

**ISOMET CORPORATION**  
5263 Port Royal Road  
Springfield, VA 22151

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
To Be Held On June 1, 2017**

NOTICE IS HEREBY GIVEN THAT, the Annual Meeting of Stockholders of Isomet Corporation, a New Jersey corporation (the "Corporation"), will be held at the principal office of the Corporation, 5263 Port Royal Road, Springfield, Virginia, on Thursday, June 1, 2017, at 10:30 a.m., Eastern Time, for the following purposes:

1. To elect three (3) directors of the Corporation to serve for the term of one (1) year or until their respective successors have been elected and qualified; and
2. To ratify the appointment of the independent accounting firm; and
3. To transact such other business as may be properly brought before the meeting or any adjournment or adjournments thereof. Management is not aware of any such other business.

Only holders of record of shares of Common Stock of the Corporation at the close of business on April 7, 2017 will be entitled to notice of and to vote at the meeting or any adjournment thereof.

All stockholders of the Corporation are invited to attend the Annual Meeting. Whether or not you plan to attend the Annual Meeting of Stockholders in person, it is important that your shares be represented and voted. After reading the enclosed Notice of Annual Meeting and Proxy Statement, please complete, sign, date and return the enclosed Proxy in the envelope to which no postage need be affixed if mailed in the United States. Any stockholder who chooses to attend and vote in person has the power to revoke his or her proxy at any time before it is used by submitting a later dated proxy, giving written notice of such revocation to the Secretary of the Corporation or voting in person at the Annual Meeting.

By Order of the Board of Directors

Sidney L. Neely  
Secretary

April 25, 2017  
Springfield, Virginia

**ISOMET CORPORATION**  
5263 Port Royal Road, Springfield, Virginia 22151

**PROXY STATEMENT**  
Annual Meeting of Stockholders  
June 1, 2017

The enclosed Proxy is being solicited by the Board of Directors of Isomet Corporation (the "Corporation") in connection with the Annual Meeting of Stockholders ("Annual Meeting") of the Corporation to be held at the principal office of the Corporation, 5263 Port Royal Road, Springfield, Virginia 22151, on Thursday, June 1, 2017, at 10:30 a.m., Eastern Time, and at any adjournment or adjournments thereof. Only record holders of shares of Common Stock, \$1.00 par value ("Common Stock") of the Corporation at the close of business on April 7, 2017 will be entitled to notice of or to vote at the Annual Meeting or any adjournments of such meeting. On that date, there were 2,103,090 shares of Common Stock outstanding and entitled to vote at the meeting.

Any stockholder who executes and returns the enclosed form of proxy may revoke it at any time before it is voted by (i) submitting a duly executed proxy bearing a later date; (ii) giving written notice to the Secretary of the Corporation (Sidney L. Neely, Secretary, Isomet Corporation, 5263 Port Royal Road, Springfield, Virginia 22151); or (iii) by voting in person at the Annual Meeting. Unless so revoked, the shares represented by the proxy will be voted in accordance with the instructions specified therein at the Annual Meeting, if the proxy is properly executed and is received in time for voting. If no instructions are specified, the shares represented by a properly executed Proxy will be voted FOR the matters described herein and in the discretion of the named proxy holders on other matters that may properly come before the Annual Meeting.

All expenses attributable to this proxy solicitation will be borne by the Corporation. Further solicitation of Proxies may be made by telephone or in person by officers, directors and regular employees of the Corporation without additional compensation.

The Corporation's unaudited Financial Report for the fiscal year ended December 31, 2016, is transmitted herewith. None of the statements or information in said Financial Report is intended or shall be construed to be part of the proxy soliciting material of the Corporation.

The approximate mailing date of the Proxy Statement and accompanying Proxy is April 28, 2017.

**VOTING SECURITIES AND  
PRINCIPAL HOLDERS THEREOF**

Stockholders are entitled to one vote for each share of Common Stock held of record on the record date. However, in the election of directors, a stockholder has the right to cumulate his or her shares by giving one candidate the number of votes equal to the number of directors to be elected, multiplied by the total number of shares held by such stockholder. Instead of casting all such votes for one candidate, a stockholder also may distribute them among any number of candidates as the stockholder wishes. There are no prerequisites to the exercise of these cumulative voting rights. Directors are elected by a plurality of votes cast. The three persons who receive the greatest number of votes of the holders of Common Stock represented in person or by proxy at the Annual Meeting will be elected directors of the Corporation. Persons named as proxies intend to cast votes equally among the three nominees for directors.

The holders of forty percent (40%) of the Common Stock entitled to vote at the Annual Meeting, present in person or by proxy, shall constitute a quorum for purposes of the Annual Meeting. Abstentions are counted for purposes of establishing a quorum, but will have no affect on the outcome of the vote to elect directors.

**BENEFICIAL OWNERSHIP OF COMMON STOCK  
BY CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth as of April 7, 2017, the number of shares and percentage of outstanding Common Stock owned by (i) each person or entity known to the Corporation to be the beneficial owner of more than 5% of the Corporation's outstanding Common Stock, (ii) each director and director nominee who owns Common Stock and (iii) all directors and officers of the Corporation as a group. The address for the directors and officers is the same as the Corporation's address unless otherwise indicated.

Name of Beneficial Owner	Common Stock	
	Amount and Nature of Beneficial Ownership <sup>1</sup>	Percent of Class <sup>2</sup>
Indeco, Inc. 11-14 Kasuga 1-Chome Bunkyo-Ku Tokyo 112 Japan	125,000	5.94
Wilson G. Saville II Barrett & Company The Wilcox Building 42 Weybosset Street Providence, RI 02903 Director and Nominee	189,365 <sup>3</sup>	9.00
The Credit Shelter Trust 1382 Newtown Langhorne Road F-110 Newtown, PA 18940	457,829	21.77
Robert G. Bonner Officer, Director and Nominee	8,500	.40
Michael W. Hillier Officer, Director and Nominee	5,000	.24
All Directors and Officers as a Group (4 Persons)	138,647	9.64

- (1) Unless otherwise indicated, each person has sole voting and investment power with respect to the shares beneficially owned.
- (2) Calculated on the basis of 2,103,090 shares of Common Stock outstanding at April 7, 2017, plus in the case of any individual option holder, additional shares of Common Stock deemed to be outstanding because such shares may be acquired within 60 days of that date through the exercise of outstanding options.
- (3) Increase over prior year is due to settlement of a family estate. Also includes 1,500 shares held in a custodial account for which Mr. Saville disclaims beneficial ownership.

**ELECTION OF DIRECTORS  
(Proposal 1)**

At the Annual Meeting of Stockholders three (3) directors are to be elected each to serve as a member of the Board of Directors until the next Annual Meeting or until his or her successor is elected and qualified. Should any of the nominees be unable or refuse to serve as directors (an event that management does not anticipate), proxies solicited hereunder will be voted for substituted nominees.

The enclosed proxy provides a means for a stockholder to vote for one or more of the proposed nominees or to withhold authority to vote for any or all such proposed nominees. As noted above, a stockholder has the right to cumulate his or her shares in the election of directors. Each properly executed proxy received in time for the Annual Meeting will be voted as specified herein. If a stockholder executes and returns a proxy, but does not specify otherwise, the shares represented by such stockholder's proxy will be voted FOR each of the proposed nominees listed therein or should any one or more of such proposed nominees become unavailable, for another nominee or other nominees to be selected by the Board of Directors.

**THE CORPORATION'S BOARD OF DIRECTORS RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR EACH OF THE NOMINEES IDENTIFIED BELOW.**

Identification of Nominees for Directors:

The following table sets forth certain information regarding each nominee.

<u>Nominee</u>	<u>Age</u>	<u>Position With The Corporation</u>	<u>Director Since</u>
Robert G. Bonner	69	Executive Vice President, Operations and Director Nominee	2005
Michael W. Hillier	57	President and Director Nominee	2005
Wilson G. Saville II	59	Director Nominee	2002

Business Experience:

The principal occupation of each director nominee for the last five years and directorships held by each such person is as follows:

Robert G. Bonner is Executive Vice President, Operations, of the Corporation.

Michael W. Hillier is President of the Corporation and Managing Director, Isomet UK.

Wilson G. Saville II is President and Managing Director of Barrett & Company, Providence, Rhode Island.

**INDEPENDENT ACCOUNTING FIRM  
(Proposal 2)**

The Board of Directors is asking that the stockholders ratify the use of Aronson & Company as our independent outside accounting firm. Due to timing complications and cash flow shortage at the end of 2007 and continuing cash flow concerns during 2008 through 2016 the Company did not undergo formal audits for those years. However, the company's subsidiary in the UK was audited for the years 2007 through 2016 as required by law in that jurisdiction. One third of the consolidated revenue of the Company is generated by that subsidiary. For 2017, the audit situation will be reviewed by the Board of Directors and a course of action decided prior to the end of the year.

**OTHER MATTERS**

At the date of this Proxy Statement the Corporation does not know of any business to be presented for consideration at the Annual Meeting other than stated in the Notice of such meeting. It is intended, however, that the persons authorized under management proxies may, in the absence of instruction to the contrary, vote or act in accordance with their best judgment with respect to any other proposal presented for action at such meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Sidney L. Neely  
Secretary

April 25, 2017  
Springfield, Virginia