

CEMATRIX CORPORATION

NEWS RELEASE

CEMATRIX Corporation Announces Record Third Quarter Financial Results

Q3 Revenue increase 190% to \$7 million

Calgary, Alberta – November 8, 2018: CEMATRIX Corporation (TSXV: CVX) (the “**Corporation**” or the “**Company**” or “**CEMATRIX**”) announces the release of its consolidated financial results for the three and nine months ended September 30, 2018.

Financial Review

The third quarter 2018 results are directionally positive and should improve further as the Company is now fully immersed in the construction season. Furthermore, CEMATRIX is now able to include the operational results from the U.S. based MixOnSite (MOS) acquisition for a full quarter as the transaction closed on May 31, 2018.

Revenues were \$7.0 million in the third quarter and \$11.4 million for year representing an increase of \$4.6 million or 190% for the quarter and \$4.3 million or 59% for the year to date when compared to 2017. Directionally, quarterly revenue has doubled every quarter this year, with \$1.5 million in revenue in the first quarter, \$2.9 million in revenue in the second and \$7.0 million in the third quarter. The top line revenue growth has had a positive effect on Gross Margin Percentage, earnings and cash flow.

The Gross Margin Percentage improved to 22% from 20% in the third quarter of 2018 and to 20% from 16% on a year to date basis when compared to the prior year.

Notwithstanding the revenue growth, losses attributable to common shareholders were \$7,200 for the quarter and \$1,291,245 for the nine months ended September 30, 2018. The earnings are negatively affected by \$619,723 in non-recurring one-time costs relating to the acquisition of MOS and \$545,859 in non cash accretion and mark to market costs and has therefore presented them as other items on the statement of loss and comprehensive loss. For the third quarter of 2018 income before other items was \$266,042, an increase of \$394,878 or 307% from the loss before other items of \$128,476 recorded in the third quarter of 2017. For the year to date, the loss before other items was \$461,450, an improvement of \$84,420 or 15% when compared to a loss of \$545,870 in the prior year.

Liquidity continues to be a focus for management and has improved since the second quarter of 2018. Cash flow from operations before the net change in non-cash working capital was \$508,003 in the third quarter of 2018, a private placement raised net proceeds of \$539,601 on August 24, 2018 and cash on hand at September 30, 2018 was \$683,723.

“The positive operating results for the third quarter and year to date reflect both the benefit to the Corporation of acquiring MixOnSite this year and continued growth of infrastructure markets in Canada and the United States” stated Jeff Kendrick, President and CEO of CEMATRIX Corporation. “Scheduled contracts in place for the fourth quarter are expected to continue this trend.”

Financial Results

Selected financial information for the three and nine months ended September 30, 2018 and 2017 is as follows:

	Three months ended September 30			Nine months ended September 30		
	2018	2017	Change	2018	2017	Change
Revenue	\$ 7,039,839	\$ 2,429,421	\$ 4,610,418	\$ 11,424,240	\$ 7,165,122	\$ 4,259,118
Gross margin	\$ 1,514,938	\$ 493,299	\$ 1,021,639	\$ 2,325,877	\$ 1,175,153	\$ 1,150,724
Operating expenses	(1,143,295)	(584,559)	(558,736)	(2,417,262)	(1,616,709)	(800,553)
Operating income (loss)	371,643	(91,260)	462,903	(91,385)	(441,556)	350,171
Non-cash stock based compensation	(24,783)	(8,822)	(15,961)	(41,312)	12,271	(53,583)
Finance costs	(193,868)	(52,626)	(141,242)	(350,693)	(159,633)	(191,060)
Other income	113,410	24,232	89,178	21,940	43,048	(21,108)
Income / (Loss) before other items	266,402	(128,476)	394,878	(461,450)	(545,870)	84,420
Business acquisition costs	-	-	-	(619,723)	-	(619,723)
Non-cash accretion costs	(206,958)	1,290	(208,248)	(229,426)	3,870	(233,296)
Non-cash fair value of derivatives	(140,828)	-	(140,828)	(316,433)	-	(316,433)
Loss before income taxes	(81,384)	(127,186)	45,802	(1,627,032)	(542,000)	(1,085,032)
Provision of deferred taxes	74,184	19,446	54,738	335,787	132,203	203,584
Loss attributable to common shareholders	(7,200)	(107,740)	100,540	(1,291,245)	(409,797)	(881,448)
Unrealized foreign exchange loss on translation of foreign subsidiary	(48,896)	2,430	(51,326)	(9,577)	(2,807)	(6,770)
Comprehensive Loss	\$ (56,096)	\$ (105,310)	\$ 49,214	\$ (1,300,822)	\$ (412,604)	\$ (888,218)
Loss per common share	\$ (0.000)	\$ (0.003)	\$ 0.003	\$ (0.034)	\$ (0.012)	\$ (0.022)

This press release should be read in conjunction with the Corporation's unaudited Condensed Consolidated Financial Statements and Management Discussion and Analysis for the three and nine months ended September 30, 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 subsidiaries, 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.

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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 15, 2018 under CEMATRIX's profile on SEDAR at www.sedar.com and other reports filed by CEMATRIX with Canadian securities regulators.