



**International Isotopes Inc.**

**FOR IMMEDIATE RELEASE:**

November 19, 2019

**INTERNATIONAL ISOTOPES INC. ANNOUNCES FINANCIAL RESULTS FOR  
THE THIRD QUARTER 2019**

*The Company Reports Net Income of \$236,462 For The Three-Month Period Ended September 30, 2019*

**IDAHO FALLS, IDAHO, November 19, 2019.** International Isotopes Inc. (OTCQB: INIS) (the “Company”) announces its financial results for the three and nine months ended September 30, 2019.

Revenue for the three months ended September 30, 2019 was \$2,337,488 as compared to \$2,680,760 for the same period in 2018, a decrease of approximately 13%. Revenue for the nine-month period ended September 30, 2019 was \$ 7,001,179 as compared to \$7,874,092 for the same period in 2018, a decrease of approximately 11%. This decrease in revenue for both periods was largely the result of revenue decreases in the Company’s cobalt products and radiological services segments.

Gross profit for the three months ended September 30, 2019 increased approximately 10% compared with the same period in 2018. Gross profit for the nine-month period ended September 30, 2019 increased approximately 9% compared to the same period in 2018. The increase in gross profit for both periods was largely the result of increased gross profit in the radiochemical products segment. Operating expense increased approximately 9% for the three months ended September 30, 2019. Operating expenses increased approximately 6% for the nine-month period ended September 30, 2019, compared to the same period in 2018. The increase in operating expense for both periods was primarily due to an increase in general and administrative costs.

The Company reported a net income for the three months ended September 30, 2019, of \$236,462 compared to a net loss of \$333,222 for the same period in 2018. The net loss for the nine-month period ended September 30, 2019, was \$972,689 as compared to \$631,097 for the same period in 2018, an increase in loss of approximately 54%. The increase in net income for the three-month period was a result of the timing of recognition of estimated cost recovery of expenses related to the cleanup of a contamination event that occurred in the State of Washington during the second quarter 2019. The increase in net loss for the nine-month period was due to increased costs attributed to the cleanup and recovery from the same contamination event. Further discussion of this event and the impact to the Company financial statements is included in the radiological services segment discussion in this release.



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Further detail on the performance of each of the Company's business segments is provided in the following paragraphs.

Revenue from radiochemical products for the three months ended September 30, 2019 increased approximately 99% compared to the same period in 2018. Revenue from radiochemical products for the nine-month period ended September 30, 2019 increased approximately 31% compared to the same period in 2018. The major contributor to increased revenue within this segment for both periods was attributed to increased revenue from contract manufacturing operations.

Revenue from the sale of cobalt products for the three months ended September 30, 2019 decreased approximately 91% compared to the same period in 2018. Revenue from the sale of cobalt products for the nine-month period ended September 30, 2019 decreased approximately 61% compared to the same period in 2018. The Company has been working toward a resumption of cobalt sales by producing cobalt in the U.S. Department of Energy's (DOE) Advanced Test Reactor (ATR) under a ten-year agreement with the DOE. Revenue from the sales of that material should begin in 2020. In the meantime, the Company had acquired cobalt from an alternate supplier in 2018, which allowed the resumption of some cobalt product manufacturing. Similar alternate supplies were not available in 2019 and that caused the decline in revenue for both period comparisons.

Revenue from radiological services for the three months ended September 30, 2019 increased approximately 91% compared to the same period in 2018, but the Company reported a decrease in revenue in this segment of approximately 29% for the nine-month period ended September 30, 2019 compared to the same period in 2018. Most of the radiological services revenue is generated by the performance of contract field service activities for the DOE and International Atomic Energy Agency (IAEA). The increase in revenue for the three-month comparison was due to the timing of these contracts where revenue may fluctuate quarter to quarter based on when the contracts are completed. The decrease in revenue for the nine-month period comparison is the result of the decrease in the amount of these contracts the Company has been able to secure in 2019.

In May 2019, the Company's radiological services team was involved in a contamination event involving a breached cesium-137 source at an off-site location in the state of Washington. This work was being performed under a contract with the DOE. The Company is supporting an investigation, in conjunction with the DOE, to help determine the cause of this event. The Company supported the initial onsite contamination clean-up operations at that location as well as completing the removal of the cesium source for shipment to an off-site location and the disassembly and removal of all Company equipment used in the facility for source removal. All of the Company operations were successfully completed in the third quarter. Since that time the DOE has assumed full control of the ongoing cleanup operations and has assumed all of the past and future financial obligations associated with the



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contractor currently hired to carry out all of the facility recovery operations. Under the terms of the contract with the DOE the Company believes it should be indemnified from financial liability for this event under the Price Anderson Act. Such indemnification would allow the Company to recoup all its allowed costs associated with this contamination event. During the nine months ended September 30, 2019, the Company incurred \$2,141,559 in expenses related to the contamination and its cleanup. These costs are recorded as “other expense” in the Company’s Condensed Consolidated Statements of Operations. During the nine months ended September 30, 2019, the Company received \$964,958 in reimbursements from its insurance company for expenses related to the contamination and its cleanup, and the Company has determined that an additional \$970,417 of its incurred expenses related to the contamination and its cleanup are probable for recovery pursuant to ASC 410-30. These actual and estimated reimbursements are recorded as “other income” in the Company’s Condensed Consolidated Statements of Operations.

Revenue from nuclear medicine products for the three months ended September 30, 2019 increased approximately 7% compared to the same period in 2018. Revenue from nuclear medicine products for the nine-month period ended September 30, 2019 increased approximately 4% compared to the same period in 2018. The increase in revenue within this segment for both period comparisons is primarily due to price increases of these products.

Steve Laflin, President and CEO of the Company, said, “The Company continued to face a significant challenge during the third quarter dealing with the radiological services contamination event in the State of Washington. I believe our staff did an outstanding job responding to the event and completing all of the recovery efforts within the Company’s scope of work. The Company is continuing to support the ongoing investigation into the cause of this event and will work to ensure that appropriate measures are put in place to prevent a similar event from occurring in the future. The long term impact to the Company’s prospects for further field service work are not known at this time.

We believe the major highlight of our third quarter performance was the 99% increase in revenue in the radiochemical segment for the three-month period compared to the same period in 2018. Revenue in this segment also increased 31% over the nine-month period compared to the same period in 2018. The increase in revenue for both periods was attributed to payments we received for the start-up of our contract manufacturing operations to fulfill our agreement with Progenics Pharmaceuticals Inc. to provide contract manufacturing services for AZEDRA® (Ultratrace® Iobenguane I-131) and other iodine products. Construction of the new facility spaces are going well and we expect to start commercial production of this product during the first quarter of 2020.

Also on the horizon is our expected return to cobalt product sales beginning in the first quarter of 2020. Our cobalt production from the DOE’s reactor has been curtailed since 2012. Resuming cobalt sales



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will again place the Company in the position of being the sole U.S. supplier of high specific activity cobalt, an isotope important for multiple medical and industrial applications.”

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	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Sales of Product	\$2,337,448	\$2,680,760	\$7,001,179	\$7,874,092
Gross Profit	\$1,112,683	\$1,011,653	\$3,716,562	\$3,399,013
Total Operating Expenses	\$1,293,898	\$1,186,945	\$3,837,743	\$3,624,094
Operating (Loss)	(\$181,215)	(\$175,292)	(\$121,181)	(\$225,081)
Total Other Income (Expense)	\$550,341	(\$111,476)	(\$536,573)	(\$276,787)
Net Income (Loss)	\$236,462	(\$333,222)	(\$972,689)	(\$631,097)
Net Income (Loss) Per Common Share basic and diluted	\$0.00	\$0.00	\$0.00	\$0.00
Weighted Av. Shares Outstanding - basic	419,800,218	412,934,573	417,645,817	410,529,878
Weighted Av. Shares Outstanding - diluted	429,600,218	412,934,573	417,645,817	410,529,878

#### 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 the timing of the resumption of cobalt production, future opportunities for field service contracts, and future performance of the Company's business segments. 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, 2018. 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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