

16<sup>th</sup> December 2005

## **Zirax plc**

### **Trading on AIM commences today**

Zirax plc (“Zirax” or the “Company”) announces that it has raised £7.75m through a placing of new shares at 15 pence per share. Trading on AIM commences this morning.

Zirax is a speciality chemical company which manufactures, markets and sells oilfield process chemicals and de-icing products to a customer base in North America, Europe, North and West Africa, Russia and the CIS. Zirax is registered in England and currently manufactures in Southern Russia.

Zirax is a low cost, fast growing producer. In the first nine months of 2005 it had sales of \$14.7m, a 24% gain over the same period last year with EBIT up 61% at \$2.2m. Net income rose by 61% to \$1.6m during this reporting period.

#### Highlights of the Offer:

- The placing comprised an aggregate of 51.6 million new shares representing 30% of the Company’s issued share capital on Admission and corresponds to a total placing of £7.75 million.
- Based on the placing price, the market capitalisation of the Company at Admission will be approximately £25.8 million and the number of shares in issue will be 172,321,429.
- Admission will occur today and unconditional dealings will commence at 8.00a.m. under the ticker symbol ZRX.
- Westhouse Securities is acting as nominated adviser and placing agent to Zirax. Metropol (UK) Limited is acting as broker. The company’s legal adviser is Clyde&Co.

Sir Michael Oliver, Chairman of Zirax, said: “We are very pleased with the response we have had from investors. This is a strong endorsement of our achievements to date and demonstrates the confidence in our strategy going forward.”

#### **Enquiries:**

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