

Proximity Malt Announces Construction of Regional Craft Malting Plants

Craft malting company to build new facilities in Colorado and Delaware to serve breweries in the regions.

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MILWAUKEE--(BUSINESS WIRE)--Proximity Malt, LLC announced today the construction of two new regional craft malting plants intended to serve local craft brewers and other specialty malt users in the Mid-Atlantic and Mountain Southwest regions. These new plants will be uniquely positioned to provide specialty malts using locally-sourced barleys and other grains grown in each of these regions.

As part of Proximity Malt's commitment to a sustainable business model, Proximity Malt will rehabilitate brownfield sites at both locations in order to improve the local communities they serve and to avoid any unnecessary loss of local farmland.

"These projects would not have been possible without the encouragement we received from craft brewers in the Mid-Atlantic and Mountain Southwest regions," said Steve Furcich, Partner at Proximity Malt. "We're deeply grateful for their support and look forward to being a unique source of locally produced brewing materials for their products."

Proximity Malt plans to work with regional farmers to help build a sustainable source of quality specialty grains for the craft brewing industry and other specialty malt customers. "Local farmers and the communities they live in will significantly benefit from the construction of these new craft malting plants," said Furcich. "We're especially thankful for the widespread support we've received from local farmers, and the cities of Monte Vista, CO and Laurel, DE. It's exciting to be building a completely new supply chain between local farmers and the craft brewing industry for regionally-produced grains."

Construction has begun in Monte Vista, CO, where the Governor of Colorado, John Hickenlooper, stated, "We are excited to welcome Proximity Malt to Colorado. Proximity Malt's new malting operation in Rio Grande County will create jobs, increase business for local barley growers, and enhance the region's economic vitality. Our team at the Colorado Office of Economic Development and International Trade was pleased to partner with the San Luis Valley Development Resource Group to encourage this substantial opportunity in our state."

Construction is also beginning in Laurel, DE, where the site has an iconic grain elevator that will be renovated to meet the Company's storage needs. Governor Jack Markell "is pleased that Proximity has chosen Delaware to locate their production facility. Delaware

has a skilled base of small grains producers to support their raw material requirements. We welcome their decision to locate in Sussex county.”

When complete, the two regional craft malting plants will produce approximately 50,000 MT per year of malts using barley, wheat and other specialty grains. In addition to the two new craft malting plants, a new Collaboration Center will be constructed at the Company’s headquarters in Milwaukee, WI. Production at the new plants is expected to commence in early 2017.

For further information, please see our website www.proximitymalt.com or contact:

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