that could cause actual results, performance or achievements of International Isotopes Inc. to be materially different from any future results, performance or achievements of the Company expressed or implied by these forward-looking statements. Other factors, which could materially affect such forward-looking statements, can be found in the Company's filings with the Securities and Exchange Commission at www.sec.gov, including its Annual Report on Form 10-K for the year ended December 31, 2016. Investors, potential investors, and other readers, are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are only



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made as of the date of this press release and International Isotopes, Inc. and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

FOR MORE INFORMATION, CONTACT:

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