

CALAMCO PROGRESS

WINTER 2010 ▶ A PUBLICATION OF CALAMCO

MESSAGE TO SHAREHOLDERS



CALAMCO performed remarkably in 2009, with financial results that not only rival previous years but far exceeded anything we could have imagined! We began our fiscal year facing water deficiencies in much of the state, and regrettably those concerns still exist as we look to the year ahead. We were fortunate to have a fairly normal year for much of the state which we did not anticipate, and this did help our bottom line considerably.

Over the past few years, your cooperative has been trying to find ways to improve energy efficiency in our daily operations. It takes a tremendous amount of energy to operate a facility that runs 24/7 and we are continually looking at ways to incorporate new technology that is more energy efficient as capital improvements arise. The power plant that was installed a few years ago has been working as intended, enabling us to produce more than half of the energy required to run our operations, thus reducing our need to purchase energy from PG&E. We continue to incorporate energy efficient equipment and conservation programs into our operations and future plans.

Your staff is currently working diligently on processing the Product Use Reports that have been received in our office. As usual, patronage checks should be mailed to growers in the second half of January.

We would like to advise members that in the coming year, we plan to make a few minor changes to our fertilizer reporting deadline. For a number of years, the deadline has been December 15th. Our plan for coming year will be to mail all use reports so that members receive them by the first of November and change the deadline for returning reports to December 1st as the postmark date. This will give us more time to process reports prior to the holidays, and hopefully, we'll be able to get checks out to you a little sooner as well!

On behalf of all of us here at CALAMCO, we hope that you enjoyed a joyous and relaxing Holiday Season. We would like to take this opportunity to thank you for your continued support, and to wish you a Happy and Prosperous Year in 2010!

BOB BROWN, PRESIDENT/CEO

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CHIEF EXECUTIVE OFFICER*
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Jeff Roesler

Case Van Steyn

Darin Peterson New Manager of Sycamore Facility



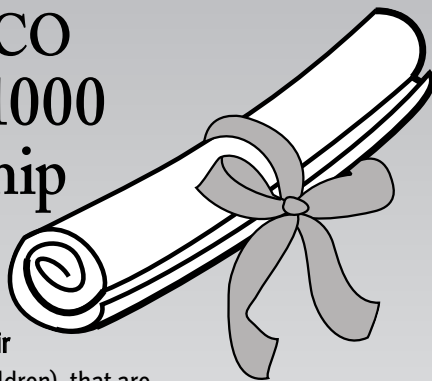
*Darin Peterson
Manager, Sycamore Facility*

We would like to congratulate Darin Peterson for his recent promotion to Manager of CALAMCO's Sycamore Aqua Facility. Darin began his career with CALAMCO in 2001 as one of our anhydrous ammonia truck drivers. After a couple of years he moved to Cold Storage Maintenance, however he still filled in driving trucks as needed. He eventually moved into a position in the Stockton Terminal as a loader, which he has maintained until his most recent promotion.

Darin was born and raised in Napa, Idaho. His family moved to Ripon, California in 1990 when he was fifteen years old. It was then that he started his first job working for the J.R. Simplot Company in Lathrop maintaining their fleet of vehicles and trucks. He left Simplot in 1999 to pursue a position driving truck prior to coming to CALAMCO in 2001.

Darin and his wife Tammy have been married for twelve years and have two children; their ten year old son Justin, and daughter Hailey, age seven. They currently reside in Escalon but are in the process of finding a new home in the Colusa area as they look forward to starting this new phase of their lives.

CALAMCO Offers \$1000 Scholarship



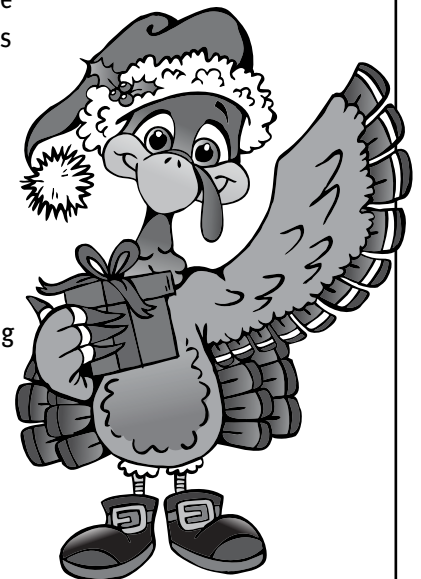
CALAMCO is offering a scholarship to our **shareholders and their immediate family** (children), that are graduating high school seniors and plan to continue on to college, majoring in agriculture or an ag-related field. This offer is valid to current high school seniors planning to attend a college or university in the fall of 2010 or spring of 2011 (the scholarship would not apply at any later enrollment).

The application is available in PDF format on our website at www.calamco.com under the news/events tab. You will need to print out the application and mail it to our corporate office at: CALAMCO, 1776 West March Lane, Suite 420, Stockton, CA 95207. Applications must be postmarked by May 1, 2010. We will notify the recipient of the scholarship by May 14, 2010.

Christmas Turkey Drive

This past year marks the 10th anniversary that CALAMCO, along with other tenants at the Port of Stockton, has been participating in an annual turkey drive in conjunction with the Boggs Tract Community Center. Each year we are able to provide over one hundred families with food baskets containing turkey and all of the trimmings. The baskets are given out a few days before Christmas to those families who are most in need.

In an ongoing effort to provide good stewardship to the community surrounding our Stockton facility, we are pleased to be able to assist in bringing a little bit of comfort and joy for the holidays to those who are less fortunate.



Employees Honored in 2009

Each year CALAMCO honors employees that reach milestones based on their years of employment. This past year we were pleased to honor the following employees:

Jerry Hurtado	35 years
Ron Maddock	25 years
Lee Gardiner	20 years
Rick Wise	15 years
Tanya Somera	5 years
Joe Nunez	5 years



Shown left to right: Lee Gardiner, Tanya Somera, Ron Maddock, Joe Nunez. Not pictured: Rick Wise, Jerry Hurtado

We would like to congratulate these employees, and thank them for their years of dedicated service at CALAMCO.

2010 Regional Shareholder Dinners



We will soon be having our annual regional shareholder dinners, which have been scheduled as follows:

Thursday, January 28th
The Maxwell Inn, Maxwell

Wednesday, February 3rd
Double LL Steakhouse, Visalia

Thursday, February 4th
Madonna Inn, San Luis Obispo

Tuesday, February 16th
Waterloo Gun & Bocci Club, Stockton

Please assist us by sending in your reservations early. Your management strives to make this a fun as well as informative evening. So, if you haven't attended one of these meetings in the past, please try to attend!

Registration and cocktails will begin at 6:00 pm, and dinner will be served at 7:00 pm. The evening will conclude with a variety of door prizes, which have been donated by various fertilizer dealers. Please remember that guests are welcome and you are encouraged to bring a non-member. This is always an enjoyable evening for all, so please mark your calendars!

District 4 Election

Sig Christerson of Salinas will be running for the Class A Director seat unopposed in the upcoming elections to be held in District 4 which encompasses the Coast and Imperial Valley. Sig was born and raised in Salinas, and graduated from California State Polytechnic University, San Luis Obispo in 1967 with a BS degree in Agriculture Business Management. He is the President of Major Farms, Inc. in Salinas, and has been a shareholder in CALAMCO since 1995. Sig has been serving as a director since May 2009.

The Class B candidate this year is Jeff Roesler, Vice President Supply Chain and Specialty Business Units for the J.R. Simplot Company, which includes Feed Nutrients as well as Industrial Products and Turf. Since 2005, Jeff has been a member of Simplot's Agribusiness Leadership Team, which is responsible for developing strategy and policy for Simplot's fertilizer and related business.

Jeff is a native of the Pacific Northwest and received a BBA degree in Finance and Computer Science, as well as his MBA, from Idaho State University in Pocatello, Idaho.

For the first six years of his career, Jeff gained experience in the commercial banking industry before beginning his career with the J.R. Simplot Company where he has been employed for the past twenty years.

Jeff and his wife Wendi have been married for 28 years and have three children; Derek, Dani and Drew. He has served as a Class B Director on the CALAMCO board since 2007.

Proxies will be mailed to shareholders in early January. Only those shareholders residing in District 4 are eligible to vote for the Class A Director on the CALAMCO board. Proxies are to be returned to our office on or before our scheduled Annual Meeting, which is scheduled to be held in our corporate office on February 17, 2010.

Annual Ammonia Refresher and Emergency Response Training

During the week of 16 November CALAMCO and the Stockton Fire Department hosted three hundred and sixty nine attendees including: shareholders, California Highway Patrol, San Joaquin County Office of Emergency Services, San Joaquin County Environmental Health, San Joaquin County Community Development, CAL-Trans, California Department of Food and Agriculture, San Joaquin Valley Air Pollution Control, and many local fire departments.

This was the best turnout in more than twenty years of providing these classes at the fire department training center (last year was about one hundred less); the presence of so many personnel from law enforcement and the regulatory agencies highlights the need for those of us in industry to be treating our products correctly and making sure that our employees (and their supervisors and managers) are trained appropriately to keep themselves safe and in compliance.

As usual, the fire department ensured that none of your employees left hungry, providing us with an excellent lunch each day, as well as refreshments throughout the morning. We were also fortunate with the weather, which left us dry all week, and added benefit as we had moved part of the class outdoors.

CALAMCO sends its' thanks to all who attended, and to those who made that attendance possible. We feel that it is very important that everyone who works directly with ammonia, or who may come in contact with it during the course of their workday, have every bit of defense available, and training is the best we can get.



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