

Corn Plus to suspend operations at its Winnebago, MN plant

Corn Plus, a Minnesota cooperative, announced plans to suspend operations at its ethanol plant in Winnebago, Minnesota upon completion of its current production run. The board and management of Corn Plus are and will be working with Corn Plus's lenders, creditors and other stakeholders to determine next steps, which could include restarting operations, or a future sale or other disposition of the plant.

Over the last few years, Corn Plus implemented significant projects that dramatically improved plant performance and increased capacity to nearly 50 million gallons per year. Despite these upgrades, the decline in market economics for the industry has created very difficult conditions to ongoing operations of Corn Plus, resulting in the plant being unable to operate profitably in the current environment.

Most of the plant's 37 employees were notified earlier this week that they will be laid off. However, the board of Corn Plus remains hopeful that the layoffs will not be permanent and the plant could re-open in the future if, among other things, market conditions improve. "This has been a very difficult situation for Corn Plus to navigate," said Lawrence Sukalski, Chairman of the Board for Corn Plus. "We kept the plant open as long as feasible, in hopes that we could continue operations and retain jobs for our employees. We just could not overcome the negative economics that the industry is facing right now."

U.S. ethanol inventories have been rising in the wake of foreign trade policies that have lowered U.S. ethanol exports, resulting in lower prices for ethanol. Additionally, the EPA's issuance of special refinery exemption waivers has reduced the obligations outlined in the RFS for the amount of ethanol required when producing gasoline. The resulting destruction in ethanol demand has negatively impacted corn demand from U.S. farmers, who sell their corn to ethanol plants as a feedstock for ethanol production.

Direct inquiries about this press release to Corn Plus to the attention of:

Sheila Helland, PHR
Controller
711 6th Ave S.E.
Winnebago, MN 56098
507-893-5401
shelland@cornplusethanol.com
<http://www.cornplusethanol.com/>

About Corn Plus

Corn Plus is a Minnesota 308A cooperative formed in 1993 to own and operate a dry mill corn-based, natural gas fired ethanol production facility located in the heart of Ag country, in Winnebago, MN. Since 1994, Corn Plus produces ethanol with a nameplate production capacity

of 49 million gallons per year and co-products, including wet, modified and dried distillers grains, as well as corn oil. For more information, visit <https://cornplus.com/>