

June 2009



TSXV: BRY

**Wholesale Distribution Specialists
Corporate Presentation – June 2009**

- ▶ *Don Caron, CEO*
- ▶ *Jason Theiss, CFO*

Certain statements set forth in this presentation are forward looking statements. Although Bri-Chem Corp. management believe their expectations are based on reasonable assumptions, they give no assurance that expected results will be achieved. There are numerous risks and uncertainties that can effect the outcome and timing of such events, including many factors beyond the control of Bri-Chem Corp.'s management. These factors include, but are not limited to, economic conditions, government regulation, commodity prices for oil and gas, and currency fluctuations. Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, the actual results and plans for fiscal 2009 and beyond could differ materially from those expressed in the forward looking statements.

Bri-Chem Corp.

Recent Highlights

Recent Highlights

August 2008

- ▶ Completed Acquisition of Steel Products Wholesaler (\$36 Sales TTM)

December 2008

- ▶ Steel Products division generated sales of \$27.8M in first 4 months
- ▶ 87% increase in FY 2008 Revenue to \$111.2M (\$59.5M 2007)
- ▶ 86.9% increase in FY 2008 Earnings to \$4.4M (\$2.4M 2007)
- ▶ 73.7% increase in FY 2008 EPS to \$0.33 (\$0.19 2007)
- ▶ 72.1% increase in FY 2008 EBITDA to \$9.7M (\$5.6M 2007)

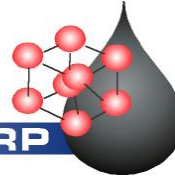
June 2009

- ▶ Currently trading at 3.33 times TTM Earnings (\$0.30)

Bri-Chem Corp. Wholesale Distribution Specialists

Divisions

BRI-CHEM
CORP



Oil and Gas Fluids Divisions

 **BRI-CHEM**
SUPPLY LTD

 **SODIUM SOLUTIONS Inc.**

PERFORMANCE
INDUSTRIAL PRODUCTS
Specialty Drilling Products

Steel Products Division

 **BRI-CHEM**
STEEL CORPORATION

BRI-CHEM
CORP



Drilling fluids
sector specialists
in chemical
distribution

Bri-Chem Supply Ltd./Sodium Solutions Inc.

- ▶ Wholesale Distributor of over 150 commodity and specialty chemicals to the Western Canadian and Northern USA energy sector
- ▶ In excess of 40% market share in WCSB
- ▶ 19 Strategic Locations

Bri-Chem Steel Corporation

- ▶ Wholesale Distributor of pipe, tube, valves and fittings to the Western Canadian and Eastern USA energy sector
- ▶ Distribution centers located in Leduc, AB and New Orleans Louisiana
- ▶ Servicing Mechanical, industrial and construction industries:
 - ▶ Gas Line pipe
 - ▶ Screw Pilings
 - ▶ Fluid Transmission Pipe

TTM Revenue to
March 31, 2009 is
\$63.7M

Q1 2009
Revenue:
USA – \$3.2M
CAD - \$10.9M

Bri-Chem Corp. Strategic Network of Stock Points



Stock Points

- 1 - High Level, AB
- 2 - Grande Prairie, AB
- 3 - Slave Lake, AB
- 4 - Whitecourt, AB
- 5 - Edson, AB
- 6 - Blackfalds, AB
- 7 - Consort, AB
- 8 - Brooks, AB
- 9 - Lloydminster, AB
- 10 - Fort Nelson, BC
- 11 - Fort St. John, BC
- 12 - Swift Current, SK
- 13 - Estevan, SK
- 14 - Langley, BC
- 15 - Abbotsford, BC
- 16 - Grande Cache, AB
- 17 - Williston, ND
- * Steel – New Orleans

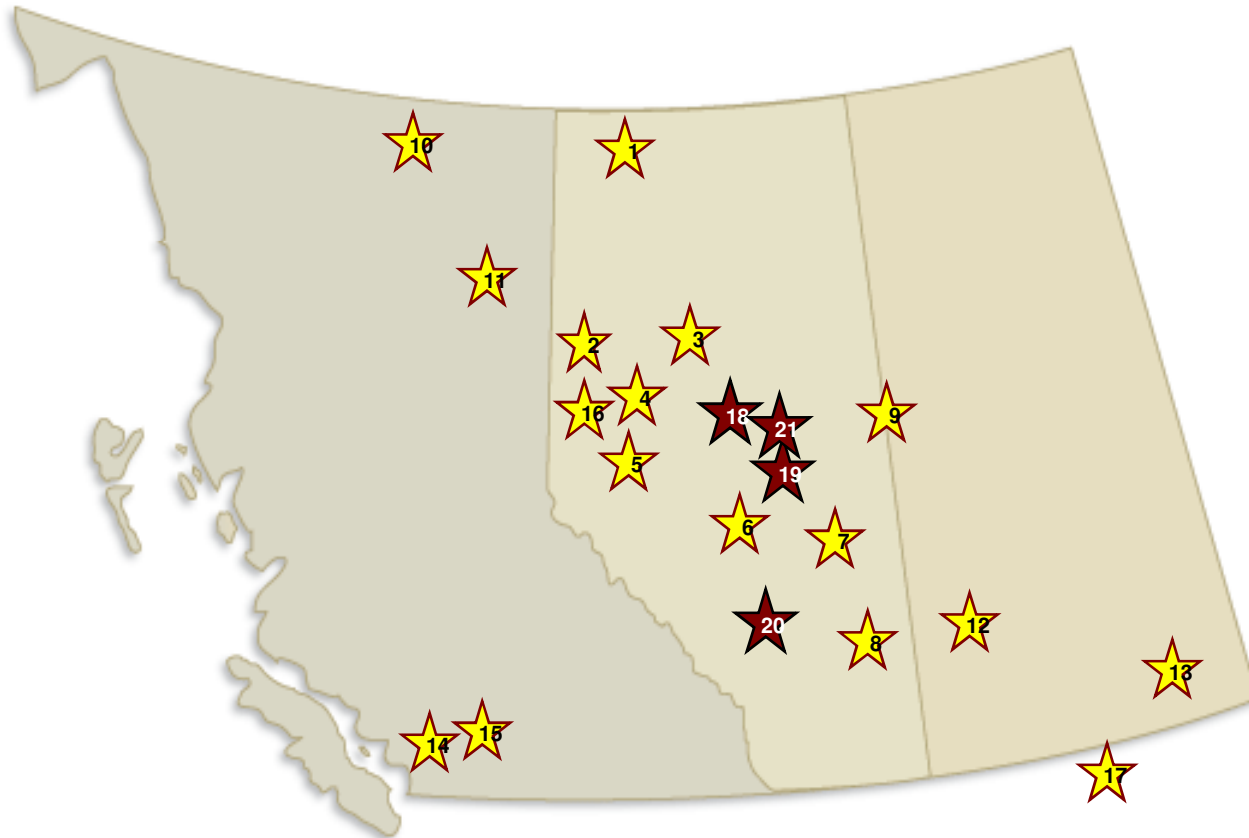
Headquarters

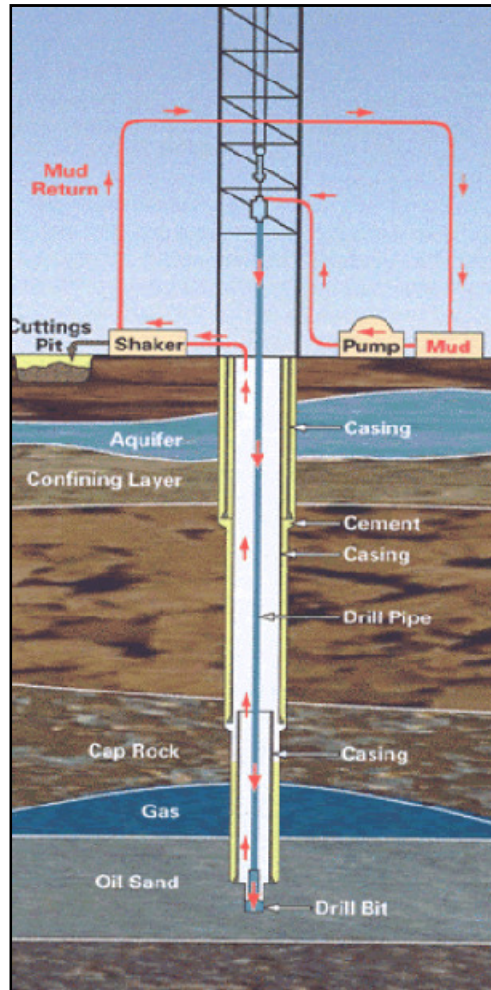
- 18 - Acheson, AB
(Head Office)
- 19 - Camrose, AB
(Chemical Packaging,
Warehouse & Distribution
Center)
- 20 - Calgary, AB
(Sales office)
- 21 - Steel – Leduc, AB

Legend

-  Strategic Stock Point
-  Office / Warehouse

- ▶ Fluids Division has strategic network of 21 warehouses throughout AB, BC, SK and US, provide the best industry coverage.
- ▶ 15 third party owned and operated warehouses minimize capital and operating costs.
- ▶ Network provides for lower costs, highly effective and efficient customer service.



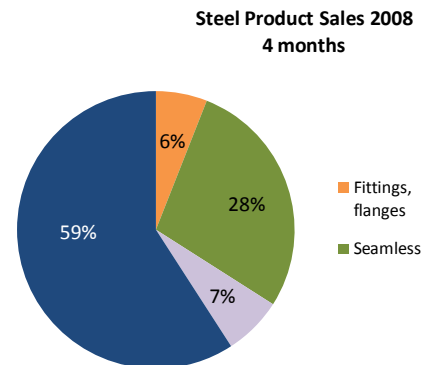


▶ Drilling Fluids:

- ▶ Essential to all drilling processes.
- ▶ Lubricates and cools the drill bit.
- ▶ Remove cutting debris from the bottom of the drill hole.
- ▶ Controls subsurface pressure
 - ▶ Prevents the well from flowing or blowing out.

▶ Steel Products:

- ▶ Pipe, tubing and casing



Bri-Chem Corp. Customers

Major Customers



▶ Alliance Drilling Fluids



▶ Weatherford International



▶ ProDrill Fluid



▶ Comco Pipe & Supply (Russel Metals)



▶ Canadian Energy Services



▶ Apex Distribution Inc.



▶ Trican Well Service



▶ National Oilwell Varco



- ▶ Proxies for fluid and steel demand include:
 - ▶ the number of active rigs CAD and USA;
 - ▶ approved exploration and development expenditures;
 - ▶ spot and future oil and gas prices;
 - ▶ oilsands development;
 - ▶ new infrastructure expenditures.

Bri-Chem Corp. Industrial Fluids Division

Industrial Diversification

Broad range of markets including:

Mining Exploration

- ▶ Exploration, surface and underground, Diamond Core and Reverse Circulation
- ▶ Water Supply Wells
- ▶ De-Watering, Water treatment and Environmental

Water Well

- ▶ Drilling, Grouting, Sealing and Abandonment
- ▶ Water Treatment and Remediation
- ▶ Well Rehabilitation

HDD (Horizontal Directional Drilling)

- ▶ Drilling/Installation of utilities, fiber optics and site remediation
- ▶ River Crossings

Geothermal/Geotechnical/Environmental

Seismic

Construction

Construction

Oilsands

Coal Bed Methane



Bri-Chem Corp. Year Over Year Revenue Performance

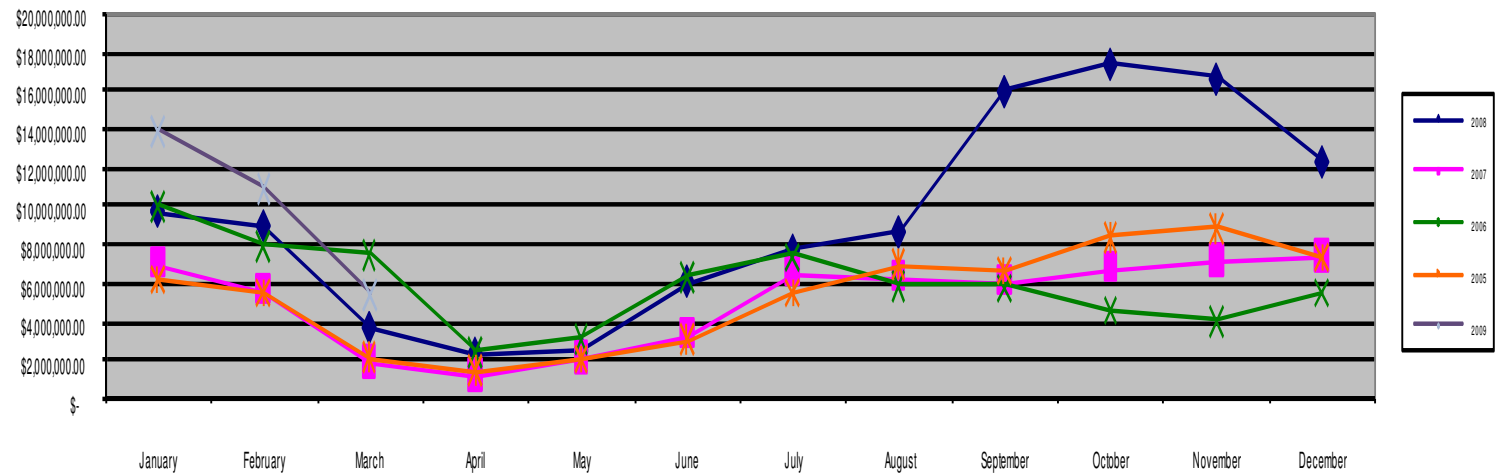
Financial Performance

TTM March 09
Sales:
\$119 million

Total
Revenue Per
Employee (54):
\$2.2 million

YOY Revenue
increased by
87%

Bri-Chem Corp. Year Over Year Revenue Performance



Bri-Chem's revenue growth is attributed to:

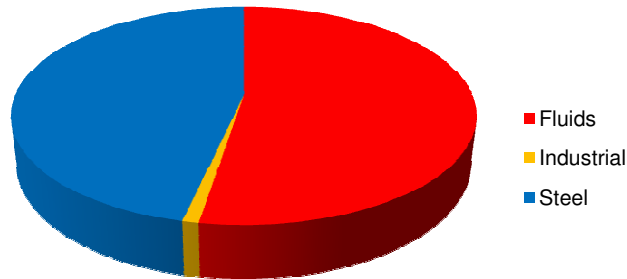
- ▶ 7.7% increase in rig count in WCSB;
- ▶ Organic growth of 30% YOY in fluids segment;
- ▶ increase in customers / marketshare; and,
- ▶ the acquisition of Bri-Chem Steel Corporation in August 2008.

Bri-Chem Corp. Recent Company Performance

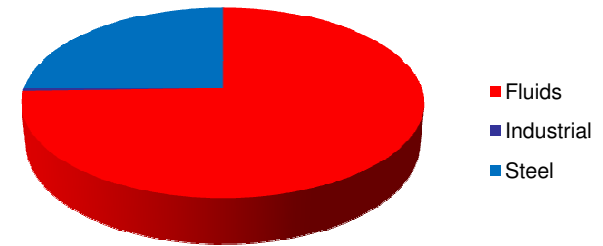
Financial Performance

Q1 revenue
growth 37%
YOY

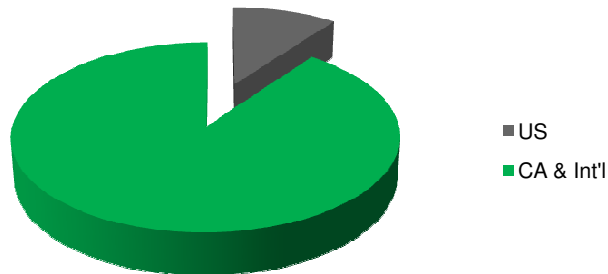
Product Breakdown
2009



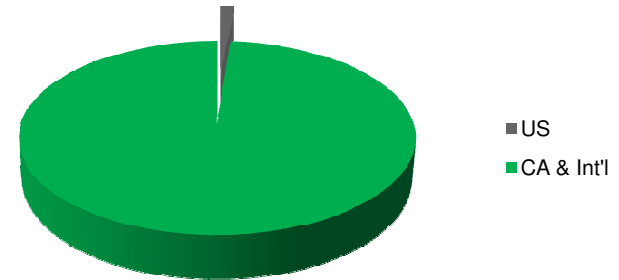
Product Breakdown
2008



Sales by Geographic Region 2009



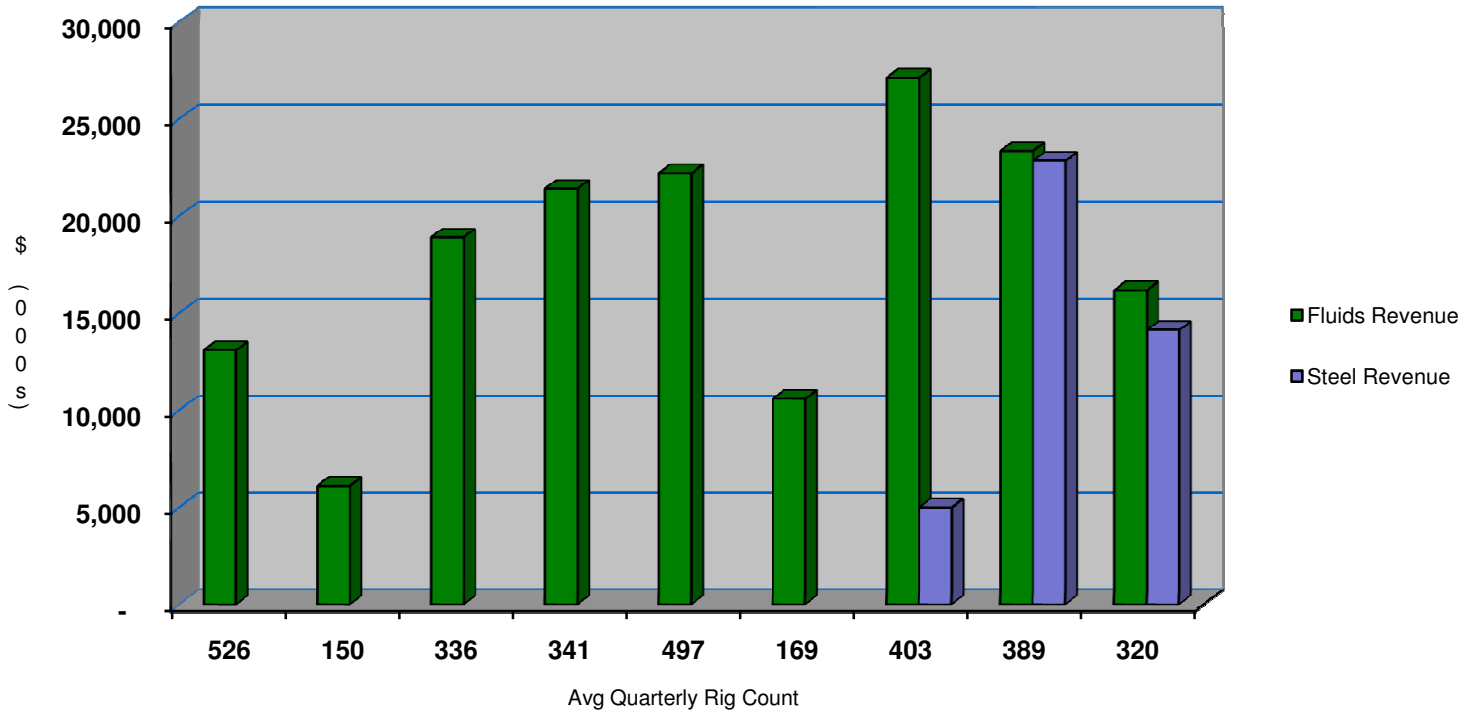
Sales by Geographic Region 2008



Revenue	Q1	Q2	Q3	Q4	Total
2009	\$30,337,102				
2008	\$22,200,532	\$10,658,262	\$32,184,454	\$46,239,576	\$111,282,824
2007	\$13,136,256	\$6,135,841	\$18,889,017	\$21,357,551	\$59,518,665

Bri-Chem Corp. Rig Count to Revenue

Avg. Rig Count to Revenue



Higher natural gas prices may signal increase in WCSB rig activity

	Q1 07	Q2 07	Q3 07	Q4 07	Q1 08	Q2 08	Q3 08	Q4 08	Q1 09
Average Rig Count	526	150	336	341	497	169	403	389	320
Fluids Revenue	\$13,136	\$6,136	\$18,889	\$21,435	\$22,201	\$10,658	\$37,194	\$23,382	\$16,203
Steel Revenue							\$4,990	\$22,858	\$14,134

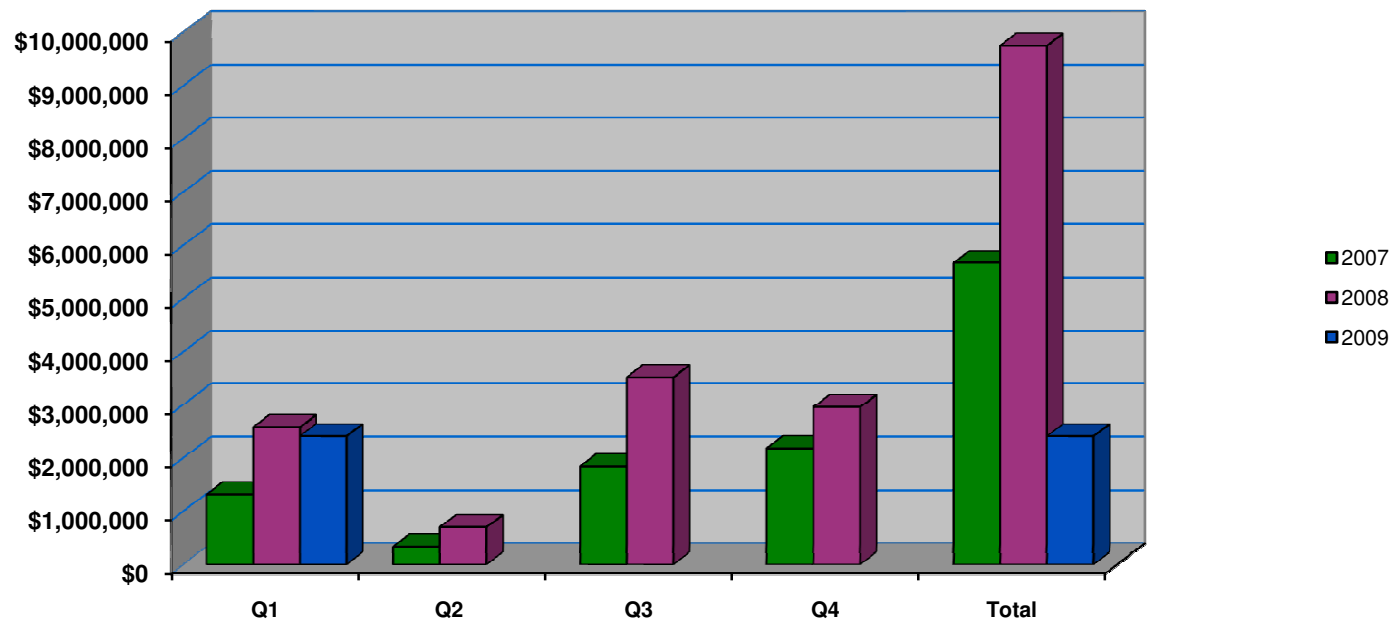


Bri-Chem Corp. Quarterly EBITDA

EBITDA

Q1 2009
EBITDA to
Sales – 8%

2008 EBITDA
to Sales –
increase 72%
YOY



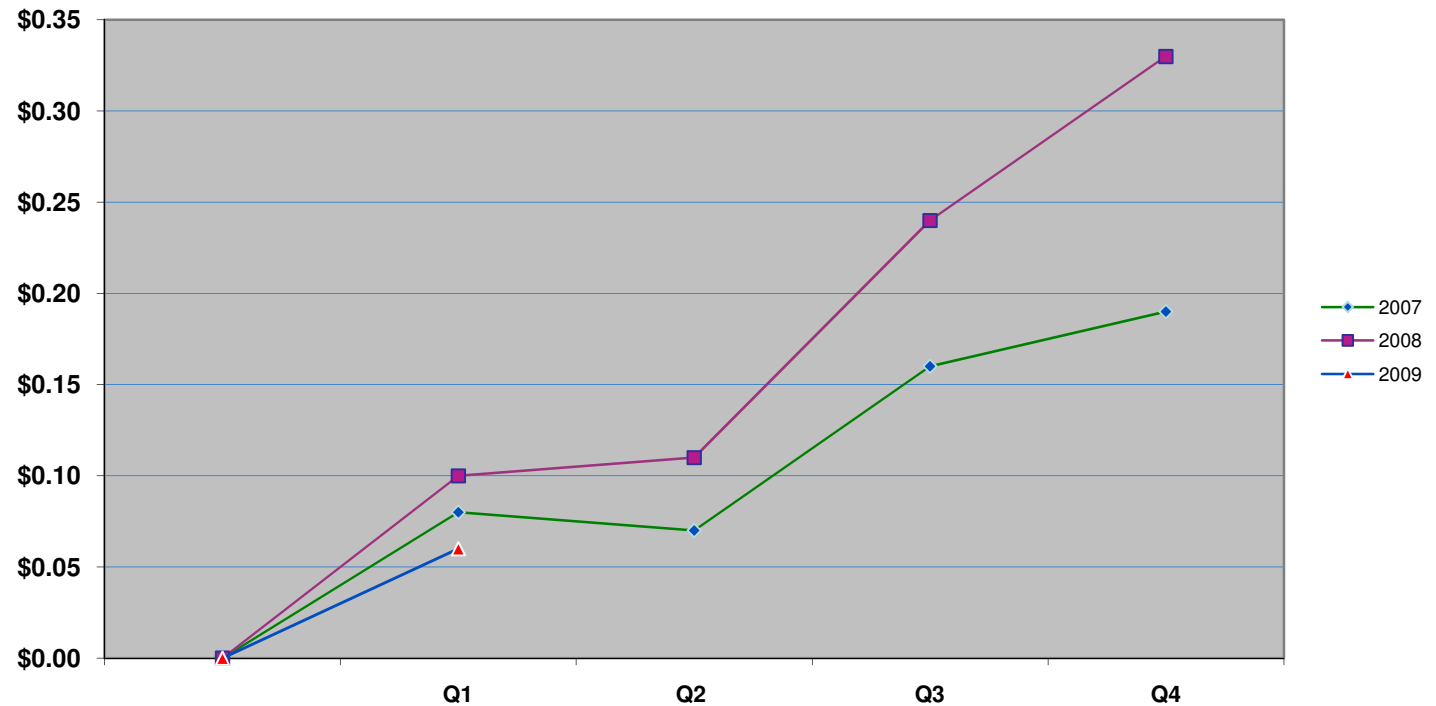
EBITDA	Q1	Q2	Q3	Q4	Total
2009	\$2,406,539				
2008	\$2,576,115	\$702,462	\$3,521,248	\$2,953,761	\$9,753,586
2007	\$1,312,997	\$336,719	\$1,838,294	\$2,179,830	\$5,667,840

Bri-Chem Corp. Earnings Per Share

TTM diluted
EPS of \$0.30

TTM earnings
Multiple 3.3
times

Cumulative EPS



EPS by quarter	Q1	Q2	Q3	Q4
2009	\$0.06			
2008	\$0.09	\$0.01	\$0.14	\$0.09
2007	\$0.07	(\$0.01)	\$0.09	\$0.03

Bri-Chem Corp. Historical Review

Historical Review Selected Financial Data

Periods ended	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007Q3	2007Q2	2007Q1
<i>(000s, except per share data)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>
Operating Results									
Revenue	30,337	46,240	32,184	10,658	22,201	21,358	18,889	6,136	13,136
EBITDA	2,407	2,954	3,521	702	2,576	2,180	1,838	337	1,313
As a % of revenue	7.9	6.4	10.9	6.6	11.6	10.2	9.7	5.5	10.0
Net Income	860	1,235	1,883	104	1,265	427	1,175	- 102	901
Earnings per share									
Basic	0.06	0.09	0.14	0.01	0.09	0.03	0.09	- 0.01	0.07
Diluted	0.06	0.09	0.14	0.01	0.09	0.03	0.09	- 0.01	0.07
Financial Position									
Current assets	76,036	88,089	78,153	38,953	48,873	46,161	40,669	25,360	34,299
Total assets	88,844	100,962	91,046	44,592	54,578	51,918	46,659	29,332	38,309
Working capital	22,083	21,333	22,399	20,933	21,177	19,783	18,605	18,114	19,213
Long-term debt	8,084	8,401	10,583	6,244	7,269	7,298	7,184	7,269	8,346
Shareholders' equity	26,693	25,804	24,709	20,327	19,613	18,241	17,410	14,806	14,877
Common Share Data									
Common shares outstanding (#)									
At period end	14,504	14,504	14,514	13,210	12,927	12,927	12,927	12,213	12,213
Weighted average	14,513	14,513	13,664	12,939	12,927	12,927	12,798	12,213	12,213
Share trading									
High (\$)	1.10	2.30	2.40	2.45	1.77	1.50	1.90	2.45	2.75
Low (\$)	0.76	0.75	1.75	1.45	1.05	1.00	1.13	1.85	1.80
Close (\$)	0.76	1.00	2.01	2.20	1.45	1.26	1.21	1.85	2.40
Volume (#) (000's)	99	176	263	594	208	1,459	95	369	577



Bri-Chem Corp. Share Capital

Structure

Management
owns
Approximately
40% of shares

Total issued and outstanding common shares	14,504,186
<i>Securities reserved for issuance:</i>	
Stock options (\$2.00 avg. strike price)	1,272,000
Warrants (\$2.03 avg. strike price)	350,000
	<hr/>
Total - diluted	<u><u>16,126,186</u></u>

Fluids Division

- ▶ Seek industrial fluid target companies
- ▶ Increased blending opportunities
- ▶ Establish additional US stock points
- ▶ Expand global customer base (Chile)

Steel Division

- ▶ Thermal expansion seamless pipe
- ▶ Large project bids (oilsands)
- ▶ Additional US stock points
- ▶ Strategic Partnerships (fittings & flanges)

Focus on
continued
market
penetration

Outlook 2009

- ▶ Year over Year Revenue Growth
- ▶ Anticipated Recovery of Q3 & Q4 Drilling Activity to Higher Levels
- ▶ Expansion of Industrial Fluids Markets
- ▶ New Steel Products Introduced to Market
- ▶ Additional US Stock Points

Bri-Chem Corp.

Board of Directors & Management Bios

Don Caron
Chief Executive
Officer & Director

- ▶ President of Western America Capital Inc. – Edmonton Based Private Equity Firm.
- ▶ Founder of International Technologies Inc. which merged to create CCS Income Trust. (1992) (TSX:CCR.UN)
- ▶ Founder of CFE Industries Inc. which merged to create Commercial Solutions Inc.(2002)
- ▶ Founder of mBase Commerce Inc. which merged to create Bri-Chem Corp. (2007)

Albert Sharp
Director

- ▶ Former Chief Executive Officer of Altus Geomatics, partnership residing under Altus Group Income Fund. (TSX: AIF.UN)
- ▶ Retired Trustee of Altus Group Income Fund.
- ▶ Member of: The Canadian Institute of Geomatics; The International Right of Way Association; and, The Alberta Association of Surface Land Agents.

Eric Sauze
Director & Chair
of Audit Committee

- ▶ Chief Operating Officer of Commercial Solutions Inc. (TSX:CSA)
- ▶ Chartered Accountant and Chartered Financial Analyst.

Alan Campbell
Director

- ▶ 45 Years of experience in the mud industry, as service representative, operations manager and executive management.
- ▶ Joined Bri-Chem in 1991.

Brian Campbell
President of Fluids
Division & Director

- ▶ Over 25 years experience in the drilling fluids industry, oversees the day to day operations
- ▶ Founded Bri-Chem in 1984.

Jason Theiss
Chief Financial
Officer

- ▶ Chartered Accountant.
- ▶ Prior, controller of private income trust, and senior auditor with public accounting firm.
- ▶ Joined Bri-Chem in 2007.

Neil Rasmussen
President of Steel Division

- ▶ President of Bri-Chem Steel Corporation with over 15 years of steel industry experience
- ▶ Founded Bri-Chem Steel Corporation.