

CEMATRIX CORPORATION

CEMATRIX Corporation Announces First Quarter Results

Calgary, Alberta – May 24, 2018: 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, 2018.

First Quarter Highlights

- The acquisition of MixOnSite USA Inc. (“MOS”), a growing profitable cellular concrete producer based in Chicago, Illinois, United States, will close on May 31, 2018.
- Lafarge has re-affirmed a strengthened commitment to CEMATRIX including additional support for the hiring of independent experienced sales professionals for the development of new regional markets in Canada, including the Prairie Region, which commenced in 2017.
- Revenue was lower by \$1,051,003 and the loss attributable to common shareholders was higher by \$264,383, as compared to the same period in 2017. In 2017, there was a large tunnel project in Western Canada, with no comparable sale in the same period of 2018. For 2018, the majority of the significant contracted tunnel projects are scheduled to commence at the end May or early June.
- The Company announced the appointment of James Chong to the position of chief financial officer of the Company effective April 27, 2018. Bruce McNaught, former chief financial officer of the Company, will retire on June 30, 2018.
- On April 30, 2018 the Company completed the first tranche of the \$2,000,000 non-brokered private placement for 3,203,600 units (each, a “Unit”) at a price of \$0.20 per Unit for gross proceeds of \$640,720 (the “Private Placement”).

First Quarter Results

Selected financial information for the three months ended March 31, 2018 and 2017 is as follows:

	Three Months Ended March 31		
	2018	2017	Change
Revenue	\$ <u>1,476,468</u>	\$ <u>2,527,471</u>	\$ (1,051,003)
Gross margin	\$ <u>172,135</u>	\$ <u>534,685</u>	\$ (362,550)
Operating expenses	<u>(512,819)</u>	<u>(523,676)</u>	10,857
Operating income (loss)	<u>(340,684)</u>	<u>11,009</u>	(351,693)
Non-cash stock based compensation	<u>(5,366)</u>	<u>(28,409)</u>	23,043
Finance costs	<u>(53,056)</u>	<u>(50,521)</u>	(2,535)
Other income (expenses)	<u>(2,484)</u>	<u>1,887</u>	(4,371)
Loss before income taxes	<u>(401,590)</u>	<u>(66,034)</u>	(335,556)
Provision of deferred taxes	<u>84,812</u>	<u>13,639</u>	71,173
Loss attributable to the common shareholders	<u>(316,778)</u>	<u>(52,395)</u>	(264,383)
Unrealized foreign exchange gain on translation of foreign subsidiary	<u>2,403</u>	<u>536</u>	1,867
Total comprehensive loss for period	\$ <u>(314,375)</u>	\$ <u>(51,859)</u>	\$ (262,516)
Loss per common share	\$ <u>(0.009)</u>	\$ <u>-</u>	\$ (0.009)

“The first quarter sales and results were a return to what we would consider normal for our seasonal construction related business” stated Jeff Kendrick, President and CEO of CEMATRIX. “The big news for CEMATRIX and its shareholders is the acquisition of MOS which is now scheduled to be closed on May 31, 2018. The MOS acquisition will position CEMATRIX for further growth in the United States and will provide both trained

operation staff and additional equipment to meet the growing North American demand for cellular concrete. Each company has technologies that can make both companies stronger players in their respective markets and their combined sales will provide the growing working capital to support this expected growth. If CEMATRIX and MOS had been combined at the beginning of 2018 the combined contracted and verbally awarded projects would be in excess of \$33.5 million, \$5.2 million of which is scheduled for 2019. Since CEMATRIX will only be recording 7 months of the MOS sales in its 2018 results, this will amount to approximately \$27.5 million in CEMATRIX consolidated sales for 2018 and a \$5.2 million carryover to 2019.”

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, 2018, 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 23, 2018 under CEMATRIX’s profile on SEDAR at www.sedar.com and other reports filed by CEMATRIX with Canadian securities regulators.