

## **BRI-CHEM CORP.**

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For Immediate Release  
TSX Venture Exchange  
Symbol "BRY"



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### **BRI-CHEM CORP. ANNOUNCES THIRD QUARTER RESULTS**

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Edmonton, Canada, November 30, 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 third quarter ended September 30, 2009. During the quarter, Bri-Chem's revenue declined 25.5% compared to the same three month period last year, however, consolidated revenues for the nine months ended is down only 1.0% overall as compared to the same period in 2008. A complete copy of Bri-Chem's report is available on the Internet at [www.sedar.com](http://www.sedar.com).

Consolidated revenues were \$23,965,481 for the third quarter of 2009, a decrease of 25.5% when compared to \$32,184,454 from the same period last year. Net loss from operations, including an impairment charge for the three months ended September 30, 2009 is (\$6,582,873) or (\$0.45) diluted loss per share compared to earnings of \$1,883,421 from the same period last year. The net loss resulted from an impairment charge of goodwill and intangible assets of \$6,884,132 recognized in the quarter. If the impairment loss is excluded, a net loss of \$267,713 or (\$0.02) diluted loss per share would have resulted compared to \$0.14 diluted earnings per share in 2008. Earnings before interest, taxes, depreciation and amortization (EBITDA) are \$356,025, a decrease of \$3,202,623, or 90% compared to the same period last year.

Net loss from operations after the impairment charge for the nine months ended September 30, 2009 is (\$6,582,873) or (\$0.45) diluted loss per share, a decrease of 300% when compared to net earnings of \$3,251,902 during the same period last year. The net loss resulted from an impairment charge of goodwill and intangible assets of \$6,884,132 recognized in the quarter. If the impairment loss is excluded, a net loss of \$264,373 or (\$0.02) diluted loss per share would have resulted for the nine month period compared to \$0.25 diluted earnings per share in 2008. Earnings before interest, taxes, depreciation and amortization for the same period are \$2,555,001, a decrease of \$4,450,200 or 63.5% compared to the same period last year. Consolidated revenues were \$64,421,050, a decrease of 1.0% when compared to \$65,043,249 from the same period in 2008.

The decline in Company revenues and operating performance resulted from the decrease in oil and natural gas drilling activity and the overstock of steel products in North America. During the third quarter, drilling activity, based on drilling operating days, was down 63.9% and 52.2% respectively for the three and nine months ended September 30, 2009 compared to the same periods of 2008. Drilling rig utilization rates experienced a decline of 25.4% with average rig utilization of 20.6% for the three months ended September 30, 2009 compared to 46.0% for the same period of 2008. For the nine months ended September 30, 2009 average rig utilization was 22.8%, a decline of 17.5% compared to the same period in 2008.

#### **Outlook**

Bri-Chem anticipates sales will improve in the fourth quarter of 2009 from the third quarter, however will remain lower than Q4 of 2008. With reduced drilling activity levels forecasted in 2010, sales and earnings will remain lower than traditional levels for the near term. As drilling activity recovers to more normal levels, the Company is poised to take advantage of the recovery and strengthen revenues and earnings through its low operating overhead infrastructure, strong market share position and unique fluid and steel product offerings. Bri-Chem will remain dedicated to customer service and seek new organic opportunities while managing debt and inventory levels.

#### **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.*