Tire International Establishes New Recycling And Rubber Products Manufacturing Facility In South Carolina. Moves Operations From China To U.S.A.

Company Description
Tire International is a publicly traded developmental stage company committed to clean green recycling technology and value added manufacturing.

The company has commenced third generation tire recycling for reduction of harmful waste tire stockpiles and the production of value added consumer and industrial products, both of which are much needed in the fast growing green technology and tire recycling industry.

Through innovative process manufacturing, negative cost recycled raw materials and waste-to-value manufacturing into finely crafted products, Tire International plans to become a leader in the newest American movement of clean green recycling.

The company is committed to creating new jobs and finding new and improved ways to reduce extensive waste tire stockpiles. The company expects to become a leading North American manufacturer of finished products available for export and domestic consumption.

Scrap Tire Recycling Industry Overview
Over 300 million tires are discarded annually in the U.S. with over half burned or placed in landfills. Tens of millions of non-biodegradable discarded tires are dumped into landfills each year, posing a significant environmental problem. Burning releases toxins into the air and groundwater. It also wastes the valuable commodities that can be recovered from the scrap tires.

Since 1986, the scrap tire recycling industry in the United States has experienced rapid growth as the industry has developed new technologies to use recycled tires as raw material for manufacturing crumb rubber and useful new products derived from discarded tires.

Recycled rubber is a prime component finding its way into more and more durable goods and finished products. Recent innovations have led to new revenue streams and created a green industry that transforms waste tire stockpiles into valuable assets and ultimately products that are popular with consumers.

Recycled tires are composed of rubber, steel and fiber – all with economic value. The company expects to use 100% of these components.

Crumb Rubber - the uniform granulated material processed from scrap tires after removing steel and fiber reinforcing materials.
A major target for Tire International is the enormous crumb rubber market and the many products that can be produced.

**Products Derived from Crumb Rubber**

The crumb rubber market opportunity in North America is approximately 612 million lbs per year. This includes:

- **Asphalt Modification** – 200 million lbs, up from 97 million lbs in 1995. Strong growth potential.
- **Molded Products** – 190 million lbs per year. Continuing R&D and equipment advances make this a good growth market.
- **Tires/Automotive Parts** – 70 million lbs. 11% of crumb rubber consumed annually. Manufacturers use up to 3% per tire and are testing compounds with 10% or more recycled rubber content. Good growth potential.
- **Sport Surfacing** – 60 million lbs. 9.8% of crumb rubber consumed annually for sports fields including NFL stadiums. Steadily growing market.
- **Rubber/Plastic Blends** 20 million lbs. - 4% of crumb rubber consumed annually. Products include truck bed liners, golf cart fenders, bumpers, etc.
- **Construction** – 17 million lbs. includes roofing products, building materials, insulation and sound proofing.
- **Surface Modified/Reclaim** – 17 million lbs., includes imported quantities.
- **Animal Bedding** – 25 million lbs. - new applications and production methods continue to push growth in this market.
- **Other** – 5 million lbs.

**Economic Recycling**

The company is committed to demonstrating superior economics in making quality products based on a negative cost of materials. The company is paid to collect used and unwanted tires. Generally this makes the recycling stage of the business that creates crumb rubber, steel and fiber profitable. Crumb rubber is processed into various revenue producing finished products. An important additional benefit is this contributes to alleviating major environmental waste problem created by tires thrown into landfills or burned. In becoming a manufacturer of finished products that are currently being manufactured overseas, the company expects to bring this valuable industry back to North America creating new jobs and making products available for export and domestic consumption.

**The Outlook**

Tire International has established a third-generation recycling and manufacturing operation at Moncks Corner near Charleston, SC, and is currently upgrading its facility there to prepare for full operations. Previously the company based its tire recycling and rubber manufacturing work in China, but now is bringing those operations to South Carolina.

The $25 million investment by TRIE is expected to generate 150 new jobs in the state. Part of those jobs will be made possible by the closing of the company’s current finished product manufacturing facility in China.

The existing infrastructure of the facility acquired by the company in South Carolina, and the availability of the local workforce enabled TRIE to commence operations more quickly than in any other location. The ability to have raw material delivered by rail along with the proximity of the Charleston port is another benefit.

At the plant, Tire International will recycle tires by breaking them down into raw materials and will produce finished consumer products including environmentally responsible and high quality commercial and residential flooring, artificial fields, playgrounds, landscaping materials and rubberized asphalt.

Tire International will be ramping up during the summer and fall and expects to have the plant fully operational by the end of the year.

The company released its 10-Q report to the SEC for the period ending June 30, 2011, in which the company details its emergence from inactive to operating company status and outlines its plan to merge with several affiliated companies to enact its business plan.

With the addition of business and rubber industry experts to its Board, the company has implemented a key element of its growth strategy to assemble a world class management team to build the business.

**Investor Web Sites:**

- [www.hawkassociates.com](http://www.hawkassociates.com)
- [www.tireinternational.net](http://www.tireinternational.net)

**Risk Factors**

- Availability of financing
- Market acceptance of new products
- Limited operating history
- New government regulations
- Partial dependency on third-party marketing