



## **Kissner Milling Company Announces Change of Control Transaction**

Cambridge, Ontario – April 20, 2015 – Kissner Milling Company Limited (“Kissner” or “the Company”), a leading producer and distributor of bulk rock salt and packaged specialty deicing products across North America, announced today that the Company and its investors have signed a purchase and sale agreement to receive a majority investment from an investor group led by Metalmark Capital. Under the terms of the purchase and sale agreement, existing owners TorQuest Partners and its co-investors have agreed to sell their majority interest in Kissner to Metalmark, its investment partner Silvertree, a venture between Silverhawk Capital Partners and Demetree Salt, LLC, and the Kissner management team. The transaction is expected to close on May 15, 2015, and remains subject to customary closing conditions.

“Over the past several years, our team has effectively capitalized on several important opportunities and we remain confident in the growth prospects of the business,” said David Safran, CEO of Kissner. “Our strategy remains focused on delivering great products and attentive service to our customers and supporting our employees throughout North America. We would like to thank the TorQuest team for their collaboration during their ownership and look forward to another constructive partnership with Metalmark and Silvertree as we embark on the next phase of our growth.”

Daniel Sonshine, a Partner at TorQuest Partners, said: “Our long history with Kissner and its management team created a unique opportunity for our investment in 2013 and, during our hold period, Kissner’s management team has done an exceptional job of growing the business and producing an outstanding return for the fund. We wish them every success in their new partnership with Metalmark and Silvertree.”

“Over the past few years, David and his team have built Kissner into a fantastic business with unique and vertically-integrated assets that is well-positioned to continue to deliver exceptional products and service to its customers, provide opportunities for its employees and grow in the future,” said Jeffrey Siegal, Managing Director of Metalmark Capital. “We look forward to working with this great management team to help them execute their strategy and capture new growth opportunities.”

Mark Demetree, founder of Demetree Salt, will assume the role of Chairman of Kissner upon the closing of the transaction. Mr. Demetree added, “On behalf of my partners at Silverhawk and Demetree Salt, we are pleased to have the opportunity to increase our investment in Kissner, and look forward to supporting the exciting growth opportunities that Kissner and the management team have embarked on.”

As part of the transaction, a consent solicitation relating to Kissner’s Senior Secured Notes will be launched in the coming days.

Barclays and Scotia Capital acted as co-advisors to Kissner on the sale. Torys LLP provided legal advice to Kissner. Davis Polk & Wardwell LLP, Bennett Jones LLP and Finn Dixon & Herling advised the acquirers and Stikeman Elliott advised the Kissner management team.

#### **About Kissner Milling Company Limited**

Headquartered in Cambridge, Ontario, Kissner is a leading producer and distributor of bulk rock salt and packaged specialty deicing products across North America. Kissner owns and operates a rock salt mine located in Detroit, Michigan, which began operations over 100 years ago and today is one of the most efficient and safest rock salt mines in North America. With a vertically-integrated supply chain for packaged deicing products, Kissner is highly differentiated in its industry and one of the most cost-competitive producers and distributors of bulk rock salt and other packaged deicing products, across its markets.

#### **About TorQuest Partners**

Founded in 2002, TorQuest Partners is a leading Canadian-based manager of private equity funds. TorQuest seeks to pursue investments in North American middle market companies, with the goal of building value in partnership with management teams. With more than C\$1 billion of equity capital under management, TorQuest is currently investing from TorQuest Partners Fund III, a \$535 million fund that closed in September 2013. Kissner will be the first exit of TorQuest Fund III.

#### **About Metalmark Capital**

Metalmark Capital is a leading private equity firm whose principals have a long track record of successful investing in targeted sectors, with particular expertise and focus in industrials, energy and healthcare. Metalmark Capital seeks to build long-term value through active and supportive partnerships with the companies and management teams in which it invests. Metalmark Capital is currently investing its latest fund with \$2.5 billion. More information is available at [www.metalmarkcapital.com](http://www.metalmarkcapital.com).

#### **About Silverhawk Capital Partners**

Silverhawk Capital Partners is an independent investment group established in 2005 to invest in management buyouts and other private equity transactions in the growth industrial, energy/natural resources and business service sectors. The partners of Silverhawk have invested as a team and operated businesses since 1989, and have successfully deployed more than \$1 billion of capital at high rates of return.

#### **Demetree Salt, LLC**

Demetree Salt, LLC is a family investment vehicle focusing on investments in the chemicals, minerals and energy sectors.

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