

Eurocontrol Reports Third Quarter 2017 Results

- Year over year increase in revenue of 86% and 137% in gross profit -

Toronto, Canada, November 30, 2017 - Eurocontrol Technics Group Inc. (TSX Venture: EUO; OTCQB: EUCTF) ("Eurocontrol" or the "Company"), a Canadian public company specializing in the acquisition, development and commercialization of innovative test and measurement technologies for industry with application systems focused on the energy security, semiconductor and precision agriculture sectors, announces that it has filed its financial statements and Management's Discussion and Analysis ("MD&A") for its third quarter ended September 30, 2017.

Financial and Operating Highlights

- Revenue from continuing operations of \$1,761,005 in the nine months ended September 30, 2017, an 86% increase from revenues in the same period in 2016
- Gross profit of \$265,478 and \$859,586 in the respective three and nine month periods ended September 30, 2017
- Recognized second quarter net loss excluding discontinued operations of \$3,746,226, compared to a net loss of \$3,942,113 in 2016
- Year to date 2017 investment in R&D of ~\$2.4 million

In the nine months ended September 30, 2017, revenue, excluding discontinued operations, increased to \$1,761,005 from \$947,484 for the same period in 2016. EBITDA for the three-month period ended September 30, 2017 remained consistent at \$(1,474,501) compared to \$(1,463,945) for three months ended September 30, 2016. EBITDA for the nine month period ended September 30, 2017 was \$(4,248,907) compared to \$14,335,515 for the same period in 2016. This decrease in EBITDA was due primarily to the one-time gain realized by the Company on the sale of its former subsidiary, Global Fluids International (GFI) S.A. ("SICPA GFI"), to SICPA S.A. on January 4, 2016, and higher sales and marketing expenses incurred during the first nine months of 2017.

For the three and nine month periods ended September 30, 2017, the Company had gross profit of \$265,478 (2016 – \$154,568) and \$859,586 (2016 – \$362,571), respectively, representing an increase of 72% and 137% in these periods in 2017 compared to the same periods in 2016. The Company recorded a net loss of \$1,395,949 and \$3,746,226 in these three and nine month periods in 2017, compared to its net loss of \$1,189,360 and \$3,942,113 for the respective comparative periods in 2016, primarily as a result of the increased gross profit from continuing operations.

Bruce Rowlands, Chairman and Chief Executive Officer stated: "We are pleased with the solid growth in revenue from continued operations in the nine month reporting period in 2017 compared to the same period in 2016, and our potential to continue this trend in the future through increased sales of our renewed Xenemetrix product line. Given the superior performance that has been achieved in a variety of semiconductor applications tested to date by our XwinSys team, we plan to continue our customer development initiatives, however with the expected long and unpredictable sales cycle for this new metrology technology, Eurocontrol has integrated certain XwinSys personnel within Xenemetrix's

operations to consolidate and reduce expenses to ensure continuity of technological know-how whilst XwinSys continues to engage with its potential customers. With regard to Cromptal, our disruptive precision agriculture testing technology is continuing to deliver positive results providing us with an opportunity to leverage our investment with potential partners."

Subsequent to the end of the third quarter, Eurocontrol Chairman and CEO, Bruce Rowlands, has completed his consulting obligations to SICPA GFI as described in the purchase agreement between Eurocontrol and SICPA Finance SA that was finalized January 4, 2016. Mr. Rowlands took no compensation for his contribution.

Financial performance for the third quarter is summarized in the table below.

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2017	2016	2017	2016
	\$	\$	\$	\$
Revenue	492,194	250,631	1,761,005	947,484
Cost of sales				
Cost of sales - direct production costs	(182,368)	(51,715)	(768,374)	(451,868)
Cost of sales - amortization and other non cash items	(44,348)	(44,348)	(133,045)	(133,045)
	<u>(226,716)</u>	<u>(96,063)</u>	<u>(901,419)</u>	<u>(584,913)</u>
Gross profit	<u>265,478</u>	<u>154,568</u>	<u>859,586</u>	<u>362,571</u>
Expenses	(1,787,992)	(1,665,927)	(5,258,046)	(5,367,280)
Other (expense) income	126,565	221,999	557,234	754,596
Income tax recovery	-	100,000	95,000	308,000
Gain on sale of subsidiary - discontinued operations	-	-	-	16,484,172
	<u>(1,395,949)</u>	<u>(1,189,360)</u>	<u>(3,746,226)</u>	<u>(3,942,113)</u>
Net loss - continuing operations	<u>(1,395,949)</u>	<u>(1,189,360)</u>	<u>(3,746,226)</u>	<u>(3,942,113)</u>
Net income - discontinued operations	-	-	-	16,484,172
Net income (loss)	<u>(1,395,949)</u>	<u>(1,189,360)</u>	<u>(3,746,226)</u>	<u>12,542,059</u>
Basic loss per share				
- from continuing operations	(0.02)	(0.01)	(0.04)	(0.04)
- from discontinued operations	0.00	0.00	-	0.18
- net income (loss)	<u>(0.02)</u>	<u>(0.01)</u>	<u>(0.04)</u>	<u>0.14</u>
Diluted loss per share				
- from continuing operations	(0.02)	(0.01)	(0.04)	(0.04)
- from discontinued operations	-	0.00	-	0.17
- net income (loss)	<u>(0.02)</u>	<u>(0.01)</u>	<u>(0.04)</u>	<u>0.13</u>
EBITDA	<u>(1,474,501)</u>	<u>(1,463,945)</u>	<u>(4,248,907)</u>	<u>14,335,515</u>
EBIT	<u>(1,539,471)</u>	<u>(1,522,763)</u>	<u>(4,439,682)</u>	<u>14,163,541</u>

* Certain comparative figures have been reclassified to conform to the current year's presentation. These reclassifications did not affect prior years' net losses.

** Included in the financial statements for the 2016 comparative periods are discontinued operations relating to the Company's sale of SICPA GFI to SICPA S.A. on January 4, 2016, in exchange for \$16 million in cash (less certain closing deductions) and post-closing earn-out payments equal to 5% of the net revenues earned by SICPA GFI from related contracts entered into between January 4, 2016 ending January 4, 2022, with a minimum of \$1.5 million per year for the six year earn-out period (total of at least \$9,000,000). As part of this transaction, the Company, through its wholly owned subsidiary, Xenemetrix, also entered into a strategic exclusive long term supply, maintenance and support agreement, pursuant to which Xenemetrix will continue to supply to SICPA GFI, Xenemetrix products and services for the oil and gas marking and monitoring field.

About Eurocontrol Technics Group Inc.

Eurocontrol is a TSX Venture and OTCQB traded company that specializes in the acquisition, development and commercialization of innovative test and measurement technologies for industry with application technologies focused on the energy security, semiconductor and precision farming sectors based on Xenometrix's core technological platform of ED-XRF. Eurocontrol has three wholly owned subsidiaries, Xenometrix Ltd., XwinSys Technology Development Ltd. and Croptimal Ltd. and an agreement with SICPA S.A. for semi-annual earn-out payments of 5% (minimum \$9 million over six years) on revenues generated from the oil and gas marking and monitoring field relating to the sale of its former subsidiary Global Fluids International (GFI) S.A. Xenometrix is a leading designer, manufacturer and marketer of ED-XRF systems, a technology that is the most accurate and economic method for determining the chemical composition of many types of materials, including the analysis of petroleum oils and fuel. Xenometrix has a long-term supply, maintenance and support agreement with SICPA/GFI to supply SICPA/GFI with Xenometrix products and services related to the oil and gas marking and monitoring field. XwinSys has developed a patented, fully automated metrology system for the semiconductor industry that combines 2D and 3D image processing technology with Xenometrix's ED-XRF technology. Croptimal, is introducing a new mobile ED-XRF spectroscopic material analysis laboratory for the precision agriculture industry that could dramatically change agricultural testing methodology and increase crop yields.

For further information on Eurocontrol, please visit the Company's website at www.eurocontrol.ca or contact Bruce Rowlands, Chairman and CEO at (416) 361-2809 or browlands@eurocontrol.ca.

Neither 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. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

Forward-Looking Statements: This press release contains forward-looking statements. More particularly, this press release contains statements. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "would", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. The forward-looking statements are based on certain key expectations and assumptions made by Eurocontrol. Although Eurocontrol believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Eurocontrol can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. In addition to other risks that may affect the forward-looking statements in this press release are those set out in Eurocontrol's management discussion and analysis of the financial condition and results of operations for the year ended December 31, 2016 which is available on the Corporation's profile at www.sedar.com. The forward-looking statements contained in this press release are made as of the date hereof and Eurocontrol undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.