

**FORM 51-102F3**

**MATERIAL CHANGE REPORT**

**1. Name and Address of Company**

Bri-Chem Corp. (the "Company")  
27075 Acheson Road  
Acheson, Alberta, Canada  
T7X 6B1

**2. Date of Material Change**

November 9, 2017

**3. News Release**

The news release dated November 7, 2017 was filed with the Toronto Stock Exchange and the British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Newfoundland, New Brunswick, Nova Scotia and Prince Edward Island Securities Commissions via SEDAR and disseminated via GlobeNewswire.

**4. Summary of Material Change**

5. Bri-Chem Corp. a leading North American wholesale distributor and manufacturer of oil and gas drilling fluids is pleased to announce that it has reached an agreement with the CIBC to increase its Asset Based Lending Facility ("ABL Facility") from \$25 million to \$35 million and extend the term of the ABL facility for a period of three years to November 2020.

**6. Full Description of Material Change**

**(a) Full Description of Material Change**

Refer to the Press Release attached hereto as Schedule A.

**(b) Disclosure for Restructuring Transactions**

N/A

**7. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

The Company is not relying on subsection 7.1(2) or (3) of National Instrument 51-102.

**8. Omitted Information**

No information has been omitted on the basis that it is confidential information.

**9. Executive Officer**

Jason Theiss, Chief Financial Officer  
Ph: (780) 571-8587

**10. Date of Report**

November 9, 2017

## Schedule A

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### **BRI-CHEM CLOSES EXTENSION AND INCREASE OF ITS SENIOR BANKING FACILITY AND REFINANCING OF ITS SUBORDINATED DEBT**

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*NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE U.S.*

**Edmonton, Canada, November 7, 2017 – Bri-Chem Corp. (“Bri-Chem” or “Company”) (TSX: BRY)**, a leading North American wholesale distributor and manufacturer of oil and gas drilling fluids is pleased to announce that it has reached an agreement with the CIBC to increase its Asset Based Lending Facility (“ABL Facility”) from \$25 million to \$35 million and extend the term of the ABL facility for a period of three years to November 2020.

In addition, the Company has also agreed to refinance its current subordinate debt loan with a new five year term loan with GreyPoint Capital Inc. The financing consists of a \$10 million term loan bearing interest at the 30 day average Bankers’ Acceptance Rate plus 8.0% and principal payments of \$800,000 annually. The balance of the principal will be paid at the maturity date in a single payment. This financing also has flexible repayment terms prior to the maturity date if Bri-Chem elects to exercise its option for early repayment.

"We are very excited that we have the opportunity to increase and extend our ABL Facility with CIBC for the next three years," said Don Caron, Chief Executive Officer of Bri-Chem. "The support and confidence shown by CIBC over the past several years has been unwavering and we appreciate having them as our main financial partner going forward so we can focus back on growing our market share throughout North America. We are also extremely pleased with the new five year term loan with GreyPoint Capital as we have effectively replaced a combined 20% sub debt loan with a much more flexible term loan. The interest savings will allow us to begin repaying the loan immediately which will further strengthen the overall future financial position of the Company."

#### **About Bri-Chem**

Bri-Chem has established itself, through a combination of strategic acquisitions and organic growth, as the North American industry leader for wholesale distribution and blending of oilfield drilling, completion, stimulation and production chemical fluids. We sell, blend, package and distribute a full range of drilling fluid products from 28 strategically located warehouses throughout Canada and the United States. Additional information about Bri-Chem is available at [www.sedar.com](http://www.sedar.com) or at Bri-Chem's website at [www.brichem.com](http://www.brichem.com).

To receive Bri-Chem news updates send your email to [ir@brichem.com](mailto:ir@brichem.com).

For further information, please contact:

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