

CEMATRIX CORPORATION

CEMATRIX Corporation Announces Record First Quarter Sales

Calgary, Alberta – May 5, 2016: CEMATRIX Corporation (TSXV: CVX) (the “**Corporation**” or the “**Company**” or “**CEMATRIX**”) announces the release of its consolidated financial results for the three months ended March 31, 2016.

First Quarter Highlights

- Achieved record first quarter sales of \$3,170,689, up by 12.5% and operating income of \$132,613, up by 24.7%, from the same period in 2015. EBITDA (earnings before interest, taxes, depreciation and amortization, including non-cash stock based compensation) was \$258,288.

- Total contracted work to date in 2016 is \$11.3 million.

- A new operating loan of \$2,000,000 was put in place with the Canadian Western Bank (“CWB”). The demand operating loan bears interest at the greater of 4.7% or 2% above the CWB prime lending rate. Cash generated from operations and a portion of the demand operating loan were used to repay a mezzanine loan of \$750,000 that had an interest rate of 16.5%.

First Quarter Results

Selected financial information for the three months ended March 31, 2016 and 2015 is as follows:

	Three Months Ended March 31		
	2016	2015	Change
Revenue	\$ <u>3,170,689</u>	\$ <u>2,819,022</u>	\$ 351,667
Gross margin	\$ 730,146	\$ 638,712	\$ 91,434
Operating expenses	<u>(597,533)</u>	<u>(532,395)</u>	(65,138)
Operating income	<u>132,613</u>	<u>106,317</u>	26,296
Non-cash stock based compensation	<u>(24,079)</u>	<u>(57,382)</u>	33,303
Finance costs	<u>(72,396)</u>	<u>(56,844)</u>	(15,552)
Other income	<u>9,136</u>	<u>15,365</u>	(6,229)
Income before income taxes	<u>45,274</u>	<u>7,456</u>	37,818
Provision of deferred taxes	<u>(48,223)</u>	<u>(2,745)</u>	(45,478)
Net income (loss)			
attributable to the common shareholders	<u>(2,949)</u>	<u>4,711</u>	(7,660)
Unrealized foreign exchange loss on translation of foreign subsidiary	<u>(19,538)</u>	<u>(7,132)</u>	(12,406)
Total comprehensive loss for period	\$ <u><u>(22,487)</u></u>	\$ <u><u>(2,421)</u></u>	\$ <u><u>(20,066)</u></u>
Income (loss) per common share	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

“Q1 2016 proved to be another solid quarter during our offseason”, stated Mr. Kendrick, President and CEO of CEMATRIX, “This early success has set the stage for another strong year. Based on quotes that we have submitted, or are in the process of being submitted, management is forecasting strong growth in Canadian and U.S. infrastructure sales and steady sales in the oil and gas sector. Contracted sales are already at \$11.3 million and our new bank operating loan will provide the necessary funding to finance expected sales growth and at a much lower cost than the previous working capital financing arrangement”.

This press release should be read in conjunction with the Corporation’s unaudited Consolidated Financial Statements and Management Discussion and Analysis for the three months ended March 31, 2016, both of which can be found on SEDAR.

CEMATRIX is an Alberta corporation with its head offices in Calgary, Alberta. The Corporation, through its wholly owned subsidiary, is a rapidly growing, cash flow positive company that manufactures and supplies technologically advanced cellular concrete products developed from proprietary formulations. This unique cement based material with superior thermal protection delivers a cost-effective, innovative solution to a broad range of problems facing the infrastructure, industrial (including oil and gas) and commercial construction markets.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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Forward-looking information: This news release contains certain information that is forward looking and is subject to important risks and uncertainties (such statements are usually accompanied by words such as “anticipate”, “expect”, “would” or other similar words). Forward looking statements in this document are intended to provide CEMATRIX security holders and potential investors with information regarding CEMATRIX and its subsidiaries’ future financial and operations plans and outlook. All forward looking statements reflect CEMATRIX’s beliefs and assumptions based on information available at the time the statements were made. Readers are cautioned not to place undue reliance on this forward looking information. CEMATRIX undertakes no obligation to update or revise forward looking information except as required by law. For additional information on the assumptions made and the risks and uncertainties which may cause actual results to differ from the anticipated results, refer the CEMATRIX’s Management Discussion and Analysis dated May 4, 2016 under CEMATRIX’s profile on SEDAR at www.sedar.com and other reports filed by CEMATRIX with Canadian securities regulators.