



PRESIDENT AND

CHIEF EXECUTIVE OFFICER
Bob Brown

VICE PRESIDENT OPERATIONS
Lee Gardiner

DIRECTOR OF MARKETING
Alice Inderbitzin

REGIONAL MANAGER
Natalie Foss

**DIRECTOR OF REGULATORY
AFFAIRS**
Martin Jeppeson

Board of Directors

CHAIRMAN OF THE BOARD
Case Van Steyn

VICE-CHAIRMAN
Sig Christierson
Brad Baltzer
Joel Barker
Doug DeVaney
Alan Freese
Jeff Roesler

Announcing Terminal Expansion

We are pleased to announce that CALAMCO has signed a new, long-term agreement with the J.R. Simplot Company for development of additional UAN 32 solution storage at the Port of Stockton. The additional 30,000 short tons of storage will bring the facility's storage capacity to 70,000 tons.

"This agreement for increased distribution of UAN 32 from the CALAMCO terminal bodes well for California growers by providing a more reliable supply of UAN 32 throughout the state," said Bob Brown, CEO and president of CALAMCO. "The increased storage and load-out infrastructure positions CALAMCO and Simplot as a leading UAN 32 supplier in California for years to come."

CALAMCO and Simplot have a business partnership dating back to the early 1980s, and Simplot has an ownership interest in CALAMCO relating to anhydrous ammonia supply for its California production operations.

In 2001, we entered into an initial agreement with Simplot to develop UAN 32-handling capacities at our Port of Stockton facility, and a 40,000-ton storage facility was built to receive and distribute UAN 32 from ocean-going vessels. Increasing demand throughout California for UAN 32 prompted Simplot to establish relationships with global suppliers to help expand imported volumes.

Garrett Lofto, Simplot AgriBusiness Group president, said he supports the storage expansion as a key component of Simplot's strategy. "Our continued focus on



CALAMCO Chairman of the Board Case Van Steyn views plans for new UAN 32 storage tank with Dale Thigpin, Terminal Manager.

See "Announcement" page 3 >

WHAT'S INSIDE

2 ➤ Message to Shareholders

➤ Mark Grewal Recognized for Service on CALAMCO Board

➤ CALAMCO Awards \$1000 Scholarship to Daniel Braden of Hughson

3 ➤ Stock Sales

➤ Safety Office and Training Room Added at Stockton Terminal

4 ➤ Heat Injury Prevention

A Partnership with Growers

Message to Shareholders

2011 is turning out to be another amazing year for your cooperative; though it has not been without its challenges! Due to cool weather, our Spring season in northern California began a couple of weeks later than normal as growers were not able to start working ground as early in some areas as they are usually able to. Once warm weather finally did kick in, it seemed the whole northern region dried up at once, allowing growers throughout the entire area to start working ground at the same time, which is typically not the case. Along with this, many growers now have new, larger equipment, giving them the ability to work ground two to three times faster than they used in the same period of time, condensing the planting season all the more!

With commodity prices strong and more water than we've had in a number of years, growers in the southern San Joaquin Valley were finally looking forward to a much better year.

Though we did anticipate more acreage being planted this year than last, there is no way to actually anticipate and prepare for a year such as this. With the busy season finally underway and moving at full throttle in northern California, the southern part of the state kicked off their Spring planting season, sending an already tight supply of trucks in both directions at the same time!

Not only are anhydrous ammonia trucks in limited supply, drivers that are qualified to haul the product are limited as well. These drivers must not only be certified for hauling hazardous materials, they also receive special training to become certified for hauling anhydrous ammonia. There are also DOT regulations on the amount of hours a driver can haul product, which, though necessary, adds additional restraints on the industry's ability to meet unusually strong demand occurring in such a condensed time frame.

Mark Grewal Recognized for Service on Calamco Board



The CALAMCO Board of Directors along with the management team and staff would like to express our gratitude to Mark Grewal for his eight years of service on the CALAMCO Board of Directors, as well as to recognize the leadership skills that he brought to the Board during his time serving as Chairman.

Mark's dedication and commitment to maintaining CALAMCO as a viable, successful company was apparent throughout his service on the Board and his time and effort is greatly appreciated.

CALAMCO Awards \$1000 Scholarship to Daniel Braden of Hughson

We would like to congratulate Daniel Braden of Hughson as the recipient of CALAMCO's \$1000 Scholarship for 2011. Daniel is a 2011 graduate of Turlock Christian High School, graduating with a 3.9 grade point average! Daniel plans to attend California Polytechnic State University, San Luis Obispo this fall majoring in Fruit Science. Once he achieves his degree, Daniel hopes to work in production agriculture, growing crops such as olives for oil, almonds and grapes.

We were extremely pleased to receive a number of excellent applications and were very impressed by all of the individuals that applied. They are all very deserving students that have worked very hard throughout their academic career, and plan to further their education in agriculture at a variety of universities. We wish them the best of luck in achieving their goals as they set out on this next exciting phase in their lives. Our industry is extremely fortunate to have so many bright and ambitious students interested in pursuing careers in agriculture!

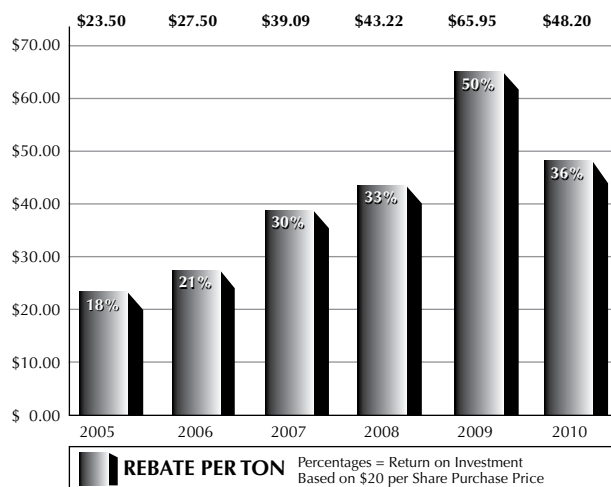


Stock Sales

We are currently in the process of trying to locate members that are no longer farming or utilizing their CALAMCO shares. If you are interested in selling your stock, please contact our office and our marketing team will assist you in providing the necessary documents required to place your shares on our stock for sale list.

If you are interested in purchasing additional shares to cover your current fertilizer use, or know someone that is interested in becoming a CALAMCO shareholder, there is still time to purchase shares to cover your nitrogen use for the current year. Stock ownership has been a remarkable investment for those growers able to utilize their shares and maximize their returns!

AVERAGE SIX-YEAR RETURN = 31 %



Safety Office and Training Room Added at Stockton Terminal



A building has been added to the CALAMCO terminal in Stockton. Along with the recent completion of our new maintenance shop, a new Training Room was also constructed. This trailer-style building was previously used as a portable classroom in the local school district. The transformation from

an elementary school classroom to a combination Training Room and Safety Office was completed in April, providing us with space for employee development and safety training.

One of the advantages to this additional space is being able to expand our ongoing training. We were able to host an Anhydrous Ammonia Transportation Safety class presented by WPHA last month in which drivers from several different companies participated. The training room has also been used for our Safety Committee meetings as well as a number of other scheduled events.

Office space has been added to the interior of the structure and is being used as the terminal Safety Office. This provides a centralized location for the storage of all employee safety equipment, allowing employees to maintain their personal protective equipment more efficiently. In addition to safety equipment, the office also contains much of the regulatory documents connected with environmental and security needs of the terminal.

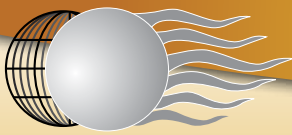
"Announcement" from page 1 >

optimization of our import base in Stockton, California, Portland, Oregon, and Point Comfort, Texas, supports our long-standing goal of being a leading crop nutrient supplier in western North America."

Lee Gardiner, Vice President of Operations for CALAMCO, said infrastructure improvements have already been made to accommodate increased demand. "In April, we completed a third truck load-out station with certified load meters to

handle increased truck traffic through the facility," he said. "Daily shipping records for UAN 32 volume were achieved in the recently completed condensed spring shipping season."

According to Gardiner, the increased storage and load-out capabilities will allow multiple cargo ships to be off-loaded and contained. In addition, larger-vessel receipt will be accommodated with the expansion. All improvements are scheduled to be completed in the spring of 2012.



SAFETY

Heat Injury Prevention

Now that summer is upon us, precautions must be taken to protect ourselves from the summer heat. Heat-related illnesses can cause serious injury and even death if unattended. California employers are required to take these four steps to prevent heat illness.

1. Training - Train all employees and supervisors about heat illness prevention.
2. Water - Provide enough fresh water so that each employee can drink at least 1 quart per hour, and encourage them to do so.
3. Shade - Provide access to shade for at least 5 minutes of rest when an employee believes he or she needs a preventative recovery period. They should not wait until they feel sick to do so.
4. Planning - Develop and implement written procedures for complying with the Cal/OSHA Heat Illness Prevention Standard.

More information on the California regulation (Title 8 CCR 3395) can be found through the following sites:

For answers to questions regarding the regulation -

<http://www.dir.ca.gov/dosh/etools/08-006/PreventingAndResponding4.htm>

For training material available in English, Spanish, Hmong, and Punjabi - www.calor.org

- **Drink plenty of fluids.** Don't wait until you are thirsty to drink fluids.
- **Be aware of your environment.**
- **Take frequent breaks.**
- **Wear proper clothing.** Loose, lightweight fabrics encourage heat release.
- **Acclimatize.** It takes at least 7-10 days to get used to working in a hot environment.
- **Be aware of special heat stress risk.**

Questions or comments can
be forwarded to CALAMCO
at (800) 624-4200
www.calamco.com

P.O. Box 7275
Stockton CA 95267-9901

CALAMCO



Presort Standard
U.S. Postage
PAID
Permit # 604
Sacramento, CA