Memex Inc. Reports Record Q4-2018 Results
Momentum Continues with Record Bookings in Q1-2019

Burlington, ON, Canada – January 14, 2019 – Memex Inc. ("Memex" or the "Company") (TSX-V: OEE), a global leader in Industrial Internet of Things (IIoT) manufacturing productivity software, today released its annual financial and operational highlights for its fiscal year ending September 30, 2018. All results are reported in Canadian dollars. A complete set of the Audited September 30, 2018 Consolidated Financial Statements and Management's Discussion & Analysis has been filed at www.sedar.com.

Summary financial highlights for the *three-months* ended September 30, 2018:

- Memex reported a record revenue quarter - $1.08 million for the three-month period, surpassing one million dollars for the first time. This compares to $626 thousand in revenue in the same period a year ago (a 72% increase) and $650 thousand in Q3-2018 (a 66% increase);
- Gross margin was 82% (77% after Q4 adjustment) for the period compared to 66% for the year-ago period, the increase was due primarily to higher sales volume;
- Cash consumed from operations in Q4-2018 (before changes in non-cash items) was $22 thousand, the lowest quarterly consumption in the Company's history;
- Bookings[i] for the period totalled $420 thousand versus $365 thousand in the same period a year ago, a 15% increase; and
- Net and comprehensive loss for the period was $70 thousand ($0.001 per share), compared to $881 thousand ($0.008 per share) for the same period a year ago, the Company's best operational result ever.

Summary financial highlights for the *year* ended September 30, 2018:

- Memex reported $2.85 million in revenue for fiscal 2018, a 42% increase compared to $2.01 million in fiscal 2017;
- Gross margin was 70% versus 55% for the twelve months ended September 30, 2017;
- The Company showed a $2.2 million net and comprehensive loss for 2018, equating to an $0.017 loss per share, compared to a $3.98 million net and comprehensive loss for fiscal 2017, and a $0.034 loss per share;
- Bookings for the year totalled $2.75 million, up 16% from a year ago;
- The Company finished the year with $1.10 million in project backlog, $211 thousand less than a year ago, and $680 thousand less than the end of Q3-2018;
- Cash consumed from operating activities (before changes in working capital balances) was $1.95 million for the year, down $1.74 million (47%) from the same period last year; and
- The Company had $723 thousand in working capital, including $1.05 million in cash at September 30, 2018, as compared with $2.79 million in working capital and $3.46 million in cash at September 30, 2017.

Other operational and subsequent to year-end highlights:

- Record bookings were achieved in Q1-2019, ending December 31st, 2018 of just over $1.0 million. These strong bookings came on the back of participation at the International Manufacturing Technology Show ("IMTS") in Chicago in September which continues to draw increased interest through inquires and requests for demos and more information about MERLIN Tempus.

- The evolution of Tempus has continued with the development of add-on feature, MERLIN Performance Management Model ("MPMM"), available for use with the latest version release. MPMM is designed to leverage existing Continuous Improvement ("CI") resources and expertise to quickly identify and target CI initiatives enterprise wide.
- Memex has developed relationships with several large Enterprise Resource Planning ("ERP") solutions providers to seamlessly integrate MERLIN Tempus with leading ERP systems and provide unparalleled shop floor to top floor visibility. This capability has already resulted in several new customer wins and the expansion of existing customer deployments.

Management commentary:

"Demonstrated by our record revenue quarter in the fourth quarter, we're seeing the adoption curve for data-driven manufacturing flatten out," said Memex CEO Dave McPhail. "We have definitely seen an increase in sales activity following IMTS, and customers who have deployed MERLIN Tempus over the last several quarters are extremely pleased with its functionality and ROI. Although our first fiscal quarter of 2019 ending December 31st, 2018 is generally weaker due to holiday shutdowns in the manufacturing industry, I am very encouraged that we ended the quarter with record bookings of just over $1.0 million. Our pipeline of opportunities continues to solidify, and we expect additional order flow from new and existing customers throughout fiscal 2019."

Selected financial information:

	Three-months period ended September 30			Twelve-months period ended September 30		
(Canadian dollars – in thousands except per share and margin%)	2018	2017	Change	2018	2017	Change
Revenue	1,077	626	+ 72%	2,853	2,008	+ 42%
Bookings[i]	420	364	+ 16%	2,751	2,371	+ 16%
Gross margin %	81.9	66.5	+ 23%	69.9	55.4	+ 26%
Operating expenses	939	1,284	- 27%	4,195	5,083	- 17%
Cash utilized in operating activities[1]	22	779	- 97%	1,949	3,689	- 47%
Net and comprehensive loss for the period	70	881	- 92%	2,254	3,984	- 43%
Basic and diluted loss per share – period	0.001	0.008	- 93%	0.017	0.034	- 51%

1. Before changes in non-cash working capital balances.

As at (Canadian dollars – in thousands except WC ratio)	September 30, 2018	September 30, 2017
Cash on hand	1,048	3,458
Current assets	1,964	4,104
Total assets	2,319	4,522
Current liabilities	1,241	1,313
Working capital*	723	2,791
Working capital ratio**	1.58 to 1	3.13 to 1
Backlog[ii]	1,100	1,311

* Working Capital = current assets – current liabilities
** Working Capital ratio = current assets / current liabilities

About Memex Inc.:

Established in 1992, Memex grew to be an industry leader in Industry Internet of Things (IIoT) through the development of MERLIN Tempus, an award-winning platform that delivers real-time, tangible increases in manufacturing productivity. Memex is on the leading edge of industry trends in computing power, machine connectivity, industry standards, advanced software technology, and manufacturing domain expertise.

Our persistent pursuit of innovative IIoT solutions led to a comprehensive understanding of the challenges manufacturers face. We made it our mission to, "successfully transform factories of today into factories of the future." As the global leader in Machine to Machine (M2M) connectivity solutions, our hardware and software products create unparalleled visibility at all levels, from "Shop-Floor-to-Top-Floor."

The MERLIN Tempus Suite provides effective quantification and management of Overall Equipment Effectiveness (OEE) by revealing hidden capacity using real-time objective data. Further, it offers sustainable benefits that enable world-class OEE such as reducing costs, incorporating strategies for continuous LEAN improvement, and boosting bottom-line financial performance. For more information, please visit: www.MemexOEE.com

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[i] & [ii] These non-IFRS financial measures are identified, defined and reconciled to their closest IFRS measures, revenue and unearned revenue, within our Management's Discussion and Analysis for the years ended September 30, 2018 and 2017, in the section "Other Financial Measures." That MD&A is available at www.sedar.com under our company profile.