MATRRIX ENERGY TECHNOLOGIES INC. TO ACQUIRE OIL AND GAS DRILLING ASSETS FROM RED DOG DRILLING LTD.

DATE: May 10, 2018

CALGARY, ALBERTA – MATRRIX Energy Technologies Inc. ("MATRRIX" or the "Corporation") (TSXV: MXX) is pleased to announce that it has entered into an asset purchase agreement (the "Agreement") with Red Dog Drilling Inc. ("Red Dog") pursuant to which MATRRIX has agreed to acquire (the "Acquisition") all of the assets of Red Dog used in connection with their land-based oil drilling and gas drilling operations (the "Purchased Assets").

Pursuant to the Agreement, MATRRIX will acquire the Purchased Assets for a purchase price of $5,700,000, to be paid as follows: (i) the issuance of 1,573,334 common shares of the Corporation at a deemed price of $0.45 per common share, valued at $708,000; and (ii) $4,992,000 in cash.

Pursuant to the Acquisition, MATRRIX will acquire 4 drilling rigs, and related drilling equipment, consisting of the following:

- 2 heavy telescopic double drilling rigs complementary to MATRRIX'S existing drilling rig fleet with a depth rating of 4,000 meters;
- 1 cantilever triple drilling rig with a depth rating of 5,000 meters; and
- 1 cantilever double drilling rig with a depth rating of 2,800 meters.

Closing of the Acquisition is subject to certain customary conditions, including the approval by the shareholders of Red Dog and receipt of all regulatory approvals, including the approval of the TSX Venture Exchange ("TSXV"). The board of directors of Red Dog has unanimously determined that the Acquisition is in the best interest of the Red Dog shareholders. Certain Red Dog shareholders, holding approximately 67.3% of the currently outstanding Red Dog shares, have indicated their agreement to vote their Red Dog shares in favour of the Acquisition. It is anticipated that the Acquisition will close on or about May 31, 2018.

Lightyear Capital Inc. acted as financial advisor to MATRRIX on the Acquisition.

Following the successful closing of the Acquisition, MATRRIX will have 11 drilling rigs consisting of 9 complementary heavy telescopic double drilling rigs, 1 cantilever triple drilling rig and 1 cantilever double drilling rig. As well, MATRRIX will continue to operate its directional MWD division consisting of 16 directional systems, from its field office located in Leduc, Alberta.

MATRRIX did not assume any of the Red Dog head office facilities and will operate the Purchased Assets from its existing Stampede Drilling Ltd. facilities located in Estevan, Saskatchewan. Subject to the closing of the Acquisition, MATRRIX is looking forward to welcoming the Red Dog rig employees to the Corporation through it Stampede Drilling Ltd. division.

Upon completion of the Acquisition, including the payment of the $4,992,000 cash and the issuance of 1,573,334 common shares, MATRRIX is expected to have 131,487,024 common shares outstanding and approximately $9,200,000 cash.

About MATRRIX

During the second half of 2017, MATRRIX complemented its directional drilling division by adding an oil and gas drilling division. Since that time, MATRRIX appointed Lyle Whitmarsh as its President and CEO, completed a debenture financing for gross proceeds of $2.6 million, completed a common share private placement for gross proceeds of $20.0 million, acquired all of the assets of Vortex Drilling Ltd., acquired Stampede Drilling Ltd., D2 Drilling Inc. and entered into the Agreement with Red Dog.

MATRRIX continues to have a strong balance sheet and will continue to pursue strategic acquisitions which meet its stringent acquisition criteria.

Forward-looking Information

Certain statements contained in this press release constitute forward-looking information. This information relates to future events or the Corporation's future performance. All information other than statements of historical fact is forward-looking information. The use of any of the words "anticipate", "plan", "contemplate", "continue", "estimate", "expect", "intend", "propose", "might", "may", "will", "could", "believe", "predict" and "forecast" are intended to identify forward-looking information.

In particular, this press release contains forward-looking information pertaining to the following: the completion of the Acquisition and related matters including the anticipated closing date; the impact of the Acquisition on the assets, operation and results of MATRRIX; the ability of Red Dog to obtain approval of the Acquisition by its shareholders; the ability of the Corporation to obtain regulatory approval, including that of the TSXV; and the Corporation's pursuit of acquisitions.

This forward-looking information involves material assumptions and known and unknown risks and uncertainties, certain of which are beyond the Corporation's control. Actual results, performance or achievements could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits the Corporation will derive therefrom. There can be no assurance that all of the conditions to closing of the Acquisition will be satisfied or waived in accordance with the Agreement and, as such, the closing of the Acquisition may be delayed or may not close at all.

The forward-looking information contained herein is provided as at the date hereof and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.