

# **BRI-CHEM CORP.**

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For Immediate Release  
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## **BRI-CHEM CORP. ANNOUNCES SECOND QUARTER RESULTS**

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Edmonton, Canada, August 26, 2009 – Bri-Chem Corp. (“Bri-Chem”) (TSX Venture Exchange: BRY) a leading Canadian wholesale distributor of industrial drilling fluids, steel products and services, today announced its financial results for the second quarter ended June 30, 2009. During the quarter, Bri-Chem’s revenue was down nominally (5.1%) as compared to the same period last year while recording a diluted loss of (\$0.06) per share. A complete copy of Bri-Chem’s report is available on the Internet at [www.sedar.com](http://www.sedar.com).

Consolidated revenues were \$10,118,467 for the second quarter of 2009, a decrease of 5.1% when compared to \$10,658,262 from the same period last year. Net loss from operations for the three months ended June 30, 2009 is \$847,643 or (\$0.06) diluted loss per share compared to earnings of \$103,706 from the same period last year. Earnings before interest, taxes, depreciation and amortization (EBITDA) is (\$296,383), a decrease of \$998,845 or 142.2% compared to the same period last year.

Net earnings from operations for the six months ended June 30, 2009 are \$12,340 or \$0.00 diluted earnings per share a decrease of 99.0% when compared to \$1,368,481 from the same period last year. Earnings before interest, taxes, depreciation and amortization for the same period are \$2,110,156 a decrease of \$1,168,421 or 35.6% compared to the same period last year. Consolidated revenues were \$40,455,569, an increase of 23.1% when compared to \$32,858,795 from the same period in 2008.

The decline in Company revenues and operating performance is the result of the dramatic decrease in oil and natural gas drilling activity and the North American overstock of steel products. During the second quarter, drilling activity, based on drilling operating days, was down 38.5% and 42.8% respectively for the three and six months ended June 30, 2009 compared to the same periods of 2008. Drilling rig utilization rates experienced a decline of 8.0% with average rig utilization of 10.7% for the three months ended June 30, 2009 compared to 18.7% for the same period of 2008. For the six months ended June 30, 2009 average rig utilization was 23.9% a decline of 13.6% compared to the same period in 2008.

### **Outlook**

Bri-Chem continued to have increased sales growth for the six months ended June 30, 2009 of 23.1%, despite operating cautiously due to the current economic instability that exists. It is uncertain what the short-term impact of this instability will have on industries and the Company. With volatile commodity prices and the weakened demand for products, the Company is focused on managing inventory and controlling costs through this decline. Throughout 2009 we will remain focused on finding opportunities to maximize cash flow and continue to monitor our debt levels. The second half of the year, we anticipate sales and earnings to improve relative to the first half of the year, however given the global economic instability it will remain a challenge to achieve similar results reported in the third and fourth quarters of 2008.

### **About Bri-Chem**

Bri-Chem operates out of its head office located in Acheson, Alberta and its principal activity is the wholesale/distribution of drilling fluids, steel products and services to the resource, industrial and construction industries in North America.

### **Forward Looking Statements**

Certain statements contained in this press release, including statements which may contain words such as “could”, “should”, “expect”, “anticipate”, “believe”, “will”, and similar expressions and statements relating to matters that are not historical facts are forward looking statements. Such forward looking statements involve known and

unknown risks and uncertainties which may cause the actual results, performances or achievements of Bri-Chem Corp. to be materially different from any future results, performances or achievements expressed or implied by such forward looking statements. Such factors include, but are not limited to, fluctuations in oil and gas activity levels, political and economic conditions, and the demand for products provided by Bri-Chem Corp.

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*The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*