

CYMAT Reports Q2 Results

Listing: TSX-V

Symbol: CYM

TORONTO, Dec. 14, 2016 /CNW/ - Today, Cymat Technologies Ltd. (the "Company" or "Cymat") reported the results for its second quarter of fiscal 2017, ended October 31, 2016.



Q2 Highlights

Highlights for the second quarter included:

- Achievement of a loss from operations of approximately \$6,000 for the six-month period ended October 31, 2016. This is Cymat's best mid-point performance level for the year, by a wide margin, since October 31, 1997.
- Closing of \$500,000 equity private placement.
- Signing of a Memorandum of Understanding with Alucoil, SA for the joint deployment of Cymat and Alucoil's respective proprietary technologies and expertise to develop, design, build and operate a manufacturing facility for the continuous production of unique aluminum foam composite panels.

Select financial information for the three and six months ended October 31, 2016 and October 31, 2015 is as follows:

	Three Months Ended October 31		Six Months Ended October 31	
	2016	2015	2016	2015
	(\$)	(\$)	(\$)	(\$)

Interim Statements of Operations

Revenue	587,280	243,785	1,459,812	500,933
Plant operating expenses	359,104	351,363	815,116	681,754

Research and material testing expense	1,027	1,284	2,055	2,568
Selling, general and administrative expenses	300,607	266,694	648,419	540,619
Loss from operations	(73,458)	(375,556)	(5,778)	(724,008)
Net loss	(267,529)	(504,895)	(404,756)	(980,156)

Retention of Market Maker

Cymat has retained, subject to regulatory approval, Mackie Research Capital Corporation ("Mackie") to initiate its market making service to provide market making services to the Company in compliance with the policies and guidelines of the TSX Venture Exchange (the "TSXV") and other applicable legislation. Mackie will trade shares of Cymat on the TSXV for the purposes of maintaining a reasonable market and improving the liquidity of Cymat's common shares.

The agreement between Mackie and the Company is for a minimum one year term and the Company has agreed to pay Mackie \$3,000 per month during the term, payable quarterly in advance. After the one year period, the engagement may be terminated by either party with written notice of 60 days. The Company and Mackie act at arm's length, but Mackie may provide investment banking services to Cymat and Mackie and/or its clients may have an interest, directly or indirectly, in the securities of Cymat. The agreement is principally for the purposes of maintaining market stability and liquidity for the Company's common shares and is not a formal market making agreement. There are no performance factors contained in the agreement between Mackie and the Company and Mackie will not receive any shares or options from the Company as compensation for services it will render.

Outlook

For the remainder of fiscal 2017, Cymat has expectations for the inclusion of Alusion™ in significant architectural projects including installations located in Europe, the United States and South America. The Alusion™ installations in the Mallorca Convention Center and the Fondazione Prada Museum in Milan continue to generate interest in the design community for the use of Alusion™, especially in the outer façade of buildings. Sales of Alusion™ are expected to continue to be the largest source of revenue for Fiscal 2017.

In the first half of fiscal 2017, Cymat delivered approximately 80% of the kits pertaining to the order from Panhard for 250 SmartMetal™ vehicle blast mitigation assemblies. Expectations are that there is the potential for additional blast kit orders to be generated from this initial purchase. Based on further prototype and quoting activity in the military segment, Cymat expects significant future developments in SmartMetal™ blast mitigation applications for military/security vehicles. Cymat also continues to explore non-vehicular energy absorption applications for SmartMetal™ including the use of SmartMetal™ in the French nuclear energy industry for designs similar to that supplied in fiscal 2016 as well as additional applications involving the transport of radioactive material.

In the automotive sector, the Company continues to participate in discussions, with an increasing number of participants, concerning the development of SmartMetal™ applications on several fronts including NVH applications, vehicle crash mitigation systems and light-weighting applications. Management remains convinced that SmartMetal™ has the potential to resolve the conflicting requirements within automotive design for increased vehicle crashworthiness while at the same time reducing vehicle weight. Weight reduction is a key strategy being employed by automotive OEM's in order to achieve vehicle fleet fuel economy levels mandated by CAFÉ regulations in the United States.

About Cymat:

Cymat develops innovative materials for industry. The company has worldwide rights, through patents and licenses, for producing Stabilized Aluminum Foam. The ultra-light metallic foam is manufactured by bubbling gas through molten alloyed aluminum containing a dispersion of fine ceramic particles and can be either continuously produced in flat panels or as near-net shapes. The result is a revolutionary material with a wide array of features including very low density, mechanical energy absorption, thermal and acoustic insulation, is recyclable, time and temperature insensitive and has a relatively low cost of production. Cymat is collaborating with a number of partners spanning the architectural, blast mitigation and automotive industries. For further information, visit the Web site www.cymat.com.

SOURCE Cymat Technologies Ltd.

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