



TEXCOM, INC. ANNOUNCES RECORD THIRD QUARTER 2011 RESULTS

Nine Month Revenues Increase 22% to \$8.1 Million and Net Income More Than Doubles to \$2.1 Million

HOUSTON, TX - (Marketwire) – November 2, 2011 - [TexCom, Inc.](#) (Pink Sheets:TEXC), an environmental services company serving the oil and gas industry, today announced its third quarter 2011 financial results for the nine months ended September 30, 2011.

Financial Highlights for Nine Months Ended September 30, 2011 Compared to Nine Months Ended September 30, 2010, (as restated¹):

- Revenues climbed 21.5% to \$8.11 million from \$6.68 million.
- Gross profit margin improved, rising to 59% from 57% of revenues.
- Operating income totaled \$3.47 million, up 19.7% from \$2.90 million.
- Net income available to shareholders increased 142.3% to \$2.08 million from \$859,000.
- Earnings per share on a fully diluted basis rose to \$0.03 from \$0.01.

Net cash provided by the Company's operating activities during the first nine months of 2011 was \$2.22 million. Total stockholders' deficit declined to \$1.32 million from a deficit of \$3.80 million reported as of December 31, 2010 (as restated¹).

Commenting on the results, Lou Ross, Chairman, President and CEO of TexCom, stated, "We are particularly proud of the fact that despite higher general and administrative expenses related to new business development and preparations for an SEC registration, we generated a 142% increase in net income compared to the first nine months of the previous year. Given our high level of confidence that TexCom will extend its record revenue and earnings performance through the fourth quarter, we look forward to delivering a full year of exceptional organic growth to our shareholders."

Concluding, Ross added, "With construction of our new Class II NOW (non-hazardous oilfield waste) disposal site in the Eagle Ford Shale on pace to be completed and commercial operations launched prior to year end, we should be well positioned to greet 2012 on very strong footing and be poised to maintain the strong growth momentum we've enjoyed over the past several years."

As previously announced, TexCom will host its 2011 Annual Meeting of Shareholders on Wednesday, November 16, 2011, beginning at 10:00 AM Central Time, at the Hilton Houston Post Oak in Houston, Texas.

¹ Pursuant to its plans to become an SEC fully reporting company, TexCom is currently engaged in having its operations fully audited by an independent accounting firm. During the course of the ongoing audit, it was determined that certain reclassifications and accounting adjustments to the Company's 2010 balance sheet and its statements of operations for the nine months ended September 30, 2010 were necessary. For more detailed information, please refer to Note 2 in the Company's Interim Financial Statements posted to www.otcmarkets.com.

FINANCIAL CHARTS TO FOLLOW

TEXCOM, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
September 30, 2011 and December 31, 2010
(Unaudited)

	September 30, 2011	December 31, 2010 (Restated)
Assets		
Current assets:		
Cash and cash equivalents	\$ 638,141	\$ 190,155
Restricted cash	575,404	-
Accounts receivable, net of allowance for doubtful accounts of \$165,838 and \$82,668, respectively	2,270,516	1,708,817
Prepaid expenses and other current assets	85,801	50,372
Total current assets	3,569,862	1,949,344
Property and equipment, net	2,713,344	950,517
Equity in net assets of affiliate	768,456	817,310
Intangible assets, net	218,934	237,331
Goodwill	396,722	396,722
Other assets	602,891	449,957
Total assets	\$ 8,270,209	\$ 4,801,181
Liabilities and Stockholders' Deficit		
Current liabilities:		
Current portion of long-term debt	\$ 1,836,645	\$ 1,483,086
Current portion of long-term debt, related party	189,829	163,885
Accounts payable and accrued liabilities	841,377	595,658
Derivative liability	106,288	-
Accrued officer salaries – related parties	523,500	472,500
Total current liabilities	3,497,639	2,715,129
Long-term debt, net of current portion	5,758,258	5,476,754
Long-term debt, related party, net of current portion	331,018	410,488
Total liabilities	9,586,915	8,602,371
Stockholders' deficit:		
Series A convertible preferred stock, \$1.00 par value, 5,000,000 shares authorized, 2,028,750 shares issued and outstanding	2,028,750	2,028,750
Common stock, \$.001 par value, 100,000,000 shares authorized, 59,163,447 and 58,361,507 shares issued and outstanding, respectively	-	-
	59,164	58,362
Additional paid-in capital	10,794,519	10,669,820
Accumulated deficit	(14,946,554)	(17,026,748)
Noncontrolling interest	747,415	468,626
Total stockholders' deficit	(1,316,706)	(3,801,190)
Total liabilities and stockholders' deficit	\$ 8,270,209	\$ 4,801,181

TEXCOM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
For the nine months ended September 30, 2011 and 2010
(Unaudited)

	September 30, 2011	September 30, 2010 (Restated)
Revenues	\$ 8,112,363	\$ 6,678,222
Cost of revenues, excluding royalties	1,330,390	1,581,570
Royalties	2,008,926	1,274,927
Total cost of revenues	<u>3,339,316</u>	<u>2,856,497</u>
 Gross profit	 <u>4,773,047</u>	 <u>3,821,725</u>
 Selling, general, and administrative expenses	 <u>1,300,663</u>	 <u>921,483</u>
 Operating income	 <u>3,472,384</u>	 <u>2,900,242</u>
Other income (expense)		
Interest expense	(945,847)	(1,122,398)
Enhanced payments to stockholders	-	(124,950)
Equity in loss of affiliate	(48,854)	(569,408)
Gain on derivative liability	5,732	-
Other income	<u>2,258</u>	<u>23,837</u>
Income before provision for income taxes and noncontrolling interest	2,485,673	1,107,323
Provision for income taxes	<u>-</u>	<u>-</u>
Net income	2,485,673	1,107,323
Income attributable to noncontrolling interest	<u>(405,479)</u>	<u>(248,784)</u>
Net income available to common stockholders	<u>\$ 2,080,194</u>	<u>\$ 858,539</u>
Income per share – basic	<u>\$ 0.04</u>	<u>\$ 0.02</u>
Income per share – diluted	<u>\$ 0.03</u>	<u>\$ 0.01</u>
Weighted average common shares outstanding – basic	<u>58,398,299</u>	<u>46,011,593</u>
Weighted average common shares outstanding – diluted	<u>70,451,399</u>	<u>57,964,693</u>

About TexCom, Inc.

TexCom, headquartered in Houston, Texas, is a growth-oriented environmental services company with a primary focus on the disposal of nonhazardous wastes generated by the oil & gas industry. TexCom is expanding its interests to disposal of nonhazardous industrial wastewater, serving the refining and petrochemical industries. For more information, please visit www.texcomresources.com.

Forward-Looking Statements

This press release may contain forward-looking statements, including information about management's view of TexCom, Inc.'s future expectations, plans and prospects. In particular, when used in the preceding discussion, the words "believes," "expects," "intends," "plans," "anticipates," or "may," and similar conditional expressions are intended to identify forward-looking statements. Any statements made in this news release other than those of historical fact, about an action, event or development, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, which may cause the results of TexCom, Inc., its divisions and concepts to be materially different than those expressed or implied in such statements. Unknown or unpredictable factors also could have material adverse effects on TexCom's future results. The forward-looking statements included in this press release are made only as of the date hereof. TexCom cannot guarantee future results, levels of activity, performance or achievements. Accordingly, you should not place undue reliance on these forward-looking statements. Finally, TexCom undertakes no obligation to update these statements after the date of this release, except as required by law, and also takes no obligation to update or correct information prepared by third parties that are not paid for by TexCom.

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