

February 20, 2018



# Trecora Resources Provides Update on South Hampton Resources' Advanced Reformer Unit Commissioning

## Recent Incident Will Delay Start Up of the New Unit until Early Third Quarter 2018

SUGAR LAND, Texas, Feb. 20, 2018 /PRNewswire/ -- Trecora Resources (NYSE: TREC) a leading provider of high purity specialty hydrocarbons and waxes, today provided an update on its South Hampton Resources' Advanced Reformer unit. Last Wednesday night, while commissioning the new Advanced Reformer, the unit overheated and ignited a small fire. The response team quickly extinguished the fire without injury, and there was no environmental impact.



Despite the quick reaction of the team, there was some damage to all six heaters in the unit and the damaged equipment will have to be replaced. The Company's best estimate of the delay to the start-up of the Advanced Reformer is three to four months, so the estimated start-up will now occur early in the third quarter 2018.

Insurance adjustors have been to the site, and while it is too early to have a firm estimate of repair costs, it is anticipated that the Company's insurers will cover any costs over the \$1 million deductible for such incidents.

The Company remains optimistic about the business benefits of the Advanced Reformer unit, which will convert byproducts of pentane production into a significantly higher value byproduct stream through proven technology. While this incident has delayed the realization of the financial benefits of this project, the Company continues to expect an approximate \$6 million annual EBITDA benefit at start-up and \$12 to \$14 million of annual EBITDA benefit at full capacity.

As previously announced, the Company will report fourth quarter and full year 2017 earnings after market close on March 7, 2018.

**About Trecora Resources (TREC)**

TREC owns and operates a facility located in southeast Texas, just north of Beaumont, which specializes in high purity hydrocarbons and other petrochemical manufacturing. TREC also owns and operates a leading manufacturer of specialty polyethylene waxes and provider of custom processing services located in the heart of the Petrochemical complex in Pasadena, Texas. In addition, the Company is the original developer and a 33.4% owner of Al Masane Al Kobra Mining Co., a Saudi Arabian joint stock company.

**Investor Relations Contact:**

Jean Young  
The Piacente Group  
212-481-2050  
[trecora@tpg-ir.com](mailto:trecora@tpg-ir.com)

📄 View original content with multimedia <http://www.prnewswire.com/news-releases/trecora-resources-provides-update-on-south-hampton-resources-advanced-reformer-unit-commissioning-300601443.html>

SOURCE Trecora Resources