

CEMATRIX Corporation Closes Oversubscribed \$5,500,000 Private Placement of Convertible Debentures Co-led by Gravitas Securities and Clarus Securities

2020-04-22 - News Release

CALGARY, Alberta, April 22, 2020 (GLOBE NEWSWIRE) -- CEMATRIX Corporation (TSXV: CVX) (the "**Company**" or "**CEMATRIX**") a North American leading manufacturer and supplier of technologically advanced cellular concrete products is pleased to announce that it has closed its upsized brokered private placement of 5,500 unsecured convertible debentures of the Company (the "Convertible Debentures") at a price of \$1,000 per Convertible Debenture for gross proceeds of \$5,500,000.

The offering was originally announced on April 8th, 2020 and subsequently upsized on April 15th, 2020. Gravitas Securities Inc. and Clarus Securities Inc. acted as co-lead agents along with Beacon Securities Limited (together the "**Agents**").

Jeff Kendrick, CEO & President of the Company stated: "With a strengthened balance sheet, we look forward to executing on our existing contracts, securing additional business, and pursuing strategic M&A opportunities. We would like to thank our current and new investors for supporting us in this financing and to the Agents for a successful closing."

Each Convertible Debenture will pay 8.0% cash interest and will mature on the date that is 3 years from the date of issuance and may be converted at the election of the holder thereof, at any time prior to such date, subject to earlier conversion by the Company, into 2,500 units (the "**Units**") at a conversion price of \$0.40 per Unit, with each Unit comprised of one common share (each, a "**Share**") and one-half of one common share purchase warrant (each, a "**Warrant**"). Each full Warrant will be exercisable into one Share at an exercise price of \$0.45 per Share for a period of 3 years from the date of issuance.

The Company has paid a cash commission of \$440,000 and issued a total of 1,100,000 broker warrants (the "**Broker Warrants**") to the Agents, with each Broker Warrant entitling the holder to acquire one Unit of the Company, at an exercise price of \$0.40 with each Unit consisting of one Share and one-half of one Warrant. Each Warrant will be exercisable into one Share at an exercise price of \$0.45 for a period of 3 years from the date of issuance. The Company also paid a corporate finance fee of 220 Convertible Debentures to the co-lead agents.

All securities issued pursuant to the offering, including any underlying securities, will be subject to a four-month-and-one-day hold period in accordance with applicable Canadian securities laws.

The proceeds of the private placement will be used to strengthen its balance sheet for strategic acquisition opportunities and general working capital purposes.

The private placement remains subject to final approval from the TSX Venture Exchange.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

About CEMATRIX Corporation

CEMATRIX is a rapidly growing, cash-flow-positive company that manufactures and supplies technologically advanced cellular concrete products developed from proprietary formulations across North America. This unique cement-based material with superior thermal protection delivers cost-effective, innovative solutions to a broad range of problems facing the infrastructure, industrial (including oil and gas) and commercial markets. Through recent acquisitions of Chicago-based MixOnSite USA Inc. and Bellingham-based Pacific International Grout Co., CEMATRIX is now North America's largest cellular concrete company.

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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Cautionary Note Regarding Forward-Looking Statements: This news release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends" or "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would" or "occur". Forward-looking statements are based on certain material assumptions and analysis made by the Company and the opinions and estimates of management as of the date of this press release, including that the Company will be successful in completing the private placement and the anticipated use of proceeds. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Important factors that may cause actual results to vary, include, without limitation, the Company will be unable to obtain the necessary TSX Venture Exchange approvals to complete the private placement or be able to apply the proceeds of the private placement as anticipated by management. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company 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 Company's Management Discussion and Analysis dated November 7, 2019 under the Company's profile on SEDAR at www.sedar.com and other reports filed by the Company with Canadian securities regulators.