



SECTION 1.0

INTRODUCTION



July 20, 2004

Dear Readers,

Alpha Chemical Limited was founded by Mr. Eric Efford, President, in 1993 and started the company as a distributor of specialty and commodity chemicals to various industries in Atlantic Canada. The company formed strategic alliances with major national and international manufacturers to become a full line chemical distributor.

In 1999, Alpha expanded its business into manufacturing and re-packing to primarily service the offshore oil & gas sector. Our current facility is located in the Burnside Industrial Park and we service customers from this location for all Atlantic Provinces. In competing with large multinational chemical companies it was immediately apparent that we needed to secure a location with rail car access in order to succeed in this business. Large offshore contracts were lost in part because we did not have a site complete with rail siding so it is vital that we re-locate our business to become competitive in the industry. With a rail siding and tank farm in one location, Alpha will be in a position to receive and ship bulk material at a much lower cost. With a lower cost of goods we will be more competitive with our multinational competitors and help increase our market share in the lucrative offshore sector. Also, this facility will open the doors for business we currently do not because we do not have rail access.

We searched the metro area for a site that had the following capacity,

Zoned for heavy industry
Rail Siding
Existing office and warehouse
Large enough area for future expansion

533 Rocky Lake Drive has all these attributes and this is why we have decided to re-locate our business to this location.

Our commitment to protecting the environment is very important and we will take all measures to ensure our products are handled in a responsible manner. As you will read in Section - 8, Alpha is a member of the Canadian Association of Chemical Distributors (CACD), which means we conduct business under the following codes of practice,

- i. Develop and follow written policies, standards and procedures that govern all aspects of Responsible Distribution of Chemicals, Chemical Products and Services. These policies, standards and procedures will meet or exceed all applicable laws and regulations in letter and spirit.
- ii. We will have an active program designed for continuous improvement for the protection of people and the environment.
- iii. Communicate information on the safe handling of products to our employees, customers and the public.
- iv. Comply with all legal requirements related to the manufacture and distribution of chemicals, chemical products and services.



- v. Actively interact with local organizations, governments and communities for continuous improvement of chemical distribution activities.
- vi. Educate, assist and assess customers and suppliers of chemicals, chemical products and services.

Alpha has successfully been certified with Phase 2 – Third Party Verification under the CACD Responsible Distribution Code. This is a great achievement and our goal is to continuously improve our business to become the leader in Responsible Care.

The enclosed information has been prepared to the best of our knowledge based on the existing legal requirements for environmental protection. Our commitment is to zero discharge of any hazardous products into the environment and to continuously improve policy, standards and procedures to better protect the environment.

Alpha Chemical Limited thanks you for your time and effort to review our Class 1 Undertaking.

If you have any questions or comments on our proposed undertaking we welcome you to contact us at the following address,

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75 MacDonald Avenue, Unit 8
Dartmouth, NS
B3B 1T8

Phone: (902) 481-2532
Fax: (902) 468-8540

e-mail: prawding@alphachemical.ns.ca

Regards,

Paul Rawding, BSc.
General Manager



CORPORATE MISSION STATEMENT

Alpha is committed to providing quality products through technical value-added services and strong alliances to meet and exceed our customer's needs and supplier's expectations. We maintain the highest standards of responsible manufacturing and distribution in an Eco System Conscious Environment.

COMPANY PROFILE

Our Business

Providing products and services to various industries such as:

- Agriculture
- Aviation
- Composites / Fabrication
- Containers / Packaging
- Energy / Power Generation
- Fish Processing
- Forest Products
- Mining
- Oil & Gas
- Pulp & Paper
- Pharmaceutical
- Plastics Processing
- Refining & Petro Chemical
- Textile / Fabrics
- Transportation / Heavy Equipment
- Water Treatment

Our Activities

- Providing 3rd party logistics and integrated sourcing, procurement and warehousing services throughout Atlantic Canada.
- An Eco-Conscious distribution company in accordance with the "Responsible Care" Code of Conduct.
- Manufacturing specialty products.
- Developing and maintaining MSDS's and labels.
- Designing and developing custom products to our customer's specifications.

CAPABILITIES

- Technical services including the design of custom products.
- Blending and toll blending of liquid, dry and specialty process chemicals.
- Repackaging of liquid and dry materials from bulk to drums and pails.
- 24-hour access to products with three stocking locations in Nova Scotia and Newfoundland.
- Bulk storage capabilities and warehouse storage capacity of approximately 100,000 square feet.
- Bulk tank installations with flexible payment plans.
- Custom tailored inventory systems.
- In-house carrier logistics, deliveries available from LTL (less than truckload) to FTL (full truckload) or from Tanker Truck to Railcar.

- JIT (Just in time) deliveries.
- Fast reliable friendly service – 24 hours a day, 7 days a week.
- Co-ordination of 3rd party laboratory chemical testing and analysis.