

## Cabot Norit Activated Signs \$6 Million Contract to Supply Coal-Fired Utility Market with Mercury Removal Solutions

## February 24, 2014

Northern U.S. Electric Utility to Leverage Cabot's DARCO® Hg Family of Mercury Control Products to Address Federal Regulations

BOSTON--(BUSINESS WIRE)--Feb. 24, 2014-- <u>Cabot Corporation</u> (NYSE: CBT) announced that it has entered into a contract to provide its <u>DARCO®</u> Hg family of activated carbon products to a Northern U.S. power generator. The contract is valued at up to \$6 million and will allow the utility to meet stringent federal regulations for mercury emissions in the U.S.

The U.S. Environmental Protection Agency's (EPA) Mercury and Air Toxic Standards (MATS) rule requires that all coal-fired power plants in the U.S., larger than 25 megawatts, remove approximately 90 percent of mercury from their emissions by April 2015. Compliance with this rule is expected to boost demand for activated carbon by electric utilities. Based on numerous Department of Energy and EPA sponsored tests and customer trials, Cabot's DARCO Hg family of powdered activated carbon has proven to be a highly effective solution to achieve mercury removal levels compliant with MATS.

Under this contract that is effective immediately and runs through 2017, Cabot will supply DARCO Hg-LH and DARCO Hg-LH Extra powdered activated carbon to satisfy 100 percent of the utility's requirements across its four boilers at three generating stations. Cabot is supplying the utility with DARCO activated carbon for silo fills through early 2015, and regular shipments of the product will begin in the spring of 2015 in conjunction with the launch of the new MATS regulations.

Cabot's DARCO Hg family of products for mercury control has currently been selected for use in more than 70 units throughout the U.S. and Canada. The utility chose Cabot due to the close proximity of its state of the art production facility in Bienfait, Saskatchewan that allows Cabot to provide quick availability and security of supply. In addition, Cabot is the only activated carbon manufacturer with multiple manufacturing sites dedicated to this market in North America, providing customers with a consistent source of supply and supply chain reliability.

"The impending implementation of the EPAs new mercury removal standards is expected to drive growth for activated carbon solutions as utilities upgrade their coal-fired power plants to comply with the regulations," said Bart Kalkstein, vice president and general manager, Global Emission Control Technologies, Cabot Purification Solutions. "We are continuing to win contracts like this as mercury-emitting utilities look to use activated carbon to meet these requirements and seek an experienced and technically advanced partner as their supplier. Moreover, our robust supply chain and secure source of supply will ensure that we can fulfill our customers' needs as market demand increases – distinguishing us from the competition."

Cabot Norit Activated Carbon is recognized as the world's technology leader in mercury removal from flue gas. Combined with Cabot's technical expertise, the DARCO Hg family of products can help customers achieve the lowest total cost of mercury removal.

## **ABOUT CABOT CORPORATION**

Cabot Corporation (NYSE: CBT) is a global specialty chemicals and performance materials company, headquartered in Boston, Massachusetts. The company is a leading provider of <u>rubber</u> and <u>specialty carbons</u>, <u>activated carbon</u>, <u>inkjet colorants</u>, <u>cesium formate drilling fluids</u>, <u>fumed silica</u>, <u>aerogel</u>, and <u>elastomer composites</u>. For more information on Cabot, please visit the company's website at: <u>http://www.cabotcorp.com</u>.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Statements in the press release regarding Cabot's business that are not historical facts are forward looking statements that involve risks and uncertainties. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward looking statements, see "Risk Factors" in the Company's Annual Report on Form 10-K.

Source: Cabot Corporation

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