



Growing in Matagorda County

Baytown, Texas based Chemicals Incorporated has recently completed purchase of land for an expansion project in Matagorda County, Texas. Chemicals Inc. will construct a plant that will manufacture a broad slate of products used in a number of industries, both industrial and consumer. This facility will bring 100 jobs to the community within five years of its 2011 completion. This fact sheet will introduce you to our company, our plans for Matagorda County and how the community will benefit from our location here. We've also attached answers to some frequently asked questions.



Sitting on 107.5 acres, the selected site is located 5 miles South of Bay City directly off of Highway 60. Although the tract is just over 100 acres, we will initially use only 1/5 of the total amount for production facilities. The remainder will be a green area surrounding the production units.

We are excited to discuss our plans for the future and answer questions you might have. Should you have any questions, email Mickey Moza at mmoza@chemicalsinc.com or by phone at (281) 576-5000.

TEXAS CHEM  IL TECHNOLOGIES

Qarôma, Inc.

Chemicals Incorporated is a custom manufacturer of chemicals supporting many different industries. We are privately owned and have been in business for over 25 years, located in Baytown, Texas. We take great pride in our commitment to our customers and as a small company, we feel we can provide a level of attention to our customers which many large suppliers cannot. While you probably don't know our name, you know our customers, many of whom are large, Fortune 500 companies. We do custom manufacturing for many of these firms, providing them products under their direction or through our own technologies.

In addition to manufacturing for other companies, Chemicals Incorporated manufactures our own product lines through two subsidiary companies: Our *Qaroma* organization manufactures cooling products used in consumer goods. When you notice that fresh, cool sensation in your toothpaste or chewing gum, that may very well be our product. *Texas ChemOil Technologies* produces and markets chemicals for the oilfield segment, allowing for more efficient retrieval of this most important resource.

We are proud of our company and products and as we continue to expand, we look forward to being your neighbor in Matagorda County.

Why did Chemicals Inc. Select Matagorda County?

When we evaluated potential sites for our expansion, Matagorda County moved quickly to the top of the list for the following reasons:

Familiarity with the Chemical Industry

As Matagorda County has other Chemical facilities located within it, an excellent infrastructure has been built to support these facilities. These include community training for a workforce focused on chemical operations and emergency response capabilities.

Prime Location

Chemicals Inc focused our search on properties which were close to our Baytown facility (within 150 miles). This was to facilitate coordination between the two sites. However, as the Coastal region of Texas does experience the occasional hurricane, we didn't want the two facilities too close so that if one was damaged, the other could continue to operate. Bay City and Matagorda County proved to be an ideal solution.

How does Matagorda County Benefit?

Chemicals Incorporated is committed to being a responsible, corporate citizen within Matagorda, County. Among other benefits, Chemicals Incorporated brings:

Jobs to the County: Within 5 years of the opening of our facility, we anticipate we will employ more than 100 employees at our facility.

A Tax Base for Matagorda County: Chemicals Incorporated will invest 10 million dollars in the site in the first five years. Within ten years, that investment is anticipated to grow to 25 million dollars.

A revenue source for local businesses: We anticipate that 50% of the capital spending mentioned above will be spent within the County.

OTHER FREQUENTLY ASKED QUESTIONS

What is Chemicals Incorporated track record with respect to environmental/regulatory compliance?

Over its 25 year history, Chemicals Inc. has built an excellent record of compliance to the permits granted by the Texas Commission on Environmental Quality (TCEQ). We invite you to visit their website at (<http://www.tceq.state.tx.us>) to read more about our history. The TCEQ assigns a compliance rating to each regulated entity, with Chemical Inc.'s rating of 2.85 being well above average.

How will the location and operation of Chemicals Inc.'s facility impact the area's air and water quality?

We operate both a scrubber system and flare at our Baytown facility and will do the same in Bay City so as not to have an adverse impact on air quality. With respect to water, wastewater which was actually used in our manufacturing process is removed to a State and EPA approved Transportation, Storage and Disposal facility. Only water which is not used in the actual process (storm water for example), is collected, treated to insure it is within TCEQ limits and discharged to local surface water.

What is the permitting process and when do you expect to be operational? We are in the process of preparing the initial application to the TCEQ for a construction permit. We will also post public notices in order to get input from the community. Once the construction permit is granted we start the construction process. We anticipate the site opening in the Fall of 2011.

How will chemicals be transported in and out of Chemicals Inc.'s facility? One of the primary reasons for Chemicals Inc. expanding is to have access to a railroad. While we will receive and ship some product by truck off of Highway 60, we anticipate most of our product being moved by rail.