

BluMetric Announces Profit for the First Quarter of FY2017

Ottawa – February 28, 2017 – BluMetric Environmental Inc. (TSX.V: BLM), an Ottawa-based cleantech company, announced sales growth of 4% and net income of \$228,000 in its unaudited results for the first quarter of fiscal 2017, ended December 31, 2016.

“We are pleased with the performance of BluMetric for the first quarter of 2017,” stated Roger Woeller, CEO of BluMetric. “Our team excels in each of the sectors that we support, and as each of these sectors evolves and expands, our unique services, products, and systems will continue to be well positioned to benefit.”

Financial Highlights

- **Net income** for the quarter was \$228,000 compared to a net income of \$16,000 for the same quarter in fiscal 2016.
- **Revenue for the quarter** increased \$0.4 million to \$8.3 million compared to \$7.9 million for the quarter ended December 31, 2015, representing a 4% growth. Professional Services revenue increased \$0.1 million quarter over quarter, while Water Systems showed an increase of \$0.3 million. The growth in the Water Systems revenue can be mainly attributed to a rise in manufacturing and assembly projects.
- **Quarterly revenue** was split \$6.4 million from Professional Services and \$1.9 million from Water Systems, compared to \$6.3 million from Professional Services and \$1.6 million from Water Systems for the same period in the previous year.
- **Gross margin** increased slightly to 20% compared to 19% for the same quarter in fiscal 2016, mostly as a result of improved margin in Professional Services.
- **Operating costs** increased slightly to \$1.3 million from \$1.2 million for the same quarter in the prior year.
- **EBITDA** (see Note 1 definition below) increased to \$0.5 million from \$0.4 million for the quarter compared to same quarter in fiscal 2016. The increase is due to improvement in all operational factors - higher net income but also slightly lower depreciation and amortization costs and lower financing costs.

BluMetric Environmental Inc.

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Operational Highlights

- BluMetric's sector-specific growth strategy continues to drive new and existing contracts with both public and private sector clients in mining, industrial and commercial water and wastewater, and the government, especially in Northern Ontario and the Arctic.
- The Company has diversified and grown the services offered in these areas to offset the historically seasonal nature of the northern work. New product and service innovations, tailored to client needs, are being developed and pursued.
- Ongoing service and maintenance contracts have proven to be a steady source of revenue for projects in the Northern Ontario and the Arctic

Outlook

BluMetric is seeing exciting growth opportunities in projects in metals and mining, food and beverage, resource recovery, and government services. The Company will continue to build its business base in the Americas and will refine its special skills relating to the Arctic and remote and challenging environments. Our research and innovation efforts will lead to the commercialization of additional products which will be added to our existing offerings. The first two of these are expected to be introduced in the coming months.

Financial Summary

	Three Months Ended December 31, 2016	Three Months Ended December 31, 2015
	(\$000)	(\$000)
Revenue	8,288	7,937
Gross profit	1,697	1,476
Gross margin %	20%	19%
Operating expenses	1,280	1,237
EBITDA ¹	515	381
Adjusted EBITDA ²	480	273
Net income	228	16
Income per share –basic	0.01	0.00
Income per share –diluted	0.01	0.00

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.



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The full results are available at 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, 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 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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