



**For Immediate Release**



## **K2 Pure Solutions to Build Bleach Plant at Dow Site in Pittsburg, California**

*New Facilities to Produce Raw Materials for Water Treatment and Dow's Crop Protection Business*

**Midland, Michigan – December 17, 2008** –The Dow Chemical Company (Dow) and K2 Pure Solutions (K2) have announced an agreement for K2 to build and operate a bleach plant at Dow's Pittsburg, California site. The new plant will serve municipal water treatment markets in Northern California.

Furthermore, K2 will lease to Dow an additional facility, which K2 will operate to generate chlorine and caustic soda for use by Dow via pipeline. Dow will use these materials to manufacture crop protection products at its Pittsburg, California site. K2 will fund construction of this facility on land leased from Dow. As part of the agreement, Dow will provide necessary raw materials and essential infrastructure for this leased facility.

“When complete, the project with K2 will provide Dow with a strategically located, low-cost raw material source for its growing agricultural business,” said John Sampson, global business director, Dow Chlor-alkali. “In addition, the project will allow us to strengthen an essential, basic raw material supply, while sharing capital costs and improving our cost structure through further integration at the Pittsburg site. This is consistent with Dow’s asset-light strategy for fundamental feedstock investments that support the growth of downstream Performance businesses, such as agricultural chemicals.”

“K2 is pleased to work with Dow, a global leader in the chemical industry and begin operations in Pittsburg with such a large reputable company,” said K2’s Executive Chairman, David Cynamon. “This 20-year agreement will allow K2 to satisfy the growing demand for water treatment materials in Northern California for the long-term.”

The entire project, including both facilities, will have an annual capacity of 460 million pounds of chlor-alkali products, with initial bleach production expected in the fourth quarter of 2010.

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“K2 will utilize Inherently Safe salt-to-bleach technology, an emerging, sustainable process that utilizes salt, water and electricity as the principle raw materials necessary to produce bleach and chlor-alkali products” said Cynamon. “In addition, K2 will purchase hydrogen from Dow for reuse in its process for a number of applications including use as a clean fuel that avoids the emission of CO<sub>2</sub>, a greenhouse gas.”

### **About Dow**

With annual sales of \$54 billion and 46,000 employees worldwide, Dow is a diversified chemical company that combines the power of science and technology with the “Human Element” to constantly improve what is essential to human progress. The Company delivers a broad range of products and services to customers in around 160 countries, connecting chemistry and innovation with the principles of sustainability to help provide everything from fresh water, food and pharmaceuticals to paints, packaging and personal care products. References to “Dow” or the “Company” mean The Dow Chemical Company and its consolidated subsidiaries unless otherwise expressly noted. For more information visit: [www.dow.com](http://www.dow.com).

### **About K2 Pure Solutions**

K2 Pure Solutions manufactures products essential to modern life through environmentally sustainable and Inherently Safe Technology.

K2 Pure Solutions helps provide an answer to eliminating the need to transport chlorine for water purification and disinfection by deploying and funding a North America wide network of state-of-the-art facilities utilizing inherently safe technology. K2’s facilities will mitigate the potential environmental, security and operational risks associated with the transport of chlorine for water treatment by producing exceptionally pure bleach, caustic soda and other chlor-alkali products using only salt, water and electricity in the most economically viable manner.

K2 Pure Solutions was founded by David Cynamon and Howard Brodie, the founders of KIK Custom Products, North America's largest contract manufacturer of private label household bleach, personal care and household cleaning products. K2 also includes Centre Partners ([www.centreparkers.com](http://www.centreparkers.com)) among its partners; a leading middle market private equity firm with offices in New York and Los Angeles. David Cynamon and Howard Brodie have partnered with Centre Partners since 1997. For more information visit: [www.k2pure.com](http://www.k2pure.com).

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