

CEMATRIX CORPORATION

CEMATRIX Corporation Announces Year Ended Results

Calgary, Alberta – April 2, 2019: CEMATRIX Corporation (TSXV: CVX) (the “Corporation” or the “Company” or “CEMATRIX”) announces the release of its consolidated financial results for the year ended December 31, 2018.

“For the year ended December 31, 2018, the Company finished off the year on a high note, even though there were more contracted project delays than normal. For the year, the Company generated record revenues of \$17.6 million and an EBITDA, before acquisition costs and non cash expenses, of \$1.7 million” stated Jeff Kendrick, President and CEO of CEMATRIX. “The year was highlighted by the acquisition of MixOnSite, which closed on May 31, 2018 and the continued growth in the Canadian infrastructure market. Revenues in Q3 2018 and Q4 2018 were \$7.0 million and \$6.0 million respectively and cash flow was \$0.5 million and \$1.0 million. Management believes that the last two quarters of 2018 are a reasonable representation of the future seasonal run rate, before continued growth, which not only validates the MixOnSite acquisition, but has put the Company in a better financial position as it headed into the seasonally and historically slow first quarter”.

“2019 is forecasted to be a strong year. Organically, we are expecting consolidated revenues of \$25 million which is expected to generate EBTIDA of approximately \$4 million. The 2019 sales forecasts are already supported by \$16.1 million in signed contracts and \$8.1 million in verbally awarded and in process contracts. As of this date we anticipate that all but \$3.8 million of the contracted and verbally awarded projects to date will be completed in 2019. On the acquisition front, we continue to work with Joseph Gunnar and Co. LLC and the Howard Group on the acquisition of the Pacific International Grout Company. Liquidity, cash flow and profitability continue to be and always will be a priority for management and we believe that if we are able to execute our business plan in 2019, it be a great year”

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

	Three months ended December 30			Year ended December 30		
	2018	2017	Change	2018	2017	Change
Revenue	\$ <u>6,136,476</u>	\$ <u>548,784</u>	\$ <u>5,587,692</u>	\$ <u>17,560,716</u>	\$ <u>7,713,906</u>	\$ <u>9,846,810</u>
Gross margin	\$ <u>2,020,323</u>	\$ <u>(327,350)</u>	\$ <u>2,347,673</u>	\$ <u>4,346,200</u>	\$ <u>847,803</u>	\$ <u>3,498,397</u>
Operating expenses	<u>(1,221,770)</u>	<u>(614,667)</u>	<u>(607,103)</u>	<u>(3,639,032)</u>	<u>(2,231,376)</u>	<u>(1,407,656)</u>
Operating income (loss)	<u>798,553</u>	<u>(942,017)</u>	<u>1,740,570</u>	<u>707,168</u>	<u>(1,383,573)</u>	<u>2,090,741</u>
Non-cash stock based compensation	<u>(43,833)</u>	<u>(5,534)</u>	<u>(38,299)</u>	<u>(85,145)</u>	<u>6,737</u>	<u>(91,882)</u>
Finance costs	<u>(198,591)</u>	<u>(53,017)</u>	<u>(145,574)</u>	<u>(549,284)</u>	<u>(212,650)</u>	<u>(336,634)</u>
Other income	<u>(244,441)</u>	<u>2,524</u>	<u>(246,965)</u>	<u>(222,501)</u>	<u>45,572</u>	<u>(268,073)</u>
Income / (Loss) before other items	<u>311,688</u>	<u>(998,044)</u>	<u>1,309,732</u>	<u>(149,762)</u>	<u>(1,543,914)</u>	<u>1,394,152</u>
Business acquisition costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>(619,723)</u>	<u>-</u>	<u>(619,723)</u>
Non-cash accretion costs	<u>(55,433)</u>	<u>1,290</u>	<u>(56,723)</u>	<u>(284,859)</u>	<u>5,160</u>	<u>(290,019)</u>
Non-cash revaluation of earn-out liability	<u>(305,031)</u>	<u>-</u>	<u>(305,031)</u>	<u>(305,031)</u>	<u>-</u>	<u>(305,031)</u>
Non-cash fair value of derivatives	<u>381,690</u>	<u>-</u>	<u>381,690</u>	<u>65,257</u>	<u>-</u>	<u>65,257</u>
Income / (Loss) before income taxes	<u>332,914</u>	<u>(996,754)</u>	<u>1,329,668</u>	<u>(1,294,118)</u>	<u>(1,538,754)</u>	<u>244,636</u>
Provision of deferred taxes	<u>(133,644)</u>	<u>221,350</u>	<u>(354,994)</u>	<u>202,143</u>	<u>353,553</u>	<u>(151,410)</u>
Loss attributable to common shareholders	<u>199,270</u>	<u>(775,404)</u>	<u>974,674</u>	<u>(1,091,975)</u>	<u>(1,185,201)</u>	<u>93,226</u>
Unrealized foreign exchange loss on translation of foreign subsidiaries	<u>373,739</u>	<u>7,465</u>	<u>366,274</u>	<u>364,162</u>	<u>4,658</u>	<u>359,504</u>
Comprehensive Loss	\$ <u>573,009</u>	\$ <u>(767,939)</u>	\$ <u>1,340,948</u>	\$ <u>(727,813)</u>	\$ <u>(1,180,543)</u>	\$ <u>452,730</u>
Loss per common share	\$ <u>0.004</u>	\$ <u>(0.022)</u>	\$ <u>0.030</u>	\$ <u>(0.027)</u>	\$ <u>(0.034)</u>	\$ <u>0.010</u>

This press release should be read in conjunction with the Corporation’s Audited Consolidated Financial Statements and Management Discussion and Analysis for the year ended December 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, will continue to be a rapidly growing 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 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.

For further information, please contact:

Jeff Kendrick - President and Chief Executive Officer
Phone: (403) 219-0484

Jeff Walker, the Howard Group – Investor Relations
Phone: (888) 221-0915 or (403) 221-0915
jeff@howardgroupinc.com

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 April 1, 2019 under CEMATRIX’s profile on SEDAR at www.sedar.com and other reports filed by CEMATRIX with Canadian securities regulators.