



Improving industrial performance through recycling...

Headquartered in Houston, Texas, Strategic Materials is a leading recycling company with facilities across the United States, Canada and Mexico. Strategic Materials, Inc. (SMI) is the largest glass processor in North America, one of the top ten plastics processors on the continent, and the largest in Canada.

The Company Operates Two Divisions

STRATEGIC MATERIALS, INC.

The Glass Division

NEXCYCLE CANADA

The Plastics Division



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C O R P O R A T E P R O F I L E

GLASS DIVISION

The Glass Division is the Company largest business segment. The company and its predecessors have been processing glass for over 100 years. The Glass Division processes both post-industrial glass and post-consumer glass containers and converts it into a raw material called cullet which is then sold predominantly to glass container and fiberglass manufacturers for use in their production processes.

THE MAIN TYPES OF GLASS WE PROCESS ARE:

FLINT - clear cullet than can be used in the manufacture of any type of glass container

AMBER - primarily generated by beer bottles

GREEN - derived primarily from green bottles of the wine industry

3-MIX - the mix of materials we receive from curbside recycling programs. Sophisticated cleaning and sorting equipment including optical sorters are used to uncontaminate, and color sort the material to create glass cullet for sale to the container and fiberglass industries.

PLATE - suppliers include architectural window fabricators, plate glass manufacturers, and automotive window fabricators with the primary end market being the fiberglass industry.

By including cullet among their other raw materials, glass manufacturers reduce the melting temperature during the glass production process saving considerable energy costs. Lowering the melting temperature also reduces wear on the furnace, which extends the life of the furnace and allows for increased capacity. In addition, the use of cullet lowers costs associated with EPA compliance. The Glass Division operated a network of over 40 processing plants and aggregation depots across the U.S., Mexico and Canada. The Company obtains its scrap glass supply from a diverse range of sources, including post-consumer, post-industrial and residential collection programs.

The Glass Division also operates American Specialty Glass, (ASG). Based in North Salt Lake City, Utah, ASG operates several glass-melting furnaces that are used to manufacture glass chips, beads and pebbles into a wide variety of colors using proprietary methods and formulations. Recognized as the industry leader, the ASG's products are used by the landscaping, countertop, flooring, floral and pool industries. All of ASG Glass products are manufactured from 100% recycled content.

PLASTICS DIVISION

The Plastics Division, NexCycle Canada is one of the largest plastic processors in Canada with operating facilities in Brampton, Ontario. NexCycle processes and compounds post industrial plastics to provide cost-effective, high performance resins for use in film, pipe, sheet extrusion and injection molding applications. Its operations include grinding, extruding, densification, washing, pelletization and blending of post-industrial resins. The company's end products: pelletized polyethylene and polypropylene, are sold to a broad array of industrial customers with the largest application being the manufacturing of film for the plastic bag market.