DATE: May 15, 2019

MATRRIX ANNOUNCES 2019 FIRST QUARTER RESULTS

CALGARY, ALBERTA – MATRRIX Energy Technologies Inc. ("MATRRIX" or the "Corporation") (TSX-V: MXX) announces today its financial and operational results for the three month period ended March 31, 2019. The Corporation is pleased to announce its continued success on its previously announced strategic plan of expanding into the drilling rig business in Western Canada. The Corporation recorded positive net earnings for the three months ended March 31, 2019

The following should be read in conjunction with the Corporation's unaudited condensed consolidated financial statements and the notes thereto for the three month period ended March 31, 2019 and related management's discussion and analysis, which are available on SEDAR at www.sedar.com.

All amounts or dollar figures are denominated in thousands of Canadian dollars except for per share amounts, number of drilling rigs, and operating days, or unless otherwise noted.

Estimates and forward-looking information are based on assumptions of future events and actual results may vary from these estimates. See "Forward-Looking Information" in this press release for additional details.

OUTLOOK & 2019 OPERATIONAL OVERVIEW

The Canadian Association of Oilwell Drilling Contractors' ("CAODC") average utilization for the first quarter of 2019 was 29%, down 28% from the corresponding 2018 period. Management believes the decrease in activity was primarily related to the Government of Alberta's mandated crude oil production curtailment program and continued pricing pressures related to pipeline capacity restraints in Western Canada. However, there is a sense of renewed optimism for increased forecasted activity in Western Canada with a newly elected Alberta government, which ran on a platform of regulatory and economic reform and a message that Alberta is "Open for Business". Notwithstanding the renewed optimism, the Corporation does not anticipate a significant recovery in Canadian activity in 2019 from 2018 levels.

Drilling Rig Division

Entering into its second full year of operations, the drilling rig division recorded net income of $1,211 and Adjusted EBITDA of $2,499 for the three months ended March 31, 2019 despite decreased drilling activity in Western Canada. Management believes the Corporation has been able to drive incremental revenue as a direct result of purchasing rigs that are of high quality and in high demand and have purchase prices below the cost of new builds. As at March 31, 2019, the Corporation has nine marketable drilling rigs, seven in Saskatchewan and two in Alberta. Overall utilization for the Corporation's drilling rig division in the first quarter of 2019 was 47%. The Corporation's two rigs that were upgraded and relocated from Saskatchewan to Alberta in the fourth quarter of 2018 continue to be highly utilized, with a combined utilization rate of 75.6% in the first quarter of 2019. The Corporation's Saskatchewan rigs had a combined utilization rate of 45%. The Corporation is optimistic that the current utilization rates for both Alberta and Saskatchewan will continue through 2019 based on the 2019 forecasted drilling programs for its current and future customers.

The Corporation continues to maintain a strong balance sheet. At March 31, 2019, the Corporation's total debt to EBITDA (as defined in the Operating Loan Agreement (the "Operating Loan")) was 0.70 to 1. The Corporation anticipates having full access to its $15,000 Operating Loan post spring break up after cash collections have been received from the winter drilling season. Management believes this access will provide the Corporation with flexibility to execute on strategic acquisitions, specific customer related upgrades and other opportunities that may arise and align with the Corporation's growth plan.

Directional Drilling Division

In April 2019, the Board of Directors approved the discontinuation of the Corporation's directional drilling operations starting in the second quarter of 2019 due to continued losses in the division since the first quarter of 2015. Management performed a thorough review of the directional drilling division, including the consideration of potential implications of all available options. Management and the Board of Directors determined that both significant capital investment which could not be projected to meet the Corporation's investment criteria, and major macroeconomic changes, which the Corporation could not project happening in the near future in Western Canada, would be required in order to see a path to profitability for the division. The Corporation is currently actively marketing its directional drilling assets.

FINANCIAL HIGHLIGHTS

FIRST QUARTER 2019 SUMMARY (Compared with the first quarter 2018)

- Revenue from continuing operations of $7,763, up 41% from $5,488;
- Gross margin from continuing operations of $3,360, up 75% from 1,920;
- Adjusted EBITDA from continuing operations of $2,499, up 59% from $1,567;
- Net income from continuing operations of $1,211, up 52% from $795;
- Net income from combined operations of $2,041, up 921% from $200.

	Three months ended March 31,		
(000's CAD $)	**2019**	**2018**	**% Change**
Continuing operations			
Revenue	7,763	5,488	41%
Direct operating expenses	4,403	3,568	23%
Gross margin (1)	3,360	1,920	75%
Net income from continuing operations	1,211	795	52%
Basic and diluted per share	0.01	0.01	0%
Adjusted EBITDA (1)	2,499	1,567	59%
Basic and diluted per share	0.02	0.01	100%
Combined operations (2)			
Net income	2,041	200	921%
Basic and diluted per share	0.02	0.00	nm
Adjusted EBITDA (1)	3,028	1,152	163%
Basic and diluted per share	0.02	0.01	100%
Capital expenditures	255	313	(19%)
Weighted average common shares outstanding	131,614	128,472	2%
Weighted average diluted common shares outstanding	134,452	129,508	4%

nm - not meaningful

(1) Refer to "Non-GAAP Measures" for further information.

(2) Combined operations represents the aggregated results of both continuing and discontinued operations.

	As at March 31,		
(000's CAD $)	**2019**	**2018**	**% Change**
Current assets, including assets classified as held for sale	11,366	21,625	(47%)
Total assets	51,989	45,130	15%
Total current liabilities, including liabilities related to assets classified as held for sale	10,062	2,874	250%
Total non-current liabilities	3,529	2,341	51%
Shareholders' Equity	38,398	39,915	(4%)

FIRST QUARTER 2019 RESULTS OF CONTINUING OPERATIONS

(000's CAD $ except operating days)	Three months ended March 31, 2019	2018	% Change
Revenue	7,763	5,488	41%
Direct operating expenses	4,403	3,568	23%
Gross margin [1]	3,360	1,920	75%
Gross margin %	43%	35%	23%
Net income	1,211	795	52%
General and administrative expenses	998	353	183%
General and administrative expenses as a % of revenue	13%	6%	117%
Adjusted EBITDA [1]	2,499	1,567	59%
Adjusted EBITDA %	32%	29%	10%
Drilling rig operating days	378	306	24%
Drilling rig revenue per day	20.5	17.9	15%

[1] - Refer to "Non-GAAP measures" for further information.

- Revenue in the first quarter of 2019 was $7,763, an increase of $2,275 (41%) compared to $5,488 in the first quarter of 2018. The increase was as a result of an increase in operating days due to the addition of two marketable rigs from seven at the end of the first quarter of 2018 to nine during the first quarter of 2019, and an increase in revenue per day of 15% from $17.9 in the first quarter of 2018 to $20.5 in the comparable 2019 period. The increase in revenue per day was related to the higher day rates in Alberta compared to in Saskatchewan as the Corporation relocated two rigs from Saskatchewan to Alberta during the second half of 2018.
- Operating days in the drilling rig division of 378 days in the first quarter of 2019 was a 24% increase over the 306 operating days in the first quarter of 2018, as a result of the increase in rig count. The drilling rig utilization for the quarter ended March 31, 2019 was 47%, 62% above the CAODC industry average utilization rate of 29%, but below the drilling rig utilization of 57% in the first quarter of 2018. The decrease in drilling rig utilization was a result of the increase in active rigs from seven at the end of March, 2018, to nine at the end of March, 2019.
- Direct operating expenses are primarily comprised of personnel, equipment, operating and repair costs, and shop expenses. Direct operating expenses for the three months ended March 31, 2019 were $4,403, up $835 (23%) from $3,568 for the three months ended March 31, 2018, also as a result of the increased operating days compared to the first quarter of 2018.
- For the first quarter ended March 31, 2019, gross margin as a percentage of revenue was 43%, up 23% from a gross margin of 35% in the first quarter of 2018. The increase in gross margin as a percentage of revenue was primarily a result of decreased maintenance costs per day compared to the first quarter of 2018 when additional non-capitalizable expenditures were made to put the rigs acquired in 2017 to use as well as fixed operating costs being allocated over more operating days and an increase in revenue per day.
- General and administrative expenses for the three months ended March 31, 2019 were $998, up $645 (183%) from $353 for the three months ended March 31, 2018, as a result of the increased headcount and the higher allocation of corporate expenses related to salaries, legal, IT, and rent from the directional drilling division in the first quarter of 2019.
- For the three months ended March 31, 2019, Adjusted EBITDA in the drilling rig division was $2,499, a $932 (59%) increase from $1,567 in the first quarter of 2018, as a result of the increase in active rig count and higher gross margin which was partially offset by the increased general and administrative expenses compared to the first quarter of 2018.

Other Items

(000's CAD $)	Three months ended March 31, 2019	2018	% Change
Gain from equipment lost in hole	15	-	nm
Finance costs	(175)	(109)	61%
Other income	42	-	nm
Foreign exchange gain (loss)	4	-	nm
Transaction costs	(99)	(277)	(64%)
Other items	(213)	(386)	(45%)

nm - not meaningful

For the quarter ended March 31, 2019, the Corporation recorded a gain of $15 related to equipment lost downhole. The timing of lost-in-hole recoveries is not within the control of the Corporation and therefore can fluctuate significantly from period to period.

For the quarter ended March 31, 2019, finance costs were $175, a $66 (61%) increase from $109 for the first quarter of 2018. The increase was due to $67 interest charged on the operating loan related to capital projects completed in 2018 and $17 interest on lease liabilities as a result of IFRS 16, Leases, offset by a $18 decrease in accretion on convertible debentures.

Non-capitalizable transaction costs related to potential acquisitions of $99 were incurred in the first quarter of 2019, a decrease of $178 (64%) from $277 on acquisitions in the first quarter of 2018. Transaction costs represent non-capitalizable amounts directly related to drilling rig acquisitions which consist of due diligence and external legal fees.

RESULTS OF DISCONTINUED OPERATIONS

On April 3, 2019, the Corporation announced the discontinuation of its directional drilling division. As part of this process, the Corporation determined that the assets related to the directional drilling operations had met the criteria under "IFRS 5 - Non-Current Assets Held for Sale and Discontinued Operations", to be classified as held for sale on the consolidated statements of financial position as at March 31, 2019, and the related directional drilling operations to be presented on the consolidated statements of comprehensive income as discontinued operations. The criteria were met based on certain events that occurred during the first quarter of 2019, supporting the Corporation's intent and high probability of the sale of the assets of the directional drilling division.

The following table sets forth operating results from the discontinued operations for the three months ended March 31, 2019 and 2018:

(000's CAD $ except operating days)	Three months ended March 31, 2019	2018	% Change
Directional drilling revenue	1,835	1,987	(8%)
Direct operating expenses	928	1,619	(43%)
Gross margin [1]	907	368	146%
Gross margin %	49%	19%	158%
Directional drilling net income (loss)	830	(595)	(239%)
General and administrative expenses	385	865	(55%)
General and administrative expenses as a % of revenue	23%	44%	(48%)
Adjusted EBITDA [1]	529	(415)	(227%)
Adjusted EBITDA %	29%	(21%)	238%
Directional drilling operating days[2]	209	252	(17%)
Directional drilling revenue per day	8.8	7.9	11%

(1) Refer to "Non-GAAP measures" for further information.

[2] MATRRIX calculates a stand-by day as 0.5 of an operating day.

- Revenue from discontinued operations for the three month period ended March 31, 2019 was $1,835, a decrease of $152 (8%) from $1,987 in the prior year comparable period, as a result of a 17% decrease in operating days offset by an 11% increase in revenue per day.
- Direct operating expenses from discontinued operations for the three month period ended March 31, 2019 were $928, a decrease of $691 (43%) from $1,619 in the prior year comparable period. Gross margin as a percentage of revenue for the quarter ended March 31, 2019 was 49%, up 158% from 19% in the first quarter of 2018. The primary reason for the increase was the rebilling of repairs and maintenance costs of $285 to customers and the deferral of all non-essential repairs to the Corporation's owned equipment.
- General and administrative expenses from discontinued operations in the first quarter of 2019 were $385, a decrease of $480 (55%) compared to $865 in the first quarter of 2018. The overall decrease was a result of a reduction in headcount in the division and the reallocation of corporate expenses of salaries, legal, IT, and rent from the directional drilling division to the drilling rig division.
- The overall effect of the increase in revenue and the decrease in direct operating costs and general and administrative expenses resulted in Adjusted EBITDA of $529 in the first quarter of 2019, an increase of $944 (227%) from an Adjusted EBITDA loss of $415 in the first quarter of 2018.

NON-GAAP MEASURES

This press release contains references to (i) Adjusted EBITDA and (ii) gross margin. These financial measures are not measures that have any standardized meaning prescribed by IFRS and are therefore referred to as non-GAAP (Generally Accepted Accounting Principles) measures. The non-GAAP measures used by the Corporation may not be comparable to similar measures used by other companies.

(i) Adjusted EBITDA is defined as "income (loss) from continuing operations before interest income, interest expense, taxes, business acquisition transaction costs, depreciation and amortization, share-based compensation expense, gains on disposal of property and equipment, impairment expenses, other income, foreign exchange, non-recurring restructuring charges, finance costs, accretion of debentures and other income/expenses, and any other items that the Corporation considers appropriate to adjust given the irregular nature and relevance to comparable operations." 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. Investors should be cautioned, however, that Adjusted EBITDA should not be construed as an alternative to net income (loss) and comprehensive income (loss) determined in accordance with IFRS as an indicator of the Corporation's performance. The Corporation's method of calculating Adjusted EBITDA may differ from that of other organizations and, accordingly, its Adjusted EBITDA may not be comparable to that of other companies.

	Three months ended March 31,		
(000's CAD $)	**2019**	**2018**	**% Change**
Net income from continuing operations	1,211	795	52%
Depreciation	1,046	386	171%
Finance costs	175	109	61%
Other income	(42)	-	nm
Gain from equipment lost in hole	(15)	-	nm
Share-based payments	29	-	nm
Transaction costs	99	277	(64%)
Foreign exchange (gain) loss	(4)	-	nm
Adjusted EBITDA	2,499	1,567	59%

nm - not meaningful

(ii) Gross margin is defined as “gross profit from services revenue from continuing operations 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 March 31,		
(000’s CAD $)	2019	2018	% Change
Income from operations	2,422	1,534	58%
Depreciation of property and equipment	938	386	143%
Gross margin	3,360	1,920	75%
Gross margin %	43%	35%	23%

FORWARD-LOOKING INFORMATION

Certain statements contained in this press release constitute forward-looking statements or forward-looking information (collectively, "forward-looking information"). Forward-looking 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.

This press release contains forward-looking information pertaining to, among other things: the expectation that the Corporation's current drilling rig utilization will continue for the remainder of 2019; the expectation that there will not be a significant recovery in industry activity in 2019 from 2018 levels; the view that the Corporation has a strong balance sheet and its expectation of having full access to its operating loan facility and the flexibility that provides; the expectation of increased forecasted activity with the new Government of Alberta; and the expectation regarding the sale of the Corporation's directional drilling assets and use of any net proceeds therefrom.

Statements, including forward-looking information, are made as of the date of this press release and the Corporation does not undertake any obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws. The forward-looking information contained in this press release is expressly qualified by this cautionary statement.

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:

Lyle Whitmarsh
President & Chief Executive Officer
MATRRIX Energy Technologies Inc.
Tel: (403) 984-5042