Energy Technologies Inc.
MATRRIX
Drilling. Technology. Focused.

MATRRIX ANNOUNCES THIRD QUARTER 2015 RESULTS

DATE: November 19, 2015

CALGARY, ALBERTA – MATRRIX Energy Technologies Inc. (“MATRRIX” or the “Corporation”) (TSX-V: MXX) announces financial results for the three and nine month periods ended September 30, 2015.

(Expressed in Thousands of Canadian Dollars except for per share amounts and operational days)

OVERALL HIGHLIGHTS

For the three and nine months ended September 30, 2015, the Corporation experienced a significant decline in drilling and motor rental activity in both Canada and the US relative to comparative periods in 2014. The anticipated decline in overall operational activity was due to the overall decrease in capital expenditures by the Corporation’s key customers and the industry as a whole, due to continued weak commodity prices.

As a result of the continued decline in overall operational activity and reduced outlook for oilfield services activity and pricing, the Corporation recorded a $3,679 property and equipment impairment loss in the third quarter of 2015.

The Corporation continues be in a strong financial positon with positive working capital of $6,345, including $4,957 of cash on hand as at September 30, 2015.

THIRD QUARTER 2015 SUMMARY (Compared with the Third quarter of 2014)

- consolidated revenue of $1,090, down 88% from $9,438
- recorded net loss of ($4,951), down 585% from $1,021
- adjusted EBITDA of ($385), down 125% from $1,563
- consolidated gross margins of 31%, up 11% from 28%

NINE MONTHS ENDED 2015 SUMMARY (Compared with nine months ended in 2014)

- consolidated revenue of $3,584, down 86% from $25,026
- recorded net loss of ($8,149), down 790% from $1,181
- adjusted EBITDA of ($2,087), down 165% from $3,196
- consolidated gross margins of 8%, down 70% from 27%

OUTLOOK

The principal business strategy of MATRRIX is to purchase and deploy drilling technology in Canada and the United States, within acceptable levels of risk and rates of return, while actively evaluating opportunities to acquire existing drilling technology services businesses in those markets. As of the date of this MD&A, 25 Systems are available for concurrent deployment to the field in western Canada.

Horizontal drilling is now extensively used to develop conventional and unconventional oil and liquids-rich natural gas plays in North America. There continues to be uncertainty over commodity prices and related oil and gas capital expenditure programs. This uncertainty is expected to continue through 2016. Macroeconomic factors continue to negatively affect drilling activity levels in North America, which is the Corporation's only operating region. Management of the Corporation is continuing to adjust cost structures in response to reductions in drilling activity and pricing, positioning the company for what is potentially a prolonged downturn. Given the Corporations' solid balance sheet with zero debt, $4,957 in cash and working capital of $6,345, MATRRIX will strive to improve its relative competitive position in this environment by continuing to refine systems and processes aimed at improving operational effectiveness and efficiency, while balancing costs relative to current and expected activity levels. The Corporation believes achieving this delicate balance will result in solid field execution and client retention, while strengthening its competitive position for the eventual improvement in industry activity levels when macroeconomic conditions are more favorable.

Canada

The Corporation continued to experience low activity levels and pricing pressure in the Canadian market for the first three quarters of 2015. It's likely that the Canadian oil and gas drilling industry will experience depressed activity levels for the balance of Q4 2015, and into Q1 2016, which is typically the quarter of the year with seasonally high activity. Western Canada continues to be saturated with an abundance of equipment that serviced peak 2014 activity levels, although the number of competitors is decreasing through attrition. Activity levels are concentrated amongst a few clients with strong, targeted drilling programs. While there continues to be promise of potentially large field developments of LNG for eventual export from Canada, Final Investment Decision (FID) for those projects, and infrastructure challenges continues to restrict market access for those clients. Therefore, the timing and likelihood of those projects is uncertain, as is the level of involvement of the Corporation. MATRRIX will continue to market its services to active current and potential customers in Canada to maximize revenue in this challenging environment, while strengthening its competitive position through selective focus on key operational and efficiency initiatives. The Corporation will manage costs where necessary, and manage equipment vendor relationships in a continuous effort to improve operational efficiency and preserve reasonable field margins.

US

The Corporation decided to exit the US market in Q3 due to poor activity levels, competitive pricing, and to focus on its core market in western Canada.

President Richard Ryan states: "The oil and gas services industry in North America continues to be challenged with respect to commodity prices and activity levels, a situation which is forecasted to continue for some time. MATRRIX is well positioned to weather an extended downturn as at the end of Q3 2015, we had zero debt, a strong working capital position of over $6 million, with almost $5 million in cash.

Despite having to share tough decisions around costs, our team is pulling together, motivated, and focused on building for the future. We're very pleased with D^{2}ROX^{TM}, our proprietary software platform which is now firmly at the foundation of all things field operations related. At every stage of the delivery process, D^{2}ROX^{TM} enables MATRRIX personnel to access and analyze critical drilling performance information with the express goal of enhancing operations for our Clients.

In addition, D^{2}ROX^{TM} brings efficiencies to MATRRIX within the complexity of directional drilling wellbore engineering, job planning and execution, drilling optimization, asset tracking, and accounting. D^{2}ROX^{TM} is scalable and multi-jurisdictional, therefore well suited for an operation that uses differing units of measure and is many times the size of our current operation. As the industry eventually returns to healthy activity levels, D^{2}ROX^{TM} will allow us to drive efficiency into our operation, alleviating the need for a typical scale up of supporting infrastructure, while allowing MATRRIX and its Clients to continue to look for ongoing improvements in operational performance. Our mindset is to expect the commodity price malaise to continue for some time, with MATRRIX adapting and delivering cost savings to those Clients driving for above average returns to their shareholders. Within an eventual rising commodity price environment and an operation of larger scale, we expect our fine tuning of systems, processes and technology to be clearly evident. In the meantime, we'll do what's necessary to protect our strong balance sheet and position the company for continued long term growth."

FINANCIAL HIGHLIGHTS

		Three Months Ended September 30,			Nine Months Ended September 30,		
(000's CAD $)		**2015**	**2014**	**% Change**	**2015**	**2014**	**% Change**
Revenue		1,090	9,438	(88%)	3,584	25,026	(86%)
EBITDA	(i)	(4,130)	1,727	(339%)	(5,752)	3,209	(279%)
EBITDA per share							
Basic		(0.13)	0.05	(360%)	(0.18)	0.10	(280%)
Diluted		(0.13)	0.05	(360%)	(0.18)	0.10	(280%)
Adjusted EBITDA	(ii)	(386)	1,563	(125%)	(2,087)	3,196	(165%)
Adjusted EBITDA per share							
Basic		(0.01)	0.05	(120%)	(0.06)	0.10	(160%)
Diluted		(0.01)	0.05	(120%)	(0.06)	0.10	(160%)
Net Income (loss)		(4,952)	1,021	(585%)	(8,149)	1,181	(790%)
Net Income (loss) per share							
Basic		(0.15)	0.03	(600%)	(0.25)	0.04	(725%)
Diluted		(0.15)	0.03	(600%)	(0.25)	0.04	(725%)
Funds flow from operations	(iii)	(298)	1,585	(119%)	(2,073)	3,108	(167%)
Gross Margin	(iv)	338	2,624	(87%)	283	6,704	(96%)
Capital expenditures (net of lost in hole replacements)		40	2,633	(98%)	241	4,326	(94%)
Directional and horizonal systems available		25	23	9%	25	23	9%
Weighted Average common shares outstanding		32,185	32,185	-	32,185	32,185	-

NON-GAAP MEASURES

This MD&A contains references to (i) EBITDA; (ii) Adjusted EBITDA; (iii) Funds Flow; and (iv) Gross Margin. These financial measures are not measures that have any standardized meaning prescribed by IFRS and are therefore referred to as non-GAAP measures. The non-GAAP measures used by the Corporation may not be comparable to similar measures used by other companies.

(i) EBITDA is not a measure recognized under IFRS and does not have a standardized meanings prescribed by IFRS. EBITDA is defined as "income (loss) before interest expense, income taxes, depreciation and amortization.

(000's CAD $)	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	% Change	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014	% Change
Net income (loss)	(4,952)	1,021	585%	(8,149)	1,181	(790%)
Depreciation	822	706	16%	2,398	2,027	18%
EBITDA	(4,130)	1,727	339%	(5,752)	3,209	(279%)

(ii) Adjusted EBITDA is defined as "income (loss) before interest income, interest expense, taxes, business acquisition transaction costs, reverse takeover adjustments, depreciation and amortization, shared based compensation expense, gains on disposal of property and equipment, impairment expenses and foreign exchange." Management believes that in addition to net and total comprehensive income (loss), Adjusted EBITDA is a useful supplemental measure as it provides an indication of the results generated by the Corporation's principal business activities prior to consideration of how these activities are financed, how assets are depreciated, amortized and impaired: the impact of foreign exchange, or how the results are affected by the accounting standards associated with the Corporation's stock based compensation plan.

(000's CAD $)	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	% Change	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014	% Change
EBITDA	(4,130)	1,727	339%	(5,752)	3,209	(279%)
Loss from disposition of property and equipment	3	-	100%	3	-	100%
Gain from equipment lost in hole	-	(212)	(100%)	(142)	(241)	41%
Interest and other income	(15)	(21)	(29%)	(17)	(29)	41%
Share based payments	78	76	3%	212	260	(18%)
Foreign exchange gain	(1)	(7)	86%	(69)	(2)	(3,350%)
Impairment of assets	3,679	-	100%	3,679	-	100%
Adjusted EBITDA	(386)	1,563	(125%)	(2,087)	3,196	(165%)

(iii) Funds flow from operations is defined as "cash provided by operating activities before the change in non-cash working capital". Funds flow from operations is a measure that provides shareholders and potential investors additional information regarding the Corporation's liquidity and its ability to generate funds to finance its operations. Management utilizes this measure to assess the Corporation's ability to finance operating activities and capital expenditures.

(000's CAD $)	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014	% Change	Nine Months Ended September 30, 2015	Nine Months Ended September 30, 2014	% Change
Operating cash flow	(668)	(380)	(76%)	2,976	3,813	(22%)
Changes in non-cash working capital	370	1,965	(81%)	(5,049)	(705)	(616%)
Funds flow	(298)	1,585	(119%)	(2,073)	3,108	(167%)

(iv) Gross margin is defined as "gross profit from services revenue before stock based compensation and depreciation". Gross margin is a measure that provides shareholders and potential investors additional information regarding the Corporation's cash generating and operating performance. Management utilizes this measure to assess the Corporation's operating performance.

	Three Months Ended			Nine Months Ended		
(000's CAD $)	September 30, 2015	September 30, 2014	% Change	September 30, 2015	September 30, 2014	% Change
Gross profit	(464)	1,932	(124%)	(2,051)	4,748	(143%)
Depreciation	802	692	16%	2,334	1,956	19%
Gross margin	338	2,624	(87%)	283	6,704	(96%)

FORWARD-LOOKING INFORMATION

Certain statements contained in this press release constitute forward-looking information. This information relates to future events or the Corporation's future performance. All information other than statements of historical fact is forward-looking information. The use of any of the words "anticipate", "plan", "contemplate", "continue", "estimate", "expect", "intend", "propose", "might", "may", "will", "could", "believe", "predict" and "forecast" are intended to identify forward-looking information.

In particular, this MD&A contains forward-looking information pertaining to the following: an expected decrease in costs related to field supervision in 2015 due to significantly decreased drilling activity and a decrease in capital expenditures by the Corporation's key customers due to weak commodity prices and a corresponding increase in the available field supervision personnel; the basis for depreciation of property and equipment is straight line and therefore the amount of depreciation is expected to increase as the Corporation purchases additional property and equipment in the future; timing of lost-in-hole recoveries is not within the control of the Corporation and therefore can fluctuate significantly from quarter-to-quarter the potential for the Corporation to generate negative operating cash flows due to the buildup of working capital as well as the impact of negative commodity price changes and seasonality in the oil and gas industry in North America; seasonality; the ability of the Corporation to deploy 25 Systems to the field in Canada; the Corporation's ability to maintain its approved capital expenditure budget; uncertainty over commodity prices and related customer capital expenditure programs; the significant affect macro-economic factors have had on capital spending and overall drilling activity levels in North America; the Corporation's expectation that the significant reductions in activity and pricing will continue for 2015 and extend into 2016; the Corporation's expectation that its overall Canadian results will be down dramatically in 2015; the potential for large field developments of LNG for eventual export from Canada, subject to marked improvements in oil and gas commodity pricing and the approval of LNG infrastructure projects; MATRRIX's ability to continue to build relationships with active current and potential customers in Canada; the expected benefits of managing costs through reductions in staffing and compensation levels, while managing equipment vendor relationships, the impact of ceasing US operations; the impact of fluctuating US dollar exchange rates described under "Financial Instruments"; and the Corporation's expectation that all of its accounts receivables are capable of being collected.

With respect to forward-looking information contained in this press release, assumptions have been made regarding, among other things: future growth in word-wide demand for crude oil and petroleum products; the Corporation's ability to obtain qualified personnel and equipment in a timely and cost-efficient manner; operating costs; future capital expenditures to be made by the Corporation; the Corporation's future debt levels; and the impact of increasing competition on the Corporation. This forward-looking information involves material assumptions and known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking information including, but not limited to, the risks and uncertainties described in the Corporation's AIF for the year ended December 31, 2014. No assurances can be given that any of the events anticipated by the forward-looking information will prove to be correct and such forward-looking information included in this press release should not be unduly relied upon. The forward-looking information contained herein is provided as at the date hereof and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Neither the 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:

Richard Ryan
President & Chief Executive Officer
MATRRIX Energy Technologies Inc.
Tel: (403) 984-5062