

MESSAGE

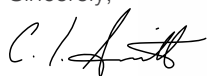
FROM CHARLES SMITH,
PRESIDENT & CEO

The closing chapter of our company's 90th anniversary year featured our most recent success story, as we acquired Pennsylvania-based Watsontown Brick Company, producer of some of the most traditionally crafted brick products in the U.S. A manufacturer of approximately 92 million bricks per year, including face, thin and molded bricks as well as pavers, Watsontown Brick products are used for residential, commercial and institutional projects throughout the eastern U.S. and Canada. The company also services distributors in the midwestern and northeastern U.S.

This acquisition adds a unique, high-quality brick line to our extensive masonry portfolio, expands our presence in the Northeast and Canada, and fortifies our commercial platform — providing opportunities for potential growth in new markets and for future consolidation. It also ensures that this 110-year-old brick company's excellent products will remain in the marketplace for many more years to come. Watsontown Brick will retain its name as a subsidiary of General Shale.

We are delighted to bring this outstanding company into the fold, as this acquisition will strengthen our reputation as a leader in the U.S. brick industry. Watsontown Brick's dedicated and highly trained employees have had an enormous impact on the company's success, and we are excited that they are now part of the General Shale family. I know you share my enthusiasm about the opportunities ahead and will join me in welcoming our new colleagues. We look forward to a bright future with Watsontown Brick Company!

Sincerely,



Charles Smith
President & CEO
General Shale



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Each quarter, General Shale wants to thank and recognize employees celebrating employment milestones with the company. We appreciate your dedication and commitment.

★ ★ ★		
Wayne Sanders	Denver, CO	30
Terry Ward	Siloam Springs, AR	30
David Sweeney	Cambridge, ON	30

NAME	LOCATION	YRS SVC
Amy Norman	Rome, GA	25
Gary Gilchrist	Roanoke, VA	20
Scott Ledford	Johnson City, TN	20
Rick Roland	Memphis East DC/TN	20
Donald Sanders	Spring City, TN	20
William Foley	Cambridge, ON	20
Raymond Dobbin	Cambridge, ON	20
Jason Spence	Siloam Springs, AR	20
Susie Bowers	Johnson City, TN	15
Charlie Watts	Roanoke, VA	15
Leon Moten	Rome, GA	15
Alan Bell	Siloam Springs, AR	15
Leo Flint	Cambridge, ON	15
Perry Zynda	Casper, WY	15
James Werner	Fort Collins, CO	15
Matthew Pratt	Fort Collins, CO	15

Bobby Grant	Fort Collins, CO	15
Rolando Morales	Fort Collins, CO	15
Courtney Ross	Fort Collins, CO	15
Kieron Stump	Moncure, NC	15
Alvin Rivera	Moncure, NC	15
John Moriarty	Cambridge, ON	15
Mark Modry	Cambridge, ON	15
Trish Bailey	Johnson City, TN	15
James Cummings	Fort Valley, GA	10
Christopher Espinoza	Spring City, TN	5
Kellie Lawhon	Fort Valley, GA	5
Charlie Watson	Humbolt DC/TN	5
Missie Barnett	Johnson City, TN	5
Lewis J. Worrell Jr.	Roanoke, VA	5
Gregory Godsey	Spring City, TN	5
Brett Lee	Spring City, TN	5
Robert Lee	Spring City, TN	5
James Janow	Spring City, TN	5
Bobby Williams	Spring City, TN	5
David Tester	Tri-Cities Block	5
Nicholas January	Siloam Springs, AR	5
Donny Green	Siloam Springs, AR	5
Chad Sims	Siloam Springs, AR	5

PEOPLE ON THE MOVE

One of the things that helps make General Shale a leader in our industry is the incredible team of professionals who have committed themselves to our company mission and goals. We are constantly reinvesting in our team members to ensure they have the opportunity to grow and improve in their roles. You can always view the “People on the Move” section on iComm to see who is growing in their career at General Shale. Below are this quarter’s promotions. We want to send our congratulations and our sincere thanks to these team members as we look forward to the impact their new roles will have on the company as a whole. Congratulations!



Mark Stutz
Managing Director of
Thin Veneer Sales



Mark Montgomery
Mountain Region District
Sales Manager



Dawn Malone
Procurement Assistant

**DID
YOU
KNOW**

Did you know you can follow **People on the Move** internally on iComm, as well as on Facebook and Twitter? Be sure to follow us to stay informed and never miss an important moment!

iComm



ARRISCRAFT TRAINING DAYS



Arriscraft hosted a training event on December 6 and 7 to help its sales teams fully understand the products and masonry techniques needed to provide customers with the best finished projects in the field.

Arriscraft Canada recently hired some new sales representatives to support its growing product lines and expanding sales areas. The executives felt that it was an excellent time to bring all sales staff into one location to review new products and new processes in order to ensure the company had a successful plan moving into the new year.

One thing that the Arriscraft sales staff has always seen as a key aspect of their success has been the level of technical and product expertise they can offer to architects, designers and masons. The sales staff works tirelessly with their customers to ensure the right products are proposed for projects and proper techniques are used to create the look and durability Arriscraft is known for. By building a true consultant relationship with their customers, the sales staff becomes an integral part of construction projects.

The event included not only new sales staff but the entire sales team to ensure that the message that is presented to Arriscraft customers is unified and accurate across all regions. Even longtime representatives commented that the event was an excellent refresher on Arriscraft product options and masonry techniques that have improved over the years.

The sales representatives also enjoyed a friendly competition wherein the attendees were split into four teams of four and tasked with an actual building project. Masonry instructor Bryan Lloyd guided the teams through laying full bed walls of Renaissance and Building Stone products using current and proper masonry

techniques. The teams were judged on the quality of their work, wall composition, joint treatment and their use of accepted masonry techniques throughout.

Bryan also held a workshop demonstrating the proper installation of Arriscraft adhered thin products. Craig Swirzon, manager for Thin Clad products, was in attendance to offer technical support



and answer any questions. Lines that were used for the workshop included ARRIS-tile, ARRIS-stack and Old Brick Originals. Bryan also provided training and a demonstration workshop on the proper installation of the ProGUARD and Laticrete products.

The Thin Clad product lines are becoming a growingly successful option for sales staff and customers. Having a solid knowledge of product options and installation techniques will be crucial as sales reps offer Thin Clad products to customers in their home regions.

All attendees enjoyed the training event, and the Arriscraft team is confident that the time invested in ensuring that all sales staff have the most current and accurate information about product opportunities will serve the company well as it sets the course for growth in 2019. We look forward to continuing to serve our customers with the best products and service as we move into the future.



GENERAL SHALE BRINGS **NEW SAFETY PROGRAMS** TO THE WORKPLACE AND BEYOND!



At the end of 2018, the General Shale Safety and Risk Team worked on a new strategy for continuing to drive the message forward about safety with a focused effort on the production teams. A new program, called Safety 2.0, has been rolled out with two teams so far, with a total of three locations planned for 2019. General Shale Safety and Risk has a long-standing commitment to the cornerstone of the program, which is directly related to the “control of hazardous energy” OSHA standard 1910.147. Most people know this standard simply as “Lockout/Tagout”. There is nothing simple about this program, compliance with it or the safety that this protocol creates for everyone. Because of the sizes, types and magnitude of energy in our operations, there is a razor-thin margin for error.

Recently, a seasoned maintenance person at the Spring City, TN, operation — David Green — shared a story with the Spring City team. Spring City is one of the locations developing and growing Safety 2.0. David was recently on a vacation that included visiting a local Harley-Davidson dealership. Anyone who knows David knows his passion for Harley-Davidson motorcycles — a fact that David is not shy about sharing. When he went in the back of the shop to look at a bike he noticed, he observed one of the technicians working on a motorcycle lift. The first thing David did was track

down the power source to find out if the technician was safe by locking it out. David immediately found that the disconnect was not locked out and promptly informed the technician that although the disconnect was in the off position, it wasn’t locked out. David did not stop there; he then went to his own truck and got one of the locks that he uses to control energy at the Spring City plant and gave it to the technician so he could work safely and go home to see his family that night.

This is a powerful testimony for safety from one of our own. Anyone working in a machine, or on a machine, must take control of the energy before reaching in to perform work. Failure to take this critical step puts a person’s “destiny in the hands of a machine,” a phrase Brian Ogle has been known to say many times. We are so proud of David and even more proud of his willingness to show care for others by his actions.

Safety 2.0 is just one of the many active programs General Shale has put in place to make the work environment for our team members a safe and positive one. We look forward to sharing more great stories of how these safety programs are impacting and improving our team soon. Stay tuned!

Building on Success: General Shale's Featured Interview

With General Shale's recent acquisition of Watsontown Brick, The Business Journal of Tri-Cities Tennessee / Virginia conducted a feature interview with General Shale President & CEO Charles Smith and Executive Vice President Mark Kinser to discuss the strategy behind this important milestone for the company. The following includes key excerpts from The Business Journal article.

General Shale executives said they believe the Watsontown acquisition could throw open to the company the major population centers of the northeastern U.S., from Washington D.C. and Baltimore through Philadelphia, Pittsburgh and New York, where General Shale already has a limited market presence. The Watsontown acquisition broadens not only General Shale's access to those markets, it also enlarges the company's portfolio of facing bricks for commercial and high-quality architectural projects.

Watontown is within 200 miles of New York City, a high-intensity brick use market, Smith said. *"We see [the Watsontown acquisition] as an expansion for us, giving us the ability to enter another market. This matches well with our Arriscraft products and gives us the ability to package some materials when we present it to architects."* *"A lot of Watsontown's product goes into New York City, but also a lot goes into Canada,"* said Kinser. *"In Canada, we're strong on the commercial side of the business with higher-end product offerings,"* Smith said. *"We're also very well-established with residential stone products. As you move down into the Northeast, primarily the Boston/New York/New Jersey area, we will now be able to offer a full masonry line with stone and brick products, including thin veneers."*

The Watsontown acquisition follows on the heels of General Shale's late 2017 purchase of Columbus Brick Company in Columbus, MS. Both Watsontown and Columbus are heritage companies with broad reach in their respective regions and long histories of success. Columbus was established in 1890, Watsontown in 1908.

"The Watsontown situation was similar to Columbus," Smith said. *"It's a company we had been aware of. We have competed against them somewhat with our Cleveland County [North Carolina] plant."*



They offer a very diverse product line — very higher end — so it was something we saw would be a very good addition to our product portfolio, and like Columbus, it gives us geographic diversity. The Columbus acquisition broadened General Shale's geographic footprint into the West. We got into markets in Louisiana, Mississippi, Arkansas and east Texas. We are looking at things outside our core market, which is the Southeast," Smith said. *"How do we expand geographically? We want to grow more outside of the markets we are currently in. We want to create more diversity while still utilizing our strengths, our existing sales force and digital model."* *"Independent regional companies like Columbus and Watsontown are at a competitive disadvantage today. In today's world, it requires some leverage in the market,"* Kinser said. *"For the independent owners, that leverage is tough to maintain."*

In short, it's not what the acquisition target can bring to General Shale today that interests Smith and Kinser so much as what General Shale can build after bolting on the acquired company.

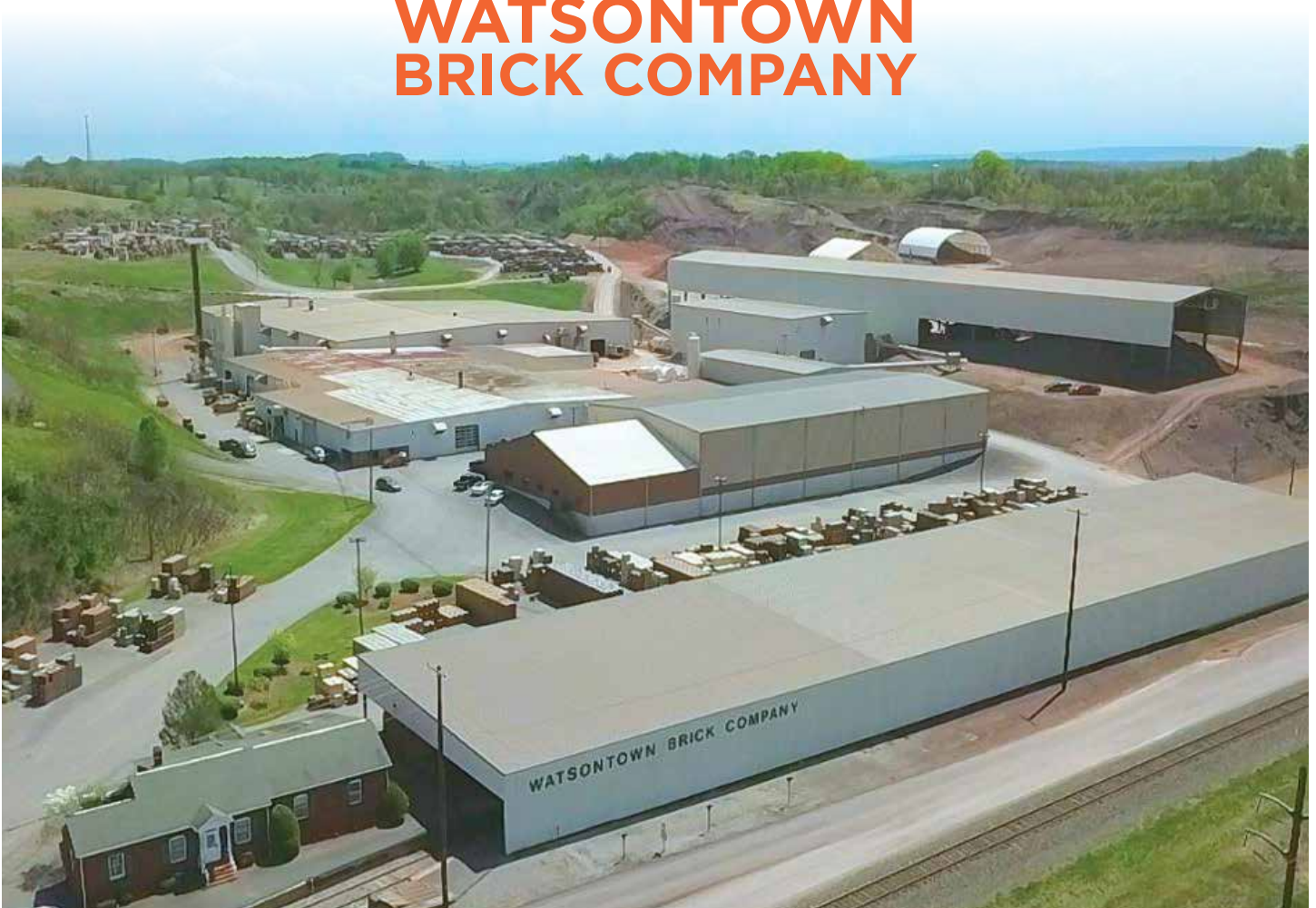
"It's what we can make it tomorrow through our model and utilizing our digital agenda, digital marketing, web pages, social media and other things that broadcast the message of what this plant can offer," Smith said. *"Watontown's focus was on the New York City/Pennsylvania area. But they have great product offerings that should be expanded even into the Southeast."*

A large part of the secret sauce that Smith and Kinser believe will allow General Shale to expand beyond its historical boundaries is the aforementioned digital agenda. The front door of that agenda is a new app, General Shale My Designs. Users can define a model home and pick details as specific as mortar color and stone surfaces using their handheld devices.

“We have an interface with our distributors,” Smith said. “What we want to create is a model where we utilize today’s technology to allow better access to our product portfolio, not only for the end consumer who’s out there buying a house or building a home, but also our partners in these steps — the A to B’s, B to C’s, A to C’s — that allows them to see inventories, product offerings, availabilities, and communicate that to the end consumer. We’re looking at how we can offer solutions for consumers and builders in the marketplace.” “On the video front, we can finally address some issues that have been difficult,” Kinser said. “We are a very touchy-feely sell. People want to see the texture of the brick. So we have been using hand samples and photos for so many years. Now, the digital capability is there so you can see it all; it’s quick, and with that comes all the technical expertise and advice.”



WATSONTOWN BRICK COMPANY



SPREADING HOLIDAY CHEER



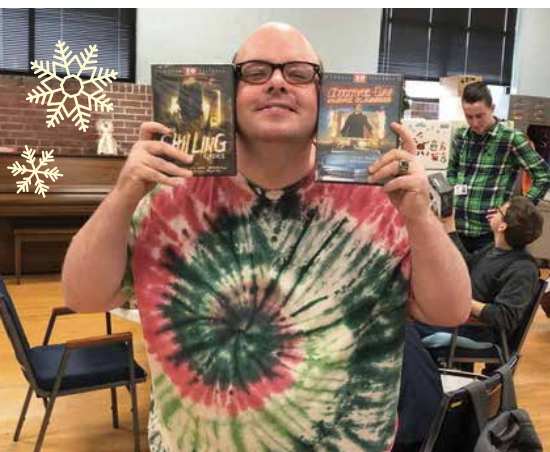
General Shale Offers Holiday Cheer to Local Seniors

The staff from the General Shale headquarters in Johnson City, TN, worked together last year to provide some much-needed care and support to local seniors at Adult Day Services. On Friday, December 14, a team from General Shale organized and hosted a Christmas Party at the adult day care facility.

Adult Day Services is a part-time social and support program focused on providing local seniors with a safe and positive environment during the day. The facility helps hundreds of seniors connect with others and enjoy community support. General Shale has made it an annual tradition to host a special Christmas party for the seniors and staff in order to support this very important program.

Last year, the General Shale staff were asked to each select one of the seniors as their Secret Santa. The Adult Day Services staff provided information about each participating senior as well as a “wish list” of items they needed. The General Shale staff was very generous in their participation. Many of the General Shale team also met the day before to prepare party supplies, gifts, goodie bags and snacks for the party.

A large group of General Shale staff members participated in the Christmas party and helped spread some much-needed holiday cheer to those who may not have had a warm Christmas otherwise. It was a much-needed reminder of how important it is to be generous and kind to all our neighbors during the holiday season. We hope you all had a warm and fulfilling Christmas, and we look forward to a great new year!



Filling a Shoe Box with Care



General Shale understands how important it is to support our communities. In many cases, that generosity shows up locally in areas where we work and live. During the holidays last year, we chose to support a program that benefits the children in our global community. General Shale was very excited this past Christmas season to support the Samaritan's Purse "Operation Christmas Child" shoe box program.

The Operation Christmas Child program provides gifts and much-needed personal hygiene and clothing supplies to children in over 100 countries around the world. These special gifts can make a tremendous difference in the quality of life for children in countries that suffer from poverty and poor quality of life. The shoe boxes are organized and distributed by Samaritan's Purse International Relief, a global leader in providing effective support to children and families in these areas.

The General Shale staff was eager to participate last year in this important global relief effort, and many employees went above and beyond in their desire to help

with the event. The team met over two days to build the shoe boxes and fill them with donated items. Over the two days, General Shale participants were able to collect and build over 60 shoe boxes to donate to Operation Christmas Child.

- The shoe boxes included:**
- Washcloths
 - Soap
 - Socks (especially for older children)
 - Shirts
 - Coloring books
 - Toys for 5–9-and/or 10–14-year old children
 - Other personal hygiene items

We are very grateful for all of our staff's hard work to put this together, and we sincerely hope that all the children impacted by your generosity have a better 2019 through your giving. We are looking forward to continuing to build a better global community one shoe box (and one brick) at a time.



GENERAL SHALE 2019 *Calendar*



We hope you are all enjoying the new 2019 General Shale calendar, which is now distributed to all those who requested one. This has been a great year, with many beautiful projects using General Shale and Arriscraft products.

These premium calendars are always well-received as a show-stopping marketing piece, capturing a variety of premium homes built with General Shale brick, Arriscraft stone and thin brick products in applications throughout the U.S. and Canada. General Shale customers have enjoyed receiving these calendars for many decades. They feature amazing architecture and design and genuine and unique applications with products made by our committed employees.

Each month highlights a beautiful new home or commercial building structure. Below each feature image you will see information on where it was built; which products were selected and used; the names of the architect, builder, contractor and mason, and which professional photographer took each of the unique photos.

We'd like to thank all the individuals who are responsible for making these calendars possible. Each project has a host of people who made these structures works of art — from construction to final photography — and we are grateful for everyone's hard work.

Below is a list of employees responsible for the great projects in the 2019 General Shale calendar:

- **January - Rui Carvalho** - (Renaissance® Nutmeg Sandblasted and Rocked)
- **February - Amy Norman** - (Baystone Velour, ARRIS-tile Renaissance Café and ARRIS-stack Tabasco (Customized 2 unit application))
- **March - Gary Rossman** - (Snowy Ridge)
- **April - Bill Masters** - (Castlerock Tudor)
- **May - Chip Black** - (Briarwood, ARRIS-stack Cappuccino)
- **June - Kelly Keffer** - (Spalding Tudor and Charlestown Landing)
- **July - Carson Greif** - (English Pub and Coffeebean thin brick)
- **August - Todd Wilkinson** - (Jefferson Wade Tudor 6035)
- **September - Carson Greif** - (Stonewood Tudor)
- **November - Cole Black** - (Ironworks thin brick)
- **December - Erica Thompson** - (Culpepper)



GENERAL SHALE TO REACH NEW HIGHS IN LOWE'S

In late 2018, General Shale reached an unprecedented agreement with the second-largest hardware store chain in the United States — Lowe's. While our products have been sold in building materials aisles in Lowe's and other similar chains by way of facing brick and foundational block, this marks the first time our products will be presented in the tile aisle as an indoor, decorative solution.

Months of negotiations and setup have culminated in a partnership that will position two beautiful thin brick products — "Carbon" and "Stillwater" (from the Providence Series Thin Brick Line) — on the shelves of 800 Lowe's stores around the country. As Lowe's continues its mission to help homeowners "never stop improving," General Shale's distressed thin brick emerged as a perfect fit as a new and diverse product for Lowe's customers. Many General Shale employees have contributed to this opportunity, led primarily by Retail Sales Specialist Bill Clark.

As we look forward to discovering in 2019 and beyond, a General Shale partnership with Lowe's is an important step forward to expanding a larger-scale retail market channel.

Shown below, "Carbon" (top) and "Stillwater" (bottom) thin brick will be available in 800 Lowe's stores across the U.S.



Real Brick, Real Thin

Ladrillo real verdaderamente delgado



PROVIDENCE SERIES
THIN BRICK

General Shale





Congratulations

YOU WON!

Thank you for your participation in the iComm 2018 Christmas Quiz! We'd like to give a shout-out to our employees who won an iComm Christmas present!

**Sally Lawrence, Jonathan Bailey,
John Stafford, Melvin Taylor and
Arthur Moore were all winners!**

— share your — **STORY**

As we continue to streamline the newsletters to include more stories about happenings at the plants and sales locations, we ask for your help! Send in your stories and photos to marketing@generalshale.com. We can't wait to hear from you! Thanks for sharing!