

CEMATRIX CORPORATION

NEWS RELEASE

CEMATRIX Corporation Reports Second Quarter Financial Results

Calgary, Alberta – August 7, 2014: CEMATRIX Corporation (TSXV: CVX) (the “Corporation” or the “Company” or “CEMATRIX”) announces the release of its consolidated financial results for the quarter and six months ended June 30, 2014.

Second Quarter Highlights

- The Company recorded second quarter sales of \$3,070,504, a 10% increase from the same period in 2013.
- The Company reported second quarter income before income taxes of \$139,980 as compared to \$140,784 for the same period in 2013. The improved margin due to the sales increase was reduced by the impact of hiring and training additional operating staff in anticipation of increased activity in the second half of the year. In addition finance costs increased due to higher debt levels to support the increase in working capital and to finance the spending on equipment to expand productive capacity.
- The Company added \$1.3 million of sales orders bringing the total contracted work, which is currently completed or is scheduled for completion, in 2014, to \$4.5 million.

Financial Results

Selected financial information for the quarters and six months ended June 30, 2014 and 2013 is as follows:

| | Quarter ended June 30 | | | Six months ended June 30 | | |
|-------------------------------------------------------------------------------------|-------------------------|--------------------------|---------------------------|----------------------------|-------------------------|----------------------------|
| | 2014 | 2013 | Change | 2014 | 2013 | Change |
| Revenue | \$ <u>3,070,504</u> | \$ <u>2,790,218</u> | \$ <u>280,286</u> | \$ <u>3,331,464</u> | \$ <u>4,788,060</u> | \$ <u>(1,456,596)</u> |
| Gross margin | <u>693,491</u> | 659,399 | 34,092 | <u>458,563</u> | 1,100,935 | (642,372) |
| Operating expenses | <u>(506,755)</u> | <u>(496,857)</u> | <u>(9,898)</u> | <u>(1,127,829)</u> | <u>(922,190)</u> | <u>(205,639)</u> |
| Operating income (loss) | <u>186,736</u> | 162,542 | 241,194 | <u>(669,266)</u> | 178,745 | (848,011) |
| Finance costs and other items | <u>(46,756)</u> | <u>(21,758)</u> | <u>(24,998)</u> | <u>(85,121)</u> | <u>(46,535)</u> | <u>(38,586)</u> |
| Income (loss) before income taxes | <u>139,980</u> | 140,784 | (804) | <u>(754,387)</u> | 132,210 | (886,597) |
| Provision of deferred taxes | <u>(48,151)</u> | <u>(41,244)</u> | <u>(6,907)</u> | <u>125,603</u> | <u>(41,421)</u> | <u>167,024</u> |
| Income (loss) attributable to common shareholders | <u>91,829</u> | 99,540 | (7,711) | <u>(628,784)</u> | 90,789 | \$ (719,573) |
| Unrealized foreign exchange gain (loss) on translation of foreign subsidiary | <u>(9,161)</u> | <u>1,570</u> | <u>(10,731)</u> | <u>(11,106)</u> | <u>5,066</u> | <u>(16,172)</u> |
| Comprehensive income (loss) | \$ <u><u>82,668</u></u> | \$ <u><u>101,110</u></u> | \$ <u><u>(18,442)</u></u> | \$ <u><u>(639,890)</u></u> | \$ <u><u>95,855</u></u> | \$ <u><u>(735,745)</u></u> |
| Income (loss) per common share | \$ <u><u>0.003</u></u> | \$ <u><u>0.003</u></u> | \$ <u><u>-</u></u> | \$ <u><u>(0.019)</u></u> | \$ <u><u>0.003</u></u> | \$ <u><u>(0.022)</u></u> |

The outlook for 2014 remains positive. Management is forecasting growth in Canadian and U.S. infrastructure sales in the second half of the year and continued growth in the Western Canada oil and gas sector. The Company has put in place \$4.5 million of contracted work for completion in 2014 and in addition has also placed numerous bids on other projects currently scheduled to be completed in 2014 and 2015, but is unable to ascertain at this time how many of these projects, if any, will result in 2014 contracted work for the Company.

This press release should be read in conjunction with the Corporation’s unaudited Consolidated Financial Statements and Management Discussion and Analysis for the quarter and six months ended June 30, 2014, 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 manufacturer and supplier of technologically advanced cellular concrete products with applications in a variety of markets, including oil and gas construction and infrastructure construction. Cellular concrete provides a cost and labour saving solution as a replacement for rigid and other insulating materials in frost-susceptible or permafrost conditions. Cellular concrete is also used in void filling situations and as a replacement for granular fills and weak or unstable soils.

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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 August 6, 2014 under CEMATRIX’s profile on SEDAR at www.sedar.com and other reports filed by CEMATRIX with Canadian securities regulators.