

Zirax transfers into the new packaging standard

[Wednesday, August 27, 2008]

NEW ZIRAX PACKAGING FOR PRODUCTS IS PROVIDED SPECIALLY FOR RUSSIAN CLIMATIC AND TRANSPORT CONDITIONS AND PERMITS FOR CONSIDERABLE REDUCTION OF LOGISTIC EXPENSES OF THE COMPANY

Zirax LLC (hereinafter referred to as "Zirax" or "Company"), the manufacturer and seller of specialized chemical production supplied for wide range of customers including oil service and gas and oil producing company as well as enterprises specializing at winter cleaning and road maintenance with hard surface announces about successful finishing of negotiations and signing of long-term contract with Cinimex International Company that is the part of Storsack International Group, for the development and delivery of Polypropylene Flexible Intermediate Containers (FIBCs) used as packaging materials for the products of Zirax – PelletOil™ and UniPel™ of calcium chloride and IceMelt™ deicing chemical agents.

Storsack Group within the contract will conduct the development of polypropylene containers meeting the requirements of Zirax customers into one of its European laboratories and to provide in Russia different types of FIBCs that are specially optimized for Russian Climatic and transport conditions.

The application of FIBCs development and production of Storsack Group that was chosen by Zirax as its long-termed partner helps to reduce operating expenses in the part of logistics for more than 30 mln. rubbles per year and provides reliable guarantees of products preservation to the Company at transportation and storing within the service life term. Due to mutual efforts the parties succeeded in the development of optimal forms of industrial containers that most fully meets the requirements of Zirax customers, among which are oil and gas companies of Russia and CIS as well as municipal and road organizations.

The contract amount within the period of its effectiveness comprises nearly 300 mln. rubbles, the prices are calculated by specially developed formula for such contracts considering a number of parameters and macro-economic factors in Russia and the European Union countries.

The volume of perspective market of polypropylene containers for chemical products in Russia is estimated at the level of 3-5 billions of rubbles per year.

Andrey Groo, Zirax Acquisition Department Manager said that «as a result of cooperation of Zirax and Storsack/Cinimex International, Zirax customers will be able to use the products of the Company in safer and more qualitative packaging that in its turn will permit to the Zirax customers to receive additional economic profit connected with the storage and transporting of products».

About Zirax Company:

Zirax Company is the manufacturer and seller of specialized chemical production supplied for wide range of customers including oil service and gas and oil producing company as well as enterprises specializing at winter cleaning and road maintenance with hard surface. Zirax is a public company that shares of which are placed at London Stock Exchange in AIM section (ZRX ticker). The main office of the Company is located in London, production facilities of Zirax are located in Western Europe and in Russia. Additional information is at Zirax site at www.zirax.ru

On Storsack Group Company:

Containers production since 1970. The deliveries to Russia started with the 90-s. More than 4000 employees work in Storsack Group at all the continents. Plants, representations and sales offices are located all around the world. This is the group of companies united by one goal: high, reliable and innovative result in the area of polypropylene containers. The main office of Storsack is located in Germany. Cinimex International is the general distributor and representative of Storsack Group in Russia since 1995. Additional information is at site of Storsack Group at www.storsack.com

For additional information:

Zirax Press service – Artem Stoliar +7 (499) 246-85-85

Storsack Group administrator on sales in Russia is Galina Schneider +49 (6204) 966422.