

BluMetric Announces Fiscal Q3 2022 Financial Results and Grants Options

Ottawa, Ontario--(Newsfile Corp. - August 25, 2022) - BluMetric Environmental Inc. (TSXV: BLM), a full-service environmental consulting and engineering cleantech firm, announces its financial results for the third quarter ended June 30, 2022.

Financial Highlights

- **Revenue** for the quarter ended June 30, 2022, was \$8.4 million compared to \$8.5 million for the quarter ended June 30, 2021. Revenue for the nine months ended June 30, 2022, was \$24.4 million compared to \$25.8 million for the nine months ended June 30, 2021.
- **Gross margin** was 23% for the quarter and 24% for fiscal 2022 year to date, compared to 26% for the same quarter in the previous year and 27% for fiscal 2021 year to date.
- **EBITDA** (see definition below) for Q3 2022 was \$573,000 from \$1.2 million in Q3 2021 and \$2.0 million for year-to-date Q3 2022 compared to \$4.0 million for year to date Q3 2021.
- **Operating expenses** increased for the first nine months of fiscal 2022 to \$4.2 million versus \$3.5 million in the same period last year due to higher information technology costs related to licensing requirements and consulting costs. In addition, travel, tradeshow and marketing costs have increased as these were greatly reduced in FY2021 due to the COVID-19 global pandemic restrictions.
- **Net cash** (see definition below) as at June 30, 2022 was \$4.5 million, from net cash of \$1.6 million at June 30, 2021.
- **Balance sheet** remains strong and net cash position continues to increase.

"As we advance past the pandemic, we are leveraging our extensive client base and as a result are seeing a return of opportunities in our four key markets," said Scott MacFabe, CEO of BluMetric.

The Company has made investments in its sales team and information technology that are expected to contribute to streamlining the sales cycle. In addition to these investments, BluMetric has started fabrication of its Mobile Wastewater Treatment Plant (MWWTP) for the DND Innovation for Defence Excellence and Security (IDEaS) Pop Up City competition set to take place in 2023. This system will form a resilient and agile part of the Company's future treatment solutions.

Among the Company's accomplishments this quarter, it has been ranked #45 of Canada's top 100 defence companies, up from #55 the year before, reaffirming the Company as a significant service provider to the military.

"We have a solid balance sheet and strong cash position, which provide us a confident basis to operate through economic headwinds and find ways to grow the business in the future."

In March 2022, the shareholders of the Company approved amendments to the BluMetric Environmental Inc. Amended and Restated Stock Option Plan 2022 (the "Plan") to, among other things, increase the number of shares available under the Plan to 4,500,000 common shares of the Company and to provide for net exercise of options and a cashless exercise of options in certain circumstances.

The Company announced today a grant of 2,669,000 stock options ("Options") for common shares to employee directors, officers and certain employees of the Company at an exercise price of \$0.35 per share, with an expiry date of August 24, 2027. The Options granted will vest annually in equal instalments on each of the first, second and third anniversary dates from the date of grant. The terms of the Options granted are in accordance with the Plan. The Options granted are subject to TSX Venture Exchange approval.

Financial Table

	Three Months Ended June 30, 2022	Three Months Ended June 30, 2021	Nine Months Ended June 30, 2022	Nine Months Ended June 30, 2021
	(\$000)	(\$000)	(\$000)	(\$000)
Revenue	8,353	8,488	24,383	25,779
Gross profit	1,958	2,193	5,805	7,076
Gross margin	23%	26%	24%	27%
Operating expenses	1,514	1,147	4,233	3,497
Operating profit	445	1,046	1,572	3,579
Finance costs	29	40	85	281
Earnings before provision for income tax	416	1,005	1,487	3,298
Income tax expense	98	318	352	859
Net earnings	318	687	1,135	2,439
Earnings per share - basic and diluted	0.01	0.02	0.04	0.08
EBITDA ¹	573	1,198	1,954	4,036
Free cash flow ²	1,823	(418)	1,597	1,814
Net cash ³			4,517	1,632

Note 1: EBITDA is a non-IFRS measure and is calculated as net income before interest expense, income taxes, depreciation, and amortization.

Note 2: Free cash flow is a non-IFRS measure and is calculated as operating cash flows less capital expenditures and net payment of lease obligations.

Note 3: Net cash is a non-IFRS measure and is calculated as cash less total debt excluding lease liabilities.

The full results are available at www.sedar.com.

Investor conference call on Monday, August 29, 2022

BluMetric's quarterly investor conference call will take place on **Monday, August 29 at 1PM Eastern time**. To join the call, please dial **1-888-664-6392** (Toll-Free North America) and enter **confirmation number 34695306**.

About BluMetric Environmental Inc.

BluMetric Environmental Inc. is a publicly traded environmental consulting and engineering company with expertise across professional and trade disciplines and technologies that allow for the design, fabrication and delivery of sustainable solutions to environmental and water challenges. BluMetric has more than 170 employees operating in ten offices and over 40 years of expertise. Headquartered in Ottawa, Ontario, BluMetric's team of industry experts serves Commercial and Industrial, Military, Mining and Government clients in Canada and the United States.

For more information, visit www.blumetric.ca or please contact:

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Forward-Looking Statements

Some of the statements in this press release, including those relating to the Company's quarterly and annual results, future products, opportunities and cost initiatives, strategies, and other statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", or similar expressions, are forward-looking statements within the meaning of applicable Canadian securities laws. Forward-looking statements include, without limitation, the information concerning possible or assumed future results of operations of the Company. These statements are not historical facts but instead represent only the Company's expectations, estimates, and projections regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. We caution readers of this news release not to place undue reliance on our forward-looking statements as a number of factors could cause actual results or conditions to differ materially from current expectations. Please refer to the risks set forth in the Company's most recent annual MD&A and the Company's continuous disclosure documents that can be found on SEDAR at www.sedar.com. The Company does not intend, and disclaims any obligation, except as required by law, to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

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.



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