

August 31, 2023

To our fellow Shareholders,

On Friday, September 1<sup>st</sup>, I will be stepping down from my position as Chairman of PharmChem, Inc's Board. I will be contributing much of my personally held stock to Tim Eriksen's investment partnership, Cedar Creek Partners, LLC. Tim will be returning to the Board and begin serving as Chairman on that date.

I am as excited as I've ever been about PharmChem. The company has returned to revenue growth, has consistently generated positive cashflow, has capable operational management in place, and is helmed by a Board of intelligent investors and entrepreneurs in their own right. I finally have the breathing space to make a set of career and lifestyle changes as I look forward to the birth of my first child this fall.

- Tim has an extraordinary track record of shareholder-focused management of controlled microcap companies; look as an example at his most recent successes in Solitron Devices, Inc (OTC: SODI). Tim's seventeen-year record demonstrably exceeds my own.
- Before this contribution, Tim and related entities owned around 3% of PCHM stock. After this contribution they will hold around 32%.
- After stepping down, I'm personally still deeply invested. My proportionate ownership in Tim's partnership, as well as the shares I retain, will leave me as the second largest economic shareholder of PharmChem.
- The current expectation is that day-to-day operating management, including C-suite, will not change.

If there are any questions in the meantime, please never hesitate to reach out and ask.

Onward,



Tice Brown  
Chairman  
PharmChem, Inc.