

PERLITE CANADA INC.

**PRESS RELEASE
FOR IMMEDIATE RELEASE**

TSX Venture
symbol: **PCI**

Montreal, September 29, 2016

**PERLITE CANADA INC. ANNOUNCES ITS RESULTS
FOR THE THIRD QUARTER OF 2016**

MONTREAL, QUEBEC--Perlite Canada inc. (the «**Corporation**») announces hereby its results for the third quarter 2016 ending on July 31, 2016.

The Corporation generated revenues of \$ 1,748,845 during the third quarter ending on July 31, 2016 (the “3rd Quarter 2016”) compared to \$ 1,355,475 as at July 31, 2015, which represents an increase of sales of approximately 29%. For the nine month period ending on July 31, 2016, total sales were \$5,475,625 compared to \$4,638,593 for the same period in 2015, being an increase of approximately 18%.

The Corporation recorded earnings before income taxes of \$434,611 during the 3rd Quarter 2016 compared to a loss before taxes of \$180,595 for the third quarter of 2015. For the nine month period ending on July 31, 2016, the Corporation registered earnings before taxes of \$673,646 compared to a loss before taxes of \$96,376 for the same period in 2015. It should be noted that the amount of earnings before income taxes for the 3rd Quarter 2016 and the nine month period ending on July 31, 2016 includes a gain of \$388,029 realized within the context of a litigation settlement concluded in June 2016 with a former vermiculite supplier (the “Gain on settlement”). The Gain on settlement is recorded as a gain on settlement in the interim statements of comprehensive income of the Corporation for the 3rd Quarter 2016. Without taking into account the Gain on Settlement, the Corporation would have recorded earnings before income taxes of \$46,582 for the 3rd Quarter 2016 and earnings before income taxes of \$285,617 for the nine month period ending on July 31, 2016.

The Corporation recorded net earnings of \$434,611 for the 3rd quarter 2016 compared to a net loss of \$180,595 for the same period in 2015. For the nine month period ending on July 31, 2016, the Corporation generated net earnings of \$673,646 compared to a net loss of \$96,376 in 2015. Without taking into account the Gain on Settlement the amount of net earnings for the 3rd Quarter 2016 and the nine month period ended July 31, 2016 are respectively \$46,582 and \$285,617.

Without taking into account the Gain on Settlement, the significant increase of the earnings is mainly explained by the increase of sales of perlite products, the price adjustments executed during the nine month period ending on July 31, 2016 and the increase of the Canadian dollar compare with the US currency during this period.

Perlite Canada inc. has become a leading Corporation in Canada in the processing, distribution and sale of perlite and vermiculite, two minerals used in industry and horticulture.

The common shares of Perlite Canada inc. are listed for trading on the TSX Venture Exchange.

This press release contains forward-looking statements to which are associated some risks and uncertainties. Any statement contained in this present press release that does not constitute an historical fact can be considered as a forward-looking statement. In this present press release, verbs such as “believe”, “anticipate”, “assess” and other similar expressions indicate generally forward-looking

statements. Those statements do not warrant as for the future performance of Perlite Canada inc. and they suppose known and unknown risks as well as uncertainties in such a way that true future perspectives, returns or results of the Corporation may be notably different of future returns or results expressed or implied by these forward-looking statements.

The TSX Venture Exchange is not responsible for the truth or accuracy of this press release.

FOR FURTHER INFORMATION, CONTACT:

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