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Bri-Chem Corp. Updates Thermal Pipe Expansion Mill Construction

EDMONTON, CANADA--(July 12, 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 is pleased to provide the following update on the construction of its of large diameter seamless steel pipe manufacturing facility located in Edmonton, AB, Canada.

Construction and Production

The initial target date for full operation of the Thermal Pipe Expansion (TPE) mill has been marginally delayed due to the late arrival of certain equipment including the installation of an electrical panel with appropriate CSA certification. All delayed electrical components and equipment have now arrived and been installed and certified. Fine-tuning and testing of the equipment is ongoing and nearing completion. The two production lines within the Thermal Pipe Expansion (TPE) mill include a Hydro Tester, Ultrasonic Testing Unit, and Eddy Current Testing Unit. After each pipe is expanded they are then straightened and the ends are square-cut with the drop saws for proper fit in Hydrotester and for lab sampling. The expanded pipe is cleaned inside and out using specialized grinding equipment then tested and beveled. The steel pipe is then finished by lacquering and stenciling. The Edmonton operation has begun its commissioning phase, with light production expected to begin in late July 2011.

Product Lines

Finished manufactured pipe ranges in outside diameter from 14" to 36"and will be sold in two different lengths (SRL) Single Random Lengths and (DRL) Double Random Lengths. At the beginning of production Bri-Steel will produce standard (STD) and extra heavy (XH) wall thickness. Bri-Steel will also be able to produce Schedule 40, 60, 80, 100, 120, 160, XXH, and will expand into these wall thicknesses over time. The material is manufactured from carbon steel, and will be put through appropriate non-destructive evaluations, that meet American Petroleum Institute (API) standards. Bri-Steel has submitted its initial application to the American Petroleum Institute for mill certification.

Sales and Marketing

Bri-Steel will distribute the large diameter seamless pipe through direct orders placed with the manufacturing plant. The Company has purchased the necessary raw material, and will now concentrate on superior customer service by focusing on the needs of its existing and potential customers in North America. The Company has secured pre-orders from distributors for approximately two months of production utilizing one full shift of capacity.

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.

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.

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

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