



Media Notice

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Santa Fe Company Buys Out State of New Mexico with Promise of Future Success Fee

INSTITUTIONAL INVESTORS RETURN COMPANY TO PRIVATE INVESTOR OWNERSHIP AFTER CONSOLIDATING OPERATIONS IN THE STATE, BUILDING PATENT PORTFOLIO, DEVELOPING NEW PRODUCTS, AND EXPANDING DISTRIBUTION

SANTA FE, NEW MEXICO -- April 13, 2015 -- Private investors have bought out the State of New Mexico's State Investment Council (SIC) shares in Earthstone International* (www.earthstoneinternational.com) and have returned control of the company to the private investors. Earthstone is the maker of an all-natural abrasive cleaning line, using recycled foamed glass diverted from landfills and sold by major retailers such as Lowe's, Menards and Home Depot across the country and online.

In 2004, the SIC provided a \$9 million loan to the company to help grow its operations and expand its intellectual property into other industries. As part of the transaction, the State of New Mexico is still entitled to receive a Success Fee from the proceeds of a future sale of the company. Earthstone International has been profitable for the past four years. And it is not only growing the distribution of its current line of cleaning abrasives, but it is also expanding into new markets with a new foamed glass product innovation that would supply FAA-approved Runway Arrestor Systems to airports that are engineered to stop runaway planes on short runways.

"As an entrepreneurial start-up company at the time of SIC's participation 11 years ago, Earthstone sustained an aggressive cash burn like most start up ventures financing an ambitious business plan in the consumer products industry, including building new facilities and hiring more employees," noted Geoffrey Flagg, Chief Financial Officer of Earthstone International.

"Priority spending required funding for Earthstone product marketing, operations, research and development, and related start-up launch costs against lower than projected sales revenues, which put other expansion and hiring plans on hold," Flagg said. "The state funding did help the company better establish its patent portfolio for current and future products by providing for the development of a new product for airports for the U.S. market," he emphasized.

"Today we have consolidated our operations back in New Mexico and renewed the company's ongoing commitment to grow and expand here, including the manufacturing of the new Runway Arrestor System. We're going to see some very positive developments using Earthstone's foamed glass technology that will raise the value of the company, thanks to state's early involvement -- and ongoing private investment."

For more information -- or to interview Geoffrey Flagg about Earthstone's financial growth -- please contact Martin Keller, Media Savant Communications, 612-729-8585, mkeller@mediasavantcom.com.

About Earthstone International www.earthstoneinternational.com

Earthstone International's patented green product line is manufactured in the U.S. from glass waste diverted from landfills and is a safe and effective innovation in household cleaning and a successful business model utilizing [Biomimicry](#). Earthstone products mimic the abrasive materials found in nature. However, the manufacturing process is better described as "Geomimicry" -- in which a geological volcanic eruption in a controlled environment, the kiln located in Santa Fe at Earthstone's headquarters -- creates the pumice-like material for its products.

The established Earthstone product line is meeting major retailers demand for non-toxic, non-hazardous cleaning products, driven by consumer concern for safe, but effective cleaning products. The New Mexico company supplies its foamed glass products -- **GrillStone, BathStone, KitchenStone, PoolStone and QuikSand** -- **to leading U.S. retailers like Lowe's, Home Depot, Menards, Bed Bath & Beyond, Fred Meyer and multiple janitorial and pool and spa distributors and dealers, for cleaning the barbecue grill, kitchen, bathroom and pool, and for sanding rough and painted surfaces. They are also sold online. (See PRODUCT BACKGROUNDERS in Media Kit Online).**

Founded by Visionary Eco-preneurs with a Trailblazing History in Natural Food Products

Earthstone was founded by two visionary *ecopreneurs*, Gay Dillingham and Andrew Ungerleider in 1993. Their "trash to cash" technology creates foamed glass products for residential and commercial use with recycled glass from American landfills. The environmentally-correct process also helps to reduce the strip-mining of pumice and other minerals, often found on Native American lands, that are used in many commercial abrasive products.

Ungerleider is one of the pioneering founding fathers of the natural foods industry in the U.S., while Dillingham is a former elected Chair of the New Mexico Environmental Improvement Board, appointed by former Governor Bill Richardson, and is an award-winning filmmaker. Together they bring more than 80 years of shared entrepreneurial experience, creativity and innovation to Earthstone (See BIOS in the Media Kit Online).

