

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported): December 18, 2015

Dynamic Materials Corporation

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of
Incorporation)

0-8328

(Commission File Number)

84-0608431

(I.R.S. Employer Identification No.)

5405 Spine Road

Boulder, Colorado 80301

(Address of Principal Executive Offices, Including Zip Code)

(303) 665-5700

(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

Dynamic Materials Corporation (the "Company") is a party to the Second Amended and Restated Credit Agreement, dated as of February 23, 2015 (the "Credit Agreement"). On December 18, 2015, the Company and other parties to the Credit Agreement signed an amendment (the "Amendment") to the Credit Agreement. Among other things, the Amendment amends the Credit Agreement to:

- An immediate increase in the maximum debt-to-EBITDA leverage ratio from 3.00x to 3.75x, which will remain in effect through the June 30, 2016 reporting period. The maximum leverage ratio will then adjust to 3.25x through the September 30, 2016 reporting period, and will return to 3.00x as of December 31, 2016 and thereafter. If the leverage ratio is greater than 3.00x, the interest margin will be LIBOR plus 2.75%, and an undrawn fee of 0.50% will be applied. There are no other pricing modifications to the original agreement. The leverage ratio is calculated as the ratio of the Company's consolidated funded indebtedness to the Company's consolidated EBITDA over a trailing four-quarter period.
- The minimum debt service coverage ratio of 1.35x is unchanged from the Credit Agreement. However, the calculation of debt service coverage ratio replaces depreciation expense with capital expenditures, and the definition of cash dividends is now based on 2016 dividends paid versus a trailing 12-month calculation. The amended debt service coverage ratio is now calculated as consolidated pro-forma EBITDA minus the sum of cash dividends, capital expenditures and cash paid for income taxes divided by cash paid for interest.

(The definition of consolidated pro forma EBITDA in the calculation of both the leverage ratio and debt service coverage ratio also was amended to include certain add-backs primarily related to cost savings associated with restructuring activities and timing of payment of cash expenses.)

- A reduction in the amount of U.S. borrowings available under the Credit Agreement to \$65 million from \$90 million. At September 30, 2015, the Company had total borrowings of \$36.0 million.
- Early termination of the Company's ability to borrow funds as a term loan. The Company has had no borrowings against this feature, which was scheduled to terminate in February 2016.
- A prohibition on increasing the Company's dividend rate unless the Leverage Ratio is less than 2.00x.

A copy of the Amendment is included in this filing as Exhibit 10.1. A copy of the press release announcing the Amendment is included in this filing as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

- (d) Exhibits.

Exhibit Number	Description
10.1	First Amendment to the Second Amended and Restated Credit Facility dated December 18, 2015 among the Company, JP Morgan Chase Bank, N.A. and the other parties named therein.
99.1	Press Release, December 18, 2015.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DYNAMIC MATERIALS CORPORATION

Dated: December 18, 2015

By: /s/ Michael Kuta
Michael Kuta
Chief Financial Officer

**FIRST AMENDMENT TO THE
SECOND AMENDED AND RESTATED CREDIT AGREEMENT**

THIS FIRST AMENDMENT TO THE SECOND AMENDED AND RESTATED CREDIT AGREEMENT (this “Amendment”), effective as of the ___ day of December, 2015 (the “Amendment Effective Date”), is entered into by and among DYNAMIC MATERIALS CORPORATION, a Delaware corporation (the “Parent”), the US Borrowers party hereto, the Alternative Currency Borrowers party hereto (the Parent, the US Borrowers and Alternative Currency Borrowers are, collectively, the “Borrowers”), the Guarantors party hereto (the “Guarantors”), the Lenders party hereto (the “Lenders”), and JPMORGAN CHASE BANK, N.A., as Administrative Agent.

RECITALS

WHEREAS, the Borrowers, the Guarantors, the Lenders, the Administrative Agent, the London Agent and the Canadian Agent entered into that certain Second Amended and Restated Credit Agreement dated as of February 23, 2015 (as may be amended from time to time, the “Credit Agreement”);

WHEREAS, the Parent has requested that the Administrative Agent and the Lenders amend certain provisions of the Credit Agreement;

WHEREAS, the Administrative Agent and the Lenders are willing to so amend the Credit Agreement subject to the terms and conditions set forth herein, provided that the Borrowers and the Guarantors ratify and confirm all of their respective obligations under the Credit Agreement and the Loan Documents.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants set forth in this Amendment, the Borrowers, the Guarantors, the Lenders and the Administrative Agent agree as follows:

1. Defined Terms. Unless otherwise defined herein, capitalized terms used herein have the meanings assigned to them in the Credit Agreement.

2. Amendments to Section 1.01.

(a) The following definitions in Section 1.01 of the Credit Agreement are hereby amended and restated in their entirety to read as follows:

“Consolidated EBITDA” means, for any Person, for any period, Net Income of such Person and its consolidated Subsidiaries determined on a consolidated basis in accordance with GAAP for such period, plus, to the extent deducted in the determination of such Net Income and without duplication, (a) provisions for income taxes, (b) Interest Expense, (c) depreciation and

amortization expense, (d) extraordinary, non-recurring charges, excluding any charges or expenses related to the categories described in the definition of Specified Extraordinary Charges, (e) the Specified Extraordinary Charges and (f) other non-cash charges excluding inventory reserves; and minus, to the extent included in the determination of such Net Income and without duplication, (i) interest income, (ii) extraordinary, non-recurring income, revenue or gains and (iii) other non-cash income.

“Debt Service Coverage Ratio” means, for any trailing four quarter period, the ratio of (a) Consolidated Pro Forma EBITDA of the Parent for such period, minus the sum of (i) Cash Dividends, (ii) the capital expenditures for such period for the Parent and its Subsidiaries determined on a consolidated basis in accordance with GAAP and (iii) cash income Taxes paid or payable for such period by the Parent and its Subsidiaries (excluding \$2,000,000.00 of German income taxes paid in cash in the first fiscal quarter of 2016) to (b) the sum of (i) cash Interest Expense of the Parent for such period and (ii) scheduled principal payments of Consolidated Funded Indebtedness actually made during such period.

“Initial Term Loan Termination Date” means December 18, 2015.

(b) Section 1.01 of the Credit Agreement is hereby amended to add the following new definitions in proper alphabetical order:

“Cash Dividends” means, the regularly scheduled cash dividends paid by the Parent in the ordinary course of business during the trailing four quarter period; provided that (i) for the trailing four quarter period ended March 31, 2016, “Cash Dividends” shall be the cash dividends paid during the first fiscal quarter of 2016, multiplied by four (4), (ii) for the trailing four quarter period ended June 30, 2016, “Cash Dividends” shall be the cash dividends paid during the first and second fiscal quarters of 2016, multiplied by two (2) and (iii) for the trailing four quarter period ended September 30, 2016, “Cash Dividends” shall be the cash dividends paid during the first, second and third fiscal quarters of 2016, multiplied by four-thirds (4/3).

“Specified Extraordinary Charges” means, (i) up to \$2,000,000 for pro forma cost savings related to (A) headcount reductions, (B) location closures and/or consolidations and (C) up to \$575,000 of one-time new product rollout expenses for the launch of DynaStage product, (ii) up to \$450,000 for one-time restatement related expenses incurred in the first fiscal quarter of 2015, and (iii) up to \$200,000 for one-time legal fees associated with an anti-dumping ruling incurred in the third and fourth fiscal quarters of 2015.

(c) From the Amendment Effective Date through September 30, 2016, the table set forth in the definition of “Applicable Margin” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

<u>Level</u>	<u>Leverage Ratio</u>	<u>Applicable Margin for Eurocurrency, EURIBOR and CDOR Loans</u>	<u>Applicable Margin for ABR and Canadian Prime Loans</u>
I	$1.00 > X$	1.25%	0.25%
II	$1.50 > X \geq 1.00$	1.50%	0.50%
III	$2.00 > X \geq 1.50$	1.75%	0.75%
IV	$2.50 > X \geq 2.00$	2.00%	1.00%
V	$3.00 > X \geq 2.50$	2.25%	1.25%
VI	$X \geq 3.00$	2.75%	1.50%

(d) After September 30, 2016, the table set forth in the definition of “Applicable Margin” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

<u>Level</u>	<u>Leverage Ratio</u>	<u>Applicable Margin for Eurocurrency, EURIBOR and CDOR Loans</u>	<u>Applicable Margin for ABR and Canadian Prime Loans</u>
I	$1.00 > X$	1.25%	0.25%
II	$1.50 > X \geq 1.00$	1.50%	0.50%
III	$2.00 > X \geq 1.50$	1.75%	0.75%
IV	$2.50 > X \geq 2.00$	2.00%	1.00%
V	$X \geq 2.50$	2.25%	1.25%

(e) The last sentence of the definition of “Applicable Margin” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“If the Parent fails to deliver the financial statements and corresponding Compliance Certificate to the Administrative Agent at the time required pursuant to Section 5.01, then effective as of the date such financial statements and corresponding Compliance Certificate were required to be delivered pursuant to Section 5.01, the Applicable Margin shall be determined at the Level which corresponds to the maximum Leverage Ratio permitted under Section 6.15 at such time and shall remain at such level until the date such financial statements and corresponding Compliance Certificate are so delivered by the Parent.”

(f) The table set forth in the definition of “Commitment Fee Rate” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

<u>Level</u>	<u>Leverage Ratio</u>	<u>Commitment Fee Rate</u>
I	$1.00 > X$	0.25%
II	$1.50 > X \geq 1.00$	0.30%
III	$2.00 > X \geq 1.50$	0.35%
IV	$2.50 > X \geq 2.00$	0.40%
V	$3.00 > X \geq 2.50$	0.45%
VI	$X \geq 3.00$	0.50%

(g) The last sentence of the definition of “US Commitment” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“The aggregate amount of the Lenders’ US Commitments as of December ____, 2015, is \$65,000,000.”

3. Amendment to Section 6.07(d).

(a) Section 6.07(d) of the Credit Agreement is hereby amended and restated to read as follows:

“(d) Restricted Payments by the Parent in any amount so long as (i) no Event of Default exists or is created thereby and (ii) the Leverage Ratio calculated on a pro forma basis for the most recently ended trailing four-quarter period giving effect to such Restricted Payment as if it were paid at the commencement of such four-quarter period is not greater than the maximum Leverage Ratio permitted under Section 6.15 at such time minus 0.50; provided that Restricted Payments by the Parent shall be limited to a per share dividend amount less than or equal to the per share dividend amount of Restricted Payments by the Parent in the immediately prior fiscal quarter unless the Leverage Ratio calculated on a pro forma basis for the most recently ended trailing four-quarter period giving effect to such Restricted Payment as if it were paid at the commencement of such four-quarter period is less than 2.0 to 1.0.”

4. Amendment to Section 6.15. Section 6.15 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“6.15 Leverage Ratio. The Parent shall not permit the Leverage Ratio for any trailing four quarter period measured as of the last day of any fiscal quarter to exceed (i) for the fiscal quarters ended March 31, 2015, June 30, 2015 and September 30, 2015, 3.0 to 1.0, (ii) for the fiscal quarters ended December 31, 2015, March 31, 2016 and June 30, 2016, 3.75 to 1.0, (iii) for

the fiscal quarter ended September 30, 2016, 3.25 to 1.0, and (iv) thereafter, 3.0 to 1.0.”

5. Amendment to Schedule 2.01. Schedule 2.01 attached to the Credit Agreement titled “Commitments” is hereby deleted in its entirety and replaced with Schedule 2.01 attached hereto.

6. Ratification. Each of the Borrowers and Guarantors hereby ratifies all of its Obligations under the Credit Agreement and each of the Loan Documents to which it is a party, and agrees and acknowledges that the Credit Agreement and each of the Loan Documents to which it is a party are and shall continue to be in full force and effect as amended and modified by this Amendment. Nothing in this Amendment extinguishes, novates or releases any right, claim, lien, security interest or entitlement of any of the Lenders, the Administrative Agent, the London Agent or the Canadian Agent created by or contained in any of such documents nor are the Borrowers nor Guarantors released from any covenant, warranty or obligation created by or contained herein or therein.

7. Representations and Warranties. Each of the Borrowers and Guarantors hereby represents and warrants to the Administrative Agent, the London Agent, the Canadian Agent and the Lenders that (a) this Amendment has been duly executed and delivered on behalf of each of the Borrowers and Guarantors, (b) this Amendment constitutes a valid and legally binding agreement enforceable against each of the Borrowers and Guarantors in accordance with its terms, subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law, (c) the representations and warranties contained in the Credit Agreement and the Loan Documents are true and correct on and as of the date hereof in all material respects as though made as of the date hereof (provided, that to the extent any such representation and warranty was made as of a specific date, such representation and warranty shall be true and correct in all material respects as of such specific date), (d) after giving effect to this Amendment, no Default or Event of Default exists and (e) the execution, delivery and performance of this Amendment has been duly authorized by each of the Borrowers and Guarantors.

8. Conditions to Effectiveness. This Amendment shall be effective on the Amendment Effective Date upon (a) the execution and delivery hereof by the Borrowers, the Guarantors and the Required Lenders to the Administrative Agent and receipt by the Administrative Agent of this Amendment and (b) the execution and delivery hereof by the Parent to the Administrative Agent and receipt by the Administrative Agent of that certain First Amendment to Second Amended and Restated Credit Agreement Engagement Letter dated as of the date hereof.

9. Release and Indemnity. Each of the Borrowers and Guarantors does hereby release and forever discharge the Administrative Agent, London Agent, the Canadian Agent, each of the Lenders, each of the Issuing Lenders and each Related Party of any of the foregoing from any and all claims, demands, damages, actions, cross-actions, causes of action, costs and expenses (including legal expenses), of any kind or nature whatsoever, whether based on law or equity, which any of said parties has held or may now or in the future own or hold, whether known or unknown, for or because of any matter or thing done, omitted or suffered to be done on or before the actual date upon which this Amendment is signed by any of such parties arising directly or indirectly out of

the Loan Documents, any other documents, instruments or transactions relating thereto or the performance by any party thereto of their respective obligations thereunder. Such release, waiver, acquittal and discharge shall and does include, without limitation, any claims of usury, fraud, duress, misrepresentation, lender liability, control, exercise of remedies and all similar items and claims, which may, or could be, asserted by any Borrower or Guarantor, but such release, waiver, acquittal and discharge shall and does not include any claims, demands, damages, actions, cross-actions, causes of action, costs and expenses arising out of or relating to (a) the gross negligence or willful misconduct of any Indemnitee, (b) in the case of Section 2.14 of the Credit Agreement, the matters set forth in Section 2.14(e) of the Credit Agreement, (c) the obligations of each Lender under Section 2.16(e) of the Credit Agreement, or (d) any assignment or transfer by any Lender of its rights or obligations under the Credit Agreement and the other Loan Documents, except for any such assignment or transfer made in accordance with Section 10.04 of the Credit Agreement and the applicable provisions of the other Loan Documents, respectively. Each of the Borrowers and Guarantors hereby ratifies its obligations under the indemnification provisions contained in the Loan Documents to which it is a party, including, without limitation, Section 10.03 of the Credit Agreement, and agrees that this Amendment and losses, claims, damages and expenses related thereto shall be covered by such indemnification obligations to the same extent as the Loan Documents.

10. Counterparts. This Amendment may be signed in any number of counterparts, which may be delivered in original, facsimile or other electronic form (i.e., "PDF") each of which shall be construed as an original, but all of which together shall constitute one and the same instrument.

11. Governing Law. This Amendment, all Notes, the other Loan Documents and all other documents executed in connection herewith shall be deemed to be contracts and agreements under the laws of the State of New York and of the United States of America and for all purposes shall be construed in accordance with, and governed by, the laws of New York and of the United States.

12. Final Agreement of the Parties. Any previous agreement among the parties with respect to the subject matter hereof is superseded by the Credit Agreement, as amended by this Amendment. Nothing in this Amendment, express or implied is intended to confer upon any party other than the parties hereto any rights, remedies, obligations or liabilities under or by reason of this Amendment.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized as of the Amendment Effective Date.

**PARENT, US BORROWER,
ALTERNATIVE CURRENCY BORROWER AND
US GUARANTOR:**

DYNAMIC MATERIALS CORPORATION

By: /s/ Michael Kuta
Name: Michael Kuta
Title: Chief Financial Officer

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

US BORROWER AND US GUARANTOR:

DMC KOREA, INC.

By: /s/ Michael Kuta
Name: Michael Kuta
Title: Vice President

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

US BORROWER AND US GUARANTOR:

DynaEnergetics US, INC.

By: /s/ Michael Kuta

Name: Michael Kuta

Title: Vice President

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

FOREIGN GUARANTOR:

DYNAENERGETICS CANADA INC.

By: /s/ Ian Grieves

Name: Ian Grieves

Title: President

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

FOREIGN GUARANTOR:

DYNAMIC MATERIALS LUXEMBOURG 1 S.Á R.L.

By: /s/ Ian Grieves

Name: Ian Grieves

Title: Class B Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

**ALTERNATIVE CURRENCY BORROWER AND
FOREIGN GUARANTOR:**

DYNAMIC MATERIALS LUXEMBOURG 2 S.Á R.L.

By: /s/ Ian Grieves

Name: Ian Grieves

Title: Class B Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

FOREIGN GUARANTOR:

NOBELCLAD EUROPE SA

By: /s/ Antoine Nobili

Name: Antoine Nobili

Title: Administrator et Directeur Général

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

FOREIGN GUARANTOR:

NITRO METALL AB

By: /s/ Antoine Nobili

Name: Antoine Nobili

Title: Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

**ALTERNATIVE CURRENCY BORROWER AND
FOREIGN GUARANTOR:**

DYNAENERGETICS HOLDING GMBH

By: /s/ Ian Grieves
Name: Ian Grieves
Title: Managing Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

**ALTERNATIVE CURRENCY BORROWER AND
FOREIGN GUARANTOR:**

DYNAENERGETICS BETEILIGUNGS GMBH

By: /s/ Achim Pabst
Name: Achim Pabst
Title: Managing Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

**ALTERNATIVE CURRENCY BORROWER AND
FOREIGN GUARANTOR:**

DYNAENERGETICS GMBH & CO., KG

By: DYNAENERGETICS BETEILIGUNGS GMBH, as general partner

By: /s/ Achim Pabst
Name: Achim Pabst
Title: Managing Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

FOREIGN GUARANTOR:

NOBELCLAD EUROPE HOLDING GmbH

By: /s/ Antoine Nobili
Name: Antoine Nobili
Title: Managing Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

**ALTERNATIVE CURRENCY BORROWER AND
FOREIGN GUARANTOR:**

NOBELCLAD EUROPE GmbH AND CO., KG

By: NOBELCLAD EUROPE HOLDING GMBH, as general partner

By: /s/ Antoine Nobili
Name: Antoine Nobili
Title: Managing Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

FOREIGN GUARANTOR:

ooo DYNAenergetics RUS

By: /s/ Eduard Nurmuhametov

Name: Eduard Nurmuhametov

Title: General Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

FOREIGN GUARANTOR:

DYNAENERGETICS SIBERIA LIMITED

By: /s/ Wilhelm Sonnenberg

Name: Wilhelm Sonnenberg

Title: General Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

FOREIGN GUARANTOR:

TOO KAZ DynaEnergetics

By: /s/ Assel Tazhenova

Name: Assel Tazhenova

Title: Managing Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

FOREIGN GUARANTOR:

DYNAMIC MATERIALS CORPORATION (HK) LIMITED

By: /s/ Michael Kuta

Name: Michael Kuta

Title: Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

FOREIGN GUARANTOR:

**DYNAMIC MATERIALS CORPORATION (SHANGHAI)
TRADING CO. LTD.**

By: /s/ Bin Zhang

Name: Bin Zhang

Title: Director/Legal Representative

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

FOREIGN GUARANTOR:

DYNAENERGETICS COLOMBIA S A S EN LIQUIDACION

By: /s/ Michael Kuta

Name: Michael Kuta

Title: Director

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

**ADMINISTRATIVE AGENT,
US ISSUING LENDER,
US SWINGLINE LENDER AND
US LENDER:**

JPMORGAN CHASE BANK, N.A.

By: /s/ Karl Thomasma
Name: Karl Thomasma
Title: Senior Underwriter

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

LONDON AGENT:

J.P. MORGAN EUROPE LIMITED

By:
Name:
Title:

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

**LONDON ISSUING LENDER,
EURO SWINGLINE LENDER AND
ALTERNATIVE CURRENCY LENDER TO DYNAMIC
MATERIALS LUXEMBOURG 2 S.Á R.L.:**

J.P. MORGAN EUROPE LIMITED

By:
Name:
Title:

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

**CANADIAN AGENT,
CANADIAN ISSUING LENDER AND ALTERNATIVE
CURRENCY LENDER:**

JPMORGAN CHASE BANK, N.A., TORONTO BRANCH

By: /s/ Michael Tam
Name: Michael N. Tam
Title: Senior Vice President

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

**SYNDICATION AGENT,
US LENDER AND
ALTERNATIVE CURRENCY LENDER:**

KEYBANK NATIONAL ASSOCIATION

By: /s/ Dru Chiesa
Name: Dru Chiesa
Title: Vice President

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

**DOCUMENTATION AGENT,
US LENDER AND
ALTERNATIVE CURRENCY LENDER:**

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: /s/ Patrick McCormack
Name: Patrick McCormack
Title: Vice President

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

**US LENDER AND
ALTERNATIVE CURRENCY LENDER:**

BANK OF AMERICA, N.A.

By: /s/ Michael T. Letsch
Name: Michael T. Letsch
Title: Senior Vice President

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

ALTERNATIVE CURRENCY LENDER:

**BANK OF AMERICA, NATIONAL ASSOCIATION (CANADA
BRANCH)**

By: /s/ Medina Sales de Andrade
Name: Medina Sales de Andrade
Title: Vice President

Signature Page to First Amendment to the Second Amended and Restated Credit Agreement

Schedule 2.01

Commitments

LENDER	US COMMITMENT	ALTERNATIVE CURRENCY COMMITMENT
JPMorgan Chase Bank, N.A.	\$20,583,333.34	
J.P. Morgan Europe Limited / JPMorgan Chase Bank, N.A., London Branch / JPMorgan Chase Bank, N.A., Toronto Branch ¹		\$3,166,666.66
KeyBank National Association	\$15,708,333.33	\$2,416,666.67
Wells Fargo Bank, National Association	\$15,708,333.33	\$2,416,666.67
Bank of America, N.A.	\$13,000,000.00	
Bank of America, N.A. / Bank of America, National Association (Canada Branch)		\$2,000,000.00
TOTAL	\$65,000,000.00	\$10,000,000.00

¹ For purposes of Alternative Currency Loans in Alternative Currencies other than Canadian Dollars to the Alternative Currency Borrowers other than Dynamic Materials Lux 2, JPMorgan Chase Bank, N.A., London Branch shall be an Alternative Currency Lender. For purposes of such Alternative Currency Loans to Dynamic Materials Lux 2, J.P. Morgan Europe Limited shall be an Alternative Currency Lender. For purposes of Alternative Currency Loans in Canadian Dollars to the Parent, JPMorgan Chase Bank, N.A., Toronto Branch shall be an Alternative Currency Lender.

**DYNAMIC MATERIALS ANNOUNCES AMENDMENTS TO CREDIT AGREEMENT;
IMPLEMENTS TEMPORARY REDUCTION IN QUARTERLY DIVIDEND TO PRESERVE CAPITAL DURING INDUSTRY
DOWNTURN**

BOULDER, Colo. – December 18, 2015 – Dynamic Materials Corporation (DMC) (Nasdaq: BOOM), today announced it has amended its current credit agreement with its commercial lenders, and separately, has implemented a temporary reduction in its quarterly dividend. The amended agreement temporarily modifies certain financial covenants and will provide the Company with greater financial flexibility as it navigates the steep downturn in the global oil and gas industry. Key components of the revised agreement include:

- An immediate increase in the maximum debt-to-EBITDA leverage ratio from 3.00x to 3.75x, which will remain in effect through the June 30, 2016 reporting period. The maximum leverage ratio will then adjust to 3.25x through the September 30, 2016 reporting period, and will return to 3.00x as of December 31, 2016 and thereafter. If the leverage ratio is greater than 3.00x, the interest margin will be LIBOR plus 2.75%, and an undrawn fee of 0.50% will be applied. There are no other pricing modifications to the original agreement. The leverage ratio is calculated as the ratio of the Company's consolidated funded indebtedness to the Company's consolidated EBITDA over a trailing four-quarter period.
- The minimum debt service coverage ratio of 1.35x is unchanged from the original agreement. However, the calculation of debt service coverage ratio replaces depreciation expense with capital expenditures, and the definition of cash dividends is now based on 2016 dividends paid versus a trailing 12-month calculation. The amended debt service coverage ratio is now calculated as consolidated pro forma EBITDA minus the sum of cash dividends, capital expenditures and cash paid for income taxes divided by cash paid for interest.

(The definition of consolidated pro forma EBITDA in the calculation of both the leverage ratio and debt service coverage ratio also was amended to include certain add-backs primarily related to cost savings associated with restructuring activities and timing of payment of cash expenses.)

- A reduction in the amount of U.S. borrowings available under the Credit Agreement to \$65 million from \$90 million. At September 30, 2015, the Company had total borrowings of \$36.0 million.
- Early termination of the Company's ability to borrow funds as a term loan. The Company has had no borrowings against this feature, which was scheduled to terminate in February 2016.
- A prohibition on increasing the Company's dividend rate unless the Leverage Ratio is less than 2.00x.

Kevin Longe, president and CEO, said, "We have closely monitored activity in our core energy markets, and determined the sharp slowdown in well completion activity combined with the near-term financial impact of our consolidation programs could push our leverage and debt-service-coverage ratios beyond the levels allowed for in our credit agreement. We approached our commercial lenders early in the fourth quarter to address these issues. We are very pleased with the terms of our amended credit agreement and the financial flexibility they will provide during the coming year."

Longe said the Company also has chosen to temporarily reduce its quarterly cash dividend to \$0.02 per share from the prior \$0.04 per share. "Given the near-term uncertainty in our end markets, we are taking a

conservative approach to expenditures and are focused on capital preservation and funding the Company's operations from operating cash flow.

“Our investments in research and development and new product introductions, combined with our market expansion activities have significantly strengthened DMC's competitive position, and will allow us to emerge from the downturn as a much stronger company. We expect to increase stockholder value through organic growth, product and technology innovation, market expansion and the efficient use of capital. We will use future cash flows to further strengthen our balance sheet, fund investments in business expansion and return capital to shareholders.”

About DMC

Based in Boulder, Colorado, DMC operates in two sectors: industrial infrastructure and oilfield products and services. The industrial infrastructure sector is served by DMC's NobelClad business, the world's largest manufacturer of explosion-welded clad metal plates, which are used to fabricate capital equipment utilized within various process industries and other industrial sectors. The oilfield products and services sector is served by DynaEnergetics, an international developer, manufacturer and marketer of advanced explosive components and systems used to perforate oil and gas wells. For more information, visit the Company's website at: <http://www.dmcglobal.com>.

Safe Harbor Language

Except for the historical information contained herein, this news release contains forward-looking statements, including management's expectations about the Company's future performance, competitive position and capital preservation and cash-flow generation focus. These risks and uncertainties include, but are not limited to, the following: our ability to increase clad metal bookings, our ability realize sales from our backlog; our ability to obtain new contracts at attractive prices; the execution of purchase commitments by our customers, and our ability to successfully deliver on those purchase commitments; the size and timing of customer orders and shipments; fluctuations in customer demand; our ability to successfully execute and capitalize upon growth opportunities; the success of DynaEnergetics' product and technology development initiatives; fluctuations in foreign currencies, changes to customer orders; the cyclical nature of our business; competitive factors; the timely completion of contracts; the timing and size of expenditures; the timing and price of metal and other raw material; the adequacy of local labor supplies at our facilities; current or future limits on manufacturing capacity at our various operations; the availability and cost of funds; and general economic conditions, both domestic and foreign, impacting our business and the business of the end-market users we serve; as well as the other risks detailed from time to time in the Company's SEC reports, including the annual report on Form 10-K for the year ended December 31, 2014.

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