

# BRI-CHEM CORP.

Press Release 2010 - 3  
For Immediate Release  
TSX Venture Exchange  
Symbol "BRY"



## BRI-CHEM CORP ANNOUNCES YEAR END RESULTS

**Edmonton, Canada, April 26, 2010 – 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 year ended December 31, 2009. Despite this challenging environment, Bri-Chem managed to grow market share in its Fluid segment and improved its financial flexibility by reducing its net debt by 18.1% year over year.

The 2009 results reflect Bri-Chem’s continued strength in the market place over the last year as consolidated revenues were \$96,479,615 for the year ended December 31, 2009, a decrease of 13.3%, when compared to \$111,282,825 from last year. Net loss from operations for the year ended December 31, 2009, including impairment charges of \$6,884,132 for goodwill and intangible assets and a \$3,080,560 inventory write down, is \$(8,447,338) or \$(0.58) diluted loss per share compared to earnings of \$4,486,788 or \$0.33 diluted earnings per share from last year. If the impairment charges and inventory write down net of taxes are excluded, the Company’s net earnings were \$138,191 or \$0.01 diluted earnings per share compared to \$0.33 diluted earnings per share in 2008. Earnings before interest, taxes, depreciation and amortization (EBITDA) was \$633,608, a decrease of \$9,378,112 or 93% compared to EBITDA of \$10,011,720 from last year.

Net loss for the fourth quarter was \$(1,876,804) or \$(0.13) diluted loss per share as compared to \$1,234,886 or \$0.09 diluted earnings per share during the same period last year. The net loss resulted from a net realizable value inventory write down on steel products and drilling fluids of \$2,738,292 and \$147,259 respectively recorded in the fourth quarter. Without the net realizable value inventory write down, net earnings for the fourth quarter would have been \$204,525 or \$0.01 diluted earnings per share, a decrease of \$1,030,361 or 83% compared to the same period in 2008. During the three months ended December 31, 2009, EBITDA was \$(1,921,394) compared to \$3,006,518 for the same period in 2008. Consolidated revenues were \$32,058,565 in the fourth quarter of 2009, compared to \$46,239,576 for the same period in 2008, a decrease of \$14,181,111 or 30.7%.

Net earnings of the Company declined as a result of weaker demand for fluid and steel products and the continued overstock of steel products in North America, resulting in lower selling prices. In 2009 drilling activity, based on drilling operating days, was down 50.3% for the year ended December 31, 2009 compared to fiscal 2008. Drilling rig utilization rates averaged 25.2% in 2009 compared to 41% in 2008.

### Outlook

Bri-Chem anticipates fiscal 2010 sales and earnings will recover as drilling activity levels are improving compared to those in fiscal 2009. The Company still faces a number of factors such as volatile commodity prices, excess inventory levels and an unsettled economic recovery which make fiscal 2010 demand for fluid and steel products difficult to predict. The Company remains committed to its low overhead and scalable business model which is designed to take advantage of the recovery when activity returns to higher levels.

### About Bri-Chem

Bri-Chem is a wholesale distributor of industrial drilling fluid supplies and steel products and services to the oil and gas and construction industries. Bri-Chem provides over 150 domestic and foreign drilling fluid products to customers throughout Alberta, British Columbia and Saskatchewan and distributes drill pipe, carbon steel welded pipe, carbon steel seamless pipe, stainless steel welded pipe, stainless steel seamless pipe, tubing & casing, sucker rods, galvanized steel products as well as fittings and flanges. Bri-Chem’s customers operate in a wide range of industries, including oil & gas, manufacturing, forestry, agriculture, construction, and mining.

## **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 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.

For further information, please contact:

Don Caron

T: (780) 420-6885 F: (780) 496-9172

dcaron@wacapital.com

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