

CEMATRIX CORPORATION

CEMATRIX Corporation Announces Year Ended Results

Calgary, Alberta – March 2, 2017: 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, 2016.

“At first glance, the 2016 results were disappointing. However this was mainly attributable to the fact that almost \$6 million in projects that were scheduled for the latter part of 2016 were pushed into 2017”, stated Jeff Kendrick, President and CEO of CEMATRIX. “Should we have not been subject to project re-scheduling, our results would have been directly in line with the 2015 record year.”

Mr. Kendrick also added that, “The financial results for the fourth quarter and the year ended December 31, 2016 do not reflect the important successes and market growth achieved by the Company during the year. The Company’s successes included the execution of key agreements with Lafarge Canada Inc. (“Lafarge”), a member of Lafarge/Holcim, the largest cement company in the world; the Company saw its sale pipeline, related to projects across North America, grow to in excess of \$100 million; and the Company secured new financing arrangements with the Canadian Western Bank and the Business Development Bank of Canada, amongst other things.”

“Management is forecasting a return the profitability in 2017”, continued Mr. Kendrick. “Our current sales pipeline for 2017 indicates that there is the potential for significant growth in infrastructure sales in both the Canadian and U.S. markets, without considering the effect of the agreements with Lafarge or any new increases in infrastructure spending by various governments.”

Selected financial information for the three months and years ended December 31, 2016 and 2015 is as follows:

	Three Months ended December 31			Year ended December 31		
	2016	2015	Change	2016	2015	Change
Revenue	\$ <u>1,167,827</u>	\$ <u>6,304,032</u>	\$ <u>(5,136,205)</u>	\$ <u>9,598,861</u>	\$ <u>15,379,787</u>	\$ <u>(5,780,926)</u>
Gross margin	<u>(55,409)</u>	1,992,691	(2,048,100)	<u>1,316,376</u>	4,927,418	(3,611,042)
Operating expenses						
Operating expenses	<u>(511,633)</u>	(607,595)	95,962	<u>(2,283,876)</u>	(2,216,990)	(66,886)
Corporate bonus	<u>-</u>	<u>(275,000)</u>	<u>275,000</u>	<u>-</u>	<u>(275,000)</u>	<u>275,000</u>
	<u>(511,633)</u>	<u>(882,595)</u>	<u>370,962</u>	<u>(2,283,876)</u>	<u>(2,491,990)</u>	<u>208,114</u>
Operating income (loss)	<u>(567,042)</u>	1,110,096	(1,677,138)	<u>(967,500)</u>	2,435,428	(3,402,928)
Non-cash stock based compensation	<u>(32,667)</u>	(33,389)	722	<u>(142,256)</u>	(224,049)	81,793
Finance costs and other items	<u>(111,136)</u>	<u>(128,391)</u>	<u>17,255</u>	<u>(218,553)</u>	<u>(354,200)</u>	<u>135,647</u>
Income (loss) before income taxes	<u>(710,845)</u>	948,316	(1,659,161)	<u>(1,328,309)</u>	1,857,179	(3,185,488)
Income taxes	<u>159,274</u>	<u>(55,859)</u>	<u>215,133</u>	<u>246,860</u>	<u>(267,512)</u>	<u>514,372</u>
Income (loss) attributable to common shareholders	<u>(551,571)</u>	892,457	(1,444,028)	<u>(1,081,449)</u>	1,589,667	\$ (2,671,116)
Unrealized foreign exchange gain (loss) on translation of foreign subsidiary	<u>17,166</u>	<u>13,024</u>	<u>4,142</u>	<u>(16,143)</u>	<u>(23,272)</u>	<u>7,129</u>
Comprehensive income (loss)	\$ <u>(534,405)</u>	\$ <u>905,481</u>	\$ <u>(1,439,886)</u>	\$ <u>(1,097,592)</u>	\$ <u>1,566,395</u>	\$ <u>(2,663,987)</u>
Income (loss) per common share (diluted)	\$ <u>(0.016)</u>	\$ <u>0.026</u>	\$ <u>(0.042)</u>	\$ <u>(0.031)</u>	\$ <u>0.046</u>	\$ <u>(0.077)</u>

Highlights for 2016 included the following:

- The Company had a strong year with \$15.9 million of contracted sales in 2016. Unfortunately, work on \$5.8 million of these contracted sales was moved to the first part of 2017, the majority of which are underway as of this date;
- The Company through its wholly owned subsidiary, CEMATRIX (Canada) Inc., entered into a five year joint marketing agreement with Lafarge and has entered into five year agreements with Lafarge to promote the regional development of CEMATRIX cellular concrete markets with the ready mix division of Lafarge;
- The Company's wholly owned subsidiary, CEMATRIX (Canada) Inc., secured \$2,000,000 of working capital financing with the Canadian Western Bank together with a \$500,000 working capital loan and \$500,000 of equipment financing from the Business Development Bank of Canada; and
- The Company received notice that Canadian Business and PROFIT had ranked the Company 171st on their 2016 PROFIT 500 listing and that it ranked 10th in the Alberta Venture's Fast Growth 50 List for 2016.

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, 2016, 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 markets.

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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 March 1, 2017 under CEMATRIX's profile on SEDAR at www.sedar.com and other reports filed by CEMATRIX with Canadian securities regulators.