

## Cabot Norit Activated Carbon Awarded Multimillion Dollar Contract for Mercury Removal Solution

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Major U.S. Utility to Employ Cabot DARCO® Family of Products to Help Meet State Regulations for Mercury Emissions

MARSHALL, Texas--(BUSINESS WIRE)--Apr. 23, 2013-- <u>Cabot Corporation</u> (NYSE: CBT) announces that Cabot Norit Activated Carbon entered into a contract to provide its DARCO® Hg family of activated carbon products to a large power generator in the U.S. The contract is valued at up to \$20 million and will allow the major utility to meet stringent state regulations for mercury emissions.

Mercury is released into boiler flue gas when coal is burned to generate electricity. The toxicity and persistence of mercury in emissions from coal-fired power plants has caused many state environmental agencies to establish regulatory controls on flue gas emissions. In addition, the U.S. Environmental Protection Agency (EPA) has promulgated federal mercury emission levels in the Mercury and Air Toxics Standard (MATS) that will take effect April 2015. Activated carbon has proven to be an effective component of emission control systems to reduce mercury emissions. Today, there are more than 40 gigawatts of coal-fired generation that rely on activated carbon to meet current regulations.

The two-year agreement allows for price escalation in the second year, and provides a foundation for product optimization and new product testing in advance of the MATS implementation.

"This contract reaffirms Cabot's leadership position as well as the cost-effectiveness of our DARCO Hg family of products to meet state mercury regulations," said Bart Kalkstein, vice president and general manager, Global Emission Control Technologies, Cabot Purification Solutions. "As the MATS implementation date approaches, we expect demand will increase and the supply of activated carbon will tighten. With the recent announcement of our new mine and permits for capacity expansion, Cabot is able to provide unmatched supply assurance and performance. Furthermore it means we are well positioned to be a strategic partner to coal-fired power plant owners and operators for years to come."

Cabot Norit Activated Carbon is recognized as the world's technology leader in mercury removal from flue gas. Cabot's DARCO Hg family, the leading suite of activated carbon products for mercury removal, is currently being used to remove mercury from flue gas in electric power stations responsible for more than 24 gigawatts of electricity generation. Combined with Cabot's technical expertise, the DARCO Hg family of products 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: <a href="http://www.cabotcorp.com">http://www.cabotcorp.com</a>.

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

Cabot Corporation
Vanessa Craigie, 617-342-6015
Corporate Communications
vanessa.craigie@cabotcorp.com
or
Mark McCormick, 800-641-9245
Marketing Manager
mark.mccormick@cabotcorp.com