



CEMATRIX Announces 2021 Third Quarter Results

Calgary, Alberta – November 10, 2021 – CEMATRIX Corporation (TSXV: CVX) (OTCQB: CTXXF) ("CEMATRIX" or the "Company") a North American leading manufacturer and supplier of technologically advanced cellular concrete products announced the release of its consolidated financial results for the quarter ended September 30, 2021.

“During this quarter, COVID continued to impact a number of our projects. Factors beyond our control, such as supply chain issues and pandemic labour restrictions, experienced by our customers have led to project delays which resulted in lower sales for the quarter and year to date. This trend is expected to continue for the balance of 2021, however, with more visibility into the timing of some of these projects and with many of the COVID related delays mostly fading, we expect revenues to remain steady in the fourth quarter. We remain very positive and optimistic for 2022 and beyond as we start to convert our large backlog into revenue,” stated Jeff Kendrick, President and CEO of CEMATRIX. “The demand for cellular concrete remains strong, as evidenced by increased bidding activity, particularly in Canada where the number of active bids has grown by over 55% to the end of the quarter. As well, bidding activity in the U.S. remains strong as evidenced by our growing backlog, that continues to exceed \$90 million.”

“The drop in sales this quarter and year to date is mainly attributed to delay in the \$16 million North Carolina project that was originally scheduled to require our cellular concrete starting in the second quarter of 2021. After numerous delays, the project got underway this fall, so the requirement for our product is now scheduled for the spring/summer of 2022. The scheduling of tunnel projects also contributed to reduced sales to date in the U.S. There are numerous tunnels in our backlog, but most are not scheduled to be completed until 2022 and beyond. In contrast to the lower sales results to date in the US, sales in Canada have rebounded strongly, from the low last year due to COVID, up over 66% year to date and up almost 100% this quarter compared to 2020.”

“We continue to pursue organic growth opportunities throughout North America; we are moving forward with regional expansion plans; and we are evaluating various strategic growth and acquisition opportunities, particularly in the U.S.”

“A key highlight for the quarter was a five-year extension of our marketing and supply agreements with Lafarge which includes a commitment by both parties to continue to grow this alliance for the benefit of both parties.”

“Another key highlight was the addition of John Kim to our Board effective October 1, 2021. With John’s experience in acquisitions, capital markets and audit committees among other things, he will be a great compliment to our already strong Board.”

“In conclusion, and as I do every quarter, I want to thank all of our employees at CEMATRIX, particularly our field staff, for staying safe and making our success possible through hard work and dedication.”

“With our strong cash position of \$20 million and an improved balance sheet, CEMATRIX continues to be well positioned financially,” stated Randy Boomhour, CFO of Cematrix. “We continue to successfully reduce our overall leverage and improve the Company’s working capital position.”

The following are the business and financial highlights for the first quarter:

News Release recap for the quarter:

- Announced the renewal of its Joint Marketing and Cement Supply Agreements with Lafarge Canada (August 2, 2021)
- Announced new project awards of \$5.5 million and a backlog of \$91.4 million (September 8, 2021)
- Announced the addition of John Kim to the Board of Directors (October 1, 2021)

Financial highlights for the third quarter:

- Revenue decreased to \$7.1 million in Q3 2021 versus \$10.9 million in Q3 2020.
- Operating loss in Q3 2021 was \$0.1 million versus operating income of \$1.4 million in Q3 2020.
- Adjusted EBITDA was \$0.7 million in Q3 2021 versus \$1.3 million in Q3 2020.
- Cashflow from operations was negative in the third quarter of 2021 with cash used in operating activities of \$0.8 million versus positive \$0.7 million generated in 2020.
- Working capital at the end of the quarter was \$22.7 million with \$20.5 million in cash.
- Continue to execute on the strategic objective to de-lever the balance sheet with the \$0.6M earnout payment to MOS.
- The balance sheet was further strengthened having received \$1.6 million from warrant & stock option exercises.

Financial highlights for the nine months ended September 30th (year to date results):

- Revenue decreased to \$15.7 million in YTD 2021 versus \$22.2 million in YTD 2020.
- Operating loss in YTD 2021 was \$2.7 million versus an operating income of \$0.6 million YTD 2020.
- Adjusted EBITDA was negative \$0.7 million in YTD 2021 versus positive \$1.4 million in YTD 2020.
- Cashflow from operations was negative, with cash used in operating activities of \$1.6 million in YTD 2021 versus positive \$0.5 million generated in 2020.
- Working capital at the end of the September 30 was \$22.7 million with \$20.5 million in cash.
- Continue to execute on the strategic objective to de-lever the balance sheet with the conversion of \$2.5M USD in convertible debt from the MOS acquisition and the repayment of \$4.0 million in long term debt and earnout liabilities during the year.
- The balance sheet was further strengthened over the first nine months of the year having received \$4.1 million from warrant & stock option exercises. In addition, the Company completed an equity financing in the amount of \$23.0 million in gross proceeds to support its plans for growth.

Grant of Stock Options:

The Company has granted incentive stock options to a director, certain executive officers and certain employees of the Corporation, pursuant to the Corporation's Omnibus Equity Incentive Compensation Plan ("OEIC Plan") on November 10, 2021 for the purchase of 780,000 shares at an exercise price set to the closing price the issue date, subject to the vesting provisions of the options, at any time up to and including November 10, 2026.

ABOUT CEMATRIX

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 and Bellingham based Pacific International Grout, CEMATRIX is now North America's

largest Cellular Concrete company. For more information please visit our website at www.cematrix.com.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This news release contains forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws. All statements, other than statements of historical facts, are forward-looking statements. Generally, forward-looking statements can be identified by the use of terminology such as "plans", "expects", "estimates", "intends", "anticipates", "believes" or variations of such words, or statements that certain actions, events or results "may", "could", "would", "might", "will be taken", "occur" or "be achieved". The forward-looking statements contained in this news release are based on certain key expectations and assumptions made by the Company, including satisfaction of regulatory requirements in various jurisdictions and the Company's anticipated use of the net proceeds of the Offering. Forward looking statements involve risks, uncertainties and other factors disclosed under the heading "Risk Factors" and elsewhere in the Company's filings with Canadian securities regulators, which could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements.

Although the Company believes that the assumptions and factors used in preparing these forward-looking statements are reasonable based upon the information currently available to management as of the date hereof, actual results and developments may differ materially from those contemplated by these statements. Readers are therefore cautioned not to place undue reliance on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by applicable law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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