



**International Isotopes Inc.**

**FOR IMMEDIATE RELEASE:**

May 16, 2017

**INTERNATIONAL ISOTOPES INC. ANNOUNCES FINANCIAL RESULTS FOR  
THE FIRST QUARTER 2017**

*The Company Reports An 8% Increase In Revenue Over the Same Period in 2016 Led By Strong  
Performance Of Its Radiochemical And Radiological Services Segments*

**IDAHO FALLS, IDAHO, May 16, 2017.** International Isotopes Inc. (OTCQB: INIS) (the “Company”) announces its financial results for the first quarter ended March 31, 2017.

Revenue for the three months ended March 31, 2017 was \$1,834,208 as compared to \$1,691,677 for the same period in 2016, an overall increase of approximately 8%. The increase in revenue for the period was led by a 61% and 51% increase in the radiochemical and radiological services segments respectively. The following provides some additional detail on the Company’s four major business segments and their performance during the first quarter.

Revenue from the sale of radiochemical products for the three months ended March 31, 2017 increased approximately 61%. The majority of the Company’s sales within this segment are from the sale of sodium iodide. The increase in revenue in the period-to-period comparison is primarily the result of a major competitor stopping the supply of that product late in 2016. The Company also reported a 6% increase in gross profit percentage and an 87% increase in net profit for the segment for the period compared to the same period in 2016. Both increases were again attributed to the increased sales volume of the sodium iodide product.

Revenue from the radiological services segment for the three months ended March 31, 2017 increased approximately 51% compared to the same period in 2016. Our radiological services segment consists of radiological field service work and gemstone processing. For the three months ended March 31, 2017, the majority of the increase in revenue was attributed to an increase in gemstone processing compared to the same period in 2016. Typically, the majority of our radiological services revenue is generated by the performance radiological field service activities in connection with the DOE’s Orphan Source Recovery Program (OSRP), and the Company expects a significant increase in those contract opportunities during the remainder of 2017. Gross profit for this segment for the three months ended March 31, 2017 increased approximately 118% and net profit increased by approximately 142% compared to the same period in 2016. Both of those increases were the result of increased revenue within this segment.

Revenue from the nuclear medicine standards segment for the three months ended March 31, 2017 decreased approximately 1% compared to the same period in 2016, primarily the result of decreased sales reported by our consolidated joint venture, TI Services L.L.C. Revenue within this segment produced from sales to RadQual under our exclusive contract manufacturing agreement increased 3% for the three months ended March 31, 2017 compared to the same period in 2016. In spite of the small decline in revenue within this segment, gross profit for our nuclear medicine standards segment increased approximately 11% for the three months ended March 31, 2017 compared to the same period in 2016, and net income for the segment increased by approximately 19% for the three months ended March 31, 2017 compared to the same period in 2016. The increase in gross and net profit was attributed to improvements in manufacturing efficiencies.

Revenue from the sale of cobalt products for the three months ended March 31, 2017 decreased approximately 30% compared to the same period in 2016. Our cobalt sealed source manufacturing generates the majority of revenue in this segment and those source sales largely depend upon our ability to procure or produce high activity cobalt. Even though cobalt production at the Advanced Test reactor is underway the material will not be ready for use until 2018. Gross profit for cobalt products for the three months ended March 31, 2017 decreased approximately 32% compared to the same period in 2016, and net income for cobalt products decreased approximately 41% for the three months ended March 31, 2017, compared to the same period in 2016. The decrease in gross profit and net income within this segment was directly attributed to the decrease in revenue during the period.

The Company consolidated cost of sales increased approximately 8% for the three months ended March 31, 2017 compared to the same period in 2016, and gross profit increased approximately 8% for the three months ended March 31, 2017 compared to the same period in 2016, thus maintaining a constant 44% gross profit percentage for both periods. Operating expense increased by approximately 43% for the three months ended March 31, 2017, compared to the same period in 2016 due primarily to the significant increase in general, administrative and consulting costs, specifically legal costs and facility licensing fees.

Our net loss for the three months ended March 31, 2017 was \$786,266, compared to \$374,518, for the same period in 2016, an increase in loss of approximately 110%, and is primarily the result of increased operating expenses, as discussed above.

Steve Laflin, President and CEO of the Company said, "We are very pleased with the strong performance of two of our major business segments during the first quarter this year and we believe there will be continued strong performance in these segments for the remainder of 2017. Specifically, within the radiological services segment we are seeing a significant increase in contract opportunities for various field service contracts both through the U.S. Department of Energy and the International Atomic Energy Agency (IAEA). We have already been successful in being awarded several of these

contracts and that revenue will begin to be recognized in the second and third quarters of 2017. We also have other request for proposal responses in process that could produce additional significant revenues within this segment in 2017. In addition, we have secured some alternative sources of cobalt supply and should see resumption in cobalt source sales beginning in late 2017 or early 2018. Altogether, I believe this will result in a significant improvement in revenue for 2017.”

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**Three Months Ended March 31 ,**

	<u><b>2017</b></u>	<u><b>2016</b></u>
Sales of Product	\$1,834,208	\$1,691,677
Gross Profit	\$810,240	\$747,137
Total Operating Expenses	\$1,492,653	\$1,040,249
Operating (Loss)	(\$682,413)	(\$293,112)
Total Other Income (Expense)	(\$109,805)	(\$82,074)
Net (Loss)	(\$786,266)	(\$374,518)
Net (Loss) Per Common Share basic and diluted	\$0.00	\$0.00
Weighted Av. Shares Outstanding basic and diluted	405,649,164	402,335,817

#### *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 radiochemical 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 continued improved performance in the company business segments, revenue predictions for 2017, and obtaining additional contract opportunities for radiological field services. 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](http://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 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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