

INTERNATIONAL ISOTOPES INC  
Form 10-Q  
November 14, 2018

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**FORM 10-Q**

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2018

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number:

0-22923

**INTERNATIONAL ISOTOPES INC.**

*(Exact name of registrant as specified in its charter)*

**Texas**  
*(State or other jurisdiction of  
incorporation or organization)*

**74-2763837**  
*(IRS Employer Identification No.)*

**4137 Commerce Circle**  
**Idaho Falls, Idaho, 83401**

*(Address of principal executive offices, including zip code)*

**(208) 524-5300**

*(Registrant's telephone number, including area code)*

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer   
Non-accelerated filer

Accelerated filer   
Smaller reporting company   
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards pursuant to Section 13(a) of the Exchange Act.

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). "

Yes  No

As of November 7, 2018, the number of shares of common stock, \$.01 par value, outstanding was 413,168,301.

**INTERNATIONAL ISOTOPES INC.**

**FORM 10-Q**

**For The Quarter Ended September 30, 2018**

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**Part I. Financial Information****Item I. Financial Statements****INTERNATIONAL ISOTOPES INC. AND SUBSIDIARIES****Condensed Consolidated Balance Sheets**

	<b>September 30, 2018 (unaudited)</b>	<b>December 31, 2017</b>
Assets		
Current assets		
Cash and cash equivalents	\$ 412,448	\$ 409,338
Accounts receivable	1,223,616	635,026
Inventories	2,641,339	1,951,513
Restricted cash - due to former member	-	387,455
Prepays and other current assets	300,501	344,627
Total current assets	4,577,904	3,727,959
Long-term assets		
Restricted cash	619,341	453,575
Property, plant and equipment, net	1,929,745	1,935,535
Goodwill	1,376,584	1,376,584
Patents and other intangibles, net	4,393,189	4,511,641
Total long-term assets	8,318,859	8,277,335
Total assets	\$ 12,896,763	\$ 12,005,294
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	\$ 2,522,124	\$ 1,619,229
Accrued liabilities	834,664	1,139,477
Current portion of unearned revenue	3,472,190	2,688,128
Current portion of related party notes payable	180,000	60,000
Current installments of notes payable	7,823	7,437
Total current liabilities	7,016,801	5,514,271
Long-term liabilities		
Obligation for lease disposal costs	498,751	478,424
Unearned revenue, net of current portion	7,500	688,980
Related party notes payable, net of current portion and debt discount	439,650	419,534
Notes payable, net of current portion	22,825	28,741

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Mandatorily redeemable convertible preferred stock	4,624,668	4,528,417
Total long-term liabilities	5,593,394	6,144,096
Total liabilities	\$ 12,610,195	\$ 11,658,367
Commitments and contingencies (Note 8)	-	-
Stockholders' equity		
Common stock, \$0.01 par value; 750,000,000 shares authorized; 413,131,143 and 406,790,703 shares issued and outstanding respectively	4,131,311	4,067,907
Additional paid in capital	120,776,725	120,398,620
Accumulated deficit	(126,327,942)	(125,696,845)
Deficit attributable to International Isotopes Inc. stockholders	(1,419,906)	(1,230,318)
Equity attributable to noncontrolling interest	1,706,474	1,577,245
Total equity	286,568	346,927
Total liabilities and stockholders' equity	\$ 12,896,763	\$ 12,005,294

See accompanying notes to the unaudited condensed consolidated financial statements.

**INTERNATIONAL ISOTOPES INC. AND SUBSIDIARIES**  
**Unaudited Condensed Consolidated Statements of Operations**

	<b>Three months ended</b>		<b>Nine months ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Sale of product	\$ 2,680,760	\$ 1,900,701	\$ 7,874,092	\$ 5,520,733
Cost of product	1,669,107	1,054,186	4,475,079	3,169,208
Gross profit	1,011,653	846,515	3,399,013	2,351,525
Operating costs and expenses				
Salaries and contract labor	556,432	559,296	1,686,949	1,540,082
General, administrative and consulting	543,803	763,606	1,659,551	2,241,749
Research and development	86,710	65,911	277,594	267,563
Total operating expenses	1,186,945	1,388,813	3,624,094	4,049,394
Operating loss	(175,292)			