



MEDIA RELEASE

Date: May 6, 2019

Watco Companies, LLC and SCH Services, LLC Announce Joint Venture

PITTSBURG, KS – May 6, 2019 - Watco Companies, LLC, recently entered into a joint venture with SCH Services, LLC, (SCH) to create an inland terminal network in the four rivers area of Illinois-Kentucky capable of handling bulk materials. Watco's Cora Terminal, located on the Mississippi River in Rockwood, Illinois, along with the SCH's Calvert City Terminal, on the Tennessee River in Calvert City, Kentucky, and Four Rivers Terminal, on the Ohio River in West Paducah, Kentucky, will make up the SCH terminal network.

Watco, the former owner and operator of the Cora Terminal, now owns a majority share of the new entity, while the Joint Venture will be managed by SCH's original owners who have retained a significant ownership position in the two (2) Kentucky Terminals and have purchased a comparable position of ownership in the Cora Terminal.

Watco CEO Dan Smith said, "This joint venture will feature the diversity and flexibility of the three terminals and offer a variety of solutions to our Customers needing transloading, blending, and/or storage for a variety of bulk materials."

SCH Chairman John Hunt Sr. said, "Cora Terminal is a world class facility that blends in perfectly with our Kentucky terminals. Our well respected and experienced Management Team can now offer our customers unequalled capacity and flexibility."

The connectivity to all major Class I railroads in the area and the rivers will be advantageous in getting our Customers' goods to market in the most cost-effective manner possible and offer significant optionality.

About Watco

Watco Companies, LLC, is a Pittsburg, Kansas based transportation company providing transportation, terminal and port, mechanical, and supply chain services for Customers throughout North America and Australia. Watco's Transportation Services group is one of the largest short line rail transportation service providers in the U.S. and Australia. Watco's Terminal and Port Services group operates throughout the U.S. and Mexico. Watco's Mechanical Service group has one of the largest rail car repair shop networks in North America, and Watco Supply Chain Services group provides supply chain services in

highway, intermodal, rail logistics, and international logistics. More information about Watco and its subsidiaries can be found at www.watcocompanies.com.

About SCH

SCH Services, LLC (SCH) is a Franklin, Tennessee based company with a sharp focus on providing solutions for our customers' bulk material handling needs on the Inland River System. SCH is a company founded and managed by engineers and operators. At SCH, our design group works alongside our sales, accounting, HR, and management teams to maintain a direct line of communication with the SCH terminals. The result is a lean and nimble company that is able to provide our customers with creative and effective services. More information about SCH and its terminals can be found at www.sch-services.com.