



Newpark Resources to Acquire Australian Drilling Fluids Business From Rheochem PLC

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THE WOODLANDS, Texas, March 4, 2011 /PRNewswire via COMTEX/ -- Newpark Resources, Inc. (NYSE: NR) today announced it has entered into a definitive agreement with Rheochem PLC to acquire its drilling fluids and engineering services unit. Rheochem PLC is a publicly-traded Australian-based oil and gas company. Rheochem provides drilling fluids and engineering services to the oil and gas exploration and geothermal industries with operations in Australia, New Zealand and India. Newpark will pay approximately A\$23.8 million at closing, subject to typical adjustments for working capital. Additional consideration may be payable based on financial results of the acquired business over a one-year earnout period, up to a maximum total consideration of A\$45 million. Newpark expects to fund the acquisition price, including any earnout payment, from cash on hand. This acquisition is subject to the approval of the shareholders of Rheochem PLC and normal customary closing conditions and is expected to close in the second quarter of 2011.

"This acquisition is consistent with our strategic plan to expand our drilling fluids business globally, providing us with a footprint in the growing Asia Pacific markets," stated Paul Howes, Newpark's President and Chief Executive Officer. "We are also acquiring the Rheochem brand name, which is recognized in the Far East, and we will continue to operate under that name. Rheochem is a natural fit with Newpark, as employees of both companies share the commitment to provide operators with best-in-class drilling fluids and engineering services."

In the most recently completed fiscal year ended June 30, 2010, Rheochem PLC's drilling fluid services segment generated revenues of A\$20.3 million and EBITDA of A\$3.6 million, as reported in Rheochem PLC's audited financial statements. For the year ended June 30, 2009, revenues were A\$34.2 million and EBITDA was A\$6.1 million. Fiscal first half results for the six months ended December 31, 2010 were negatively affected by severe weather in Australia. Unaudited revenues and EBITDA of the drilling fluids segment for this six month period, as reported by Rheochem PLC, were A\$10.2 million and A\$1.1 million, respectively.

Newpark Resources, Inc. is a worldwide provider of drilling fluids, temporary worksites and access roads for oilfield and other commercial markets, and environmental waste treatment solutions. For more information, visit our website at <http://www.newpark.com/>.

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act that are based on management's current expectations, estimates and projections. All statements that address expectations or projections about the future, including the statements regarding the business and financial outlook of Rheochem's drilling fluids segment and the anticipated benefits of the acquisition to Newpark, Newpark's strategy for growth, product development, market position, expected expenditures and financial results are forward-looking statements. Some of the forward-looking statements may be identified by words like "expects," "anticipates," "plans," "intends," "projects," "indicates," and similar expressions. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. Many factors, including those discussed more fully elsewhere in this release and in documents filed with the Securities and Exchange Commission by Newpark, particularly its Annual Report on Form 10-K for the year ended December 31, 2009, as well as others, could cause results to differ materially from those stated. These risk factors include, but are not limited to, potential disruption of Newpark's business and operations as it integrates the acquired Rheochem segment into its business, political and economic conditions in the markets in which the acquired business operates, the ability to realize the anticipated benefits from the acquisition, our customer concentration and cyclical nature of our industry, the availability of raw materials and skilled personnel, our market competition, the cost and continued availability of borrowed funds, our international operations, legal and regulatory matters, including environmental regulations, inherent limitations in insurance coverage, potential impairments of long-lived intangible assets, technological developments in our industry, the impact of severe weather, particularly in the U.S. Gulf Coast, and restrictions on offshore drilling activity in the Gulf of Mexico. Newpark's filings with the Securities and Exchange Commission can be obtained at no charge at www.sec.gov, as well as through our website at <http://www.newpark.com/>.

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