

BRI-CHEM CORP.

Press Release 2011 - 13
For Immediate Release
TSX Symbol "BRY"



BRI-CHEM CORP. ANNOUNCES \$80 MILLION ASSET BASED LENDING CREDIT FACILITY

Edmonton, Canada, August 15, 2011 – Bri-Chem Corp. ("Bri-Chem") (TSX: BRY), a leading North American wholesale distributor of oil and gas drilling fluids, steel pipe and piping products announces today that it has closed a new \$80 million Asset Based Lending credit facility ("ABL") with CIBC Asset-Based Lending Inc. and HSBC Bank Canada. The initial term of the ABL is for three years and it replaces the existing \$50 million revolving line of credit previously in place.

The ABL is subject to a borrowing base that is calculated as a percentage of specified value of eligible accounts receivable and inventory. The terms of the ABL provide for an increase in available credit of approximately \$30 million at our peak seasonal requirements. In conjunction with the closing of the ABL, Bri-Chem will pay out long-term debts totaling approximately \$2.6 million. The ABL is priced at prime plus 0.25% or banker's acceptance plus 1.75% or LIBOR plus 1.75%.

"Bri-Chem has had an outstanding, long term relationship with HSBC Bank Canada and we are now very excited to add CIBC as a our financial partner," said Don Caron, Chief Executive Officer of Bri-Chem. "We appreciate the depth of financing the ABL provide us which now makes it possible for us to move extremely quickly in executing our immediate and long term strategic growth plans."

About Bri-Chem

Bri-Chem is a wholesale distributor of drilling fluids, steel pipe and piping products to the oil and gas industry in North America. Bri-Chem provides over 350 drilling fluid products and is a custom blender of cementing, acidizing and fracturing additives and distributes Oil Country Tubular Goods (OCTG), carbon steel welded and seamless fluid and gas transmission pipe. Additional information about Bri-Chem is available at www.sedar.com or at Bri-Chem's website at www.brichem.com.

To receive Bri-Chem news updates send your email to ir@brichem.com.

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