

## BluMetric Announces Profitable Third Quarter in FY2017

Ottawa – August 29, 2017 – BluMetric Environmental Inc. (TSX.V: BLM), an Ottawa-based cleantech company, announced revenue of \$7.4 million and net income of \$70,000 in the unaudited results for its third quarter ended June 30, 2017.

### Financial Highlights

- **Year-to-date revenue** is \$22.9 million, a reduction of 5% compared to \$24.2 million for the nine months ended June 30, 2016.
- **Revenue for the quarter** decreased 11% to \$7.4 million compared to \$8.4 million for the quarter ended June 30, 2016. Professional Services revenue of \$5.2 million decreased \$400,000 quarter over quarter, while Water Systems revenue of \$2.2 million showed a decrease of \$600,000. The decline in the Water Systems revenue can be mainly attributed to the length of the sales cycles for new engineered solutions projects, while Professional Services faced some project and program delays.
- **Gross margin** decreased slightly to 19% compared to 22% for the same quarter in fiscal 2016, mostly arising from lower margins in Professional Services, offset slightly by improved margins in Water Systems. **Year-to-date gross margin** is 21%, slightly lower than 22% for the prior year.
- **Operating costs** were down slightly to \$1.2M from the same quarter in the prior year at \$1.3 million.
- **Net income** for the quarter was \$70,000 compared to a net income of \$371,000 for the same quarter in fiscal 2016. In the nine-month period, net income was \$388,000 compared to \$675,000 in the previous year.
- **EBITDA** (see Note 1 definition below) in the quarter decreased to \$337,000 from \$698,000 for the same quarter in fiscal 2016, and in the nine months decreased to \$1.2 million from \$1.7 million in the same period in the previous year.

### Operational Highlights and Outlook

- The Company made significant progress in implementing operational improvements, specifically in business lead identification, project management and execution, and market-driven research and innovation.

- Business development activity in both Water Systems and Professional Services has been significant in all our major target areas: Military; Food, Beverage, & Agriculture; Mining; and Development, with new signed contracts both in Q3 and post quarter end.
- We have aligned our research and innovation and commercialization efforts to ammonia reduction processes and the development of products that address our clients' dynamic economic and regulatory environments.
- Subsequent to the end of Q3, BluMetric won two new contracts in excess of \$1.0 million in Central America, demonstrating the strength and adaptability of our products in a wide range of environments.

### Financial Summary

	Three Months Ended June 30, 2017	Three Months Ended June 30, 2016	Nine Months Ended June 30, 2017	Nine Months Ended June 30, 2016
	(\$000)	(\$000)	(\$000)	(\$000)
Revenue	7,434	8,378	22,942	24,235
Gross profit	1,445	1,871	4,745	5,260
Gross margin %	19%	22%	21%	22%
Operating expenses	1,205	1,269	3,833	3,874
EBITDA <sup>1</sup>	337	698	1,205	1,742
Adjusted EBITDA <sup>2</sup>	419	769	1,259	1,546
Net income	70	371	388	675
Income per share –basic	0.00	0.01	0.01	0.02
Income per share –diluted	0.00	0.01	0.01	0.02

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

Note 2: Adjusted EBITDA is a non-IFRS measure and is calculated as EBITDA, gain or loss on foreign exchange, stock-based compensation, gain or loss on sale of property plant and equipment, unrealized gains on investments held for sale, and impairment of goodwill.

The full results are available at [www.sedar.com](http://www.sedar.com).

#### **About BluMetric Environmental Inc.**

BluMetric Environmental Inc. is a publicly traded cleantech company with a portfolio of industry-leading products, processes, and services in the environment sciences and engineering sectors. We take pride in

our strong record of providing sustainable solutions to the world's environmental challenges. Headquartered in Ottawa, Ontario, BluMetric's award-winning team of industry experts serves clients in Canada, the United States, and Central America.

For more information, visit [www.blumetric.ca](http://www.blumetric.ca), or please contact:

Roger Woeller, CEO  
BluMetric Environmental Inc.  
Tel: 613.839.3053 x 242  
Email: [rwoeller@blumetric.ca](mailto:rwoeller@blumetric.ca)

Robin M. Sundstrom  
IRonside Investor Relations  
Tel: 647.822.8111  
Email: [robin@ironsideir.com](mailto:robin@ironsideir.com)

***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 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. The Company does not undertake any obligation to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events, except as required by law.

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