



FOR IMMEDIATE RELEASE

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Pendleton Grain Growers sells grain division to United Grain Corporation

PENDLETON, Ore. (June 14, 2016) – Pendleton Grain Growers (PGG), a member-owned agricultural marketing and supply cooperative serving the farming communities of Eastern Oregon and Eastern Washington, has sold its grain division to United Grain Corporation (UGC). The deal, effective today, follows through on the board of directors' commitment to secure the best possible outcome for members, employees and the wider agricultural community. Financial terms of the sale have not been disclosed, but the agreement includes the promise of future investment in the facilities.

"The PGG board of directors has been seeking a buyer for the cooperative's grain assets that would serve as a strong partner for our agricultural community," said Tim Hawkins, chairman of the co-op board. "We believe that UGC is that partner and will provide the best possible outcome for members, our employees and the community. Through the negotiated agreement, the organization has voiced a commitment to maintaining crucial operations as well as investing in the long-term viability of grain facilities."

The purchaser's interests were led by Tony Flagg, vice president of business development for UGC and a former Pendleton resident with experience running the Pendleton Flour Mill. The agreement includes the sale of all PGG grain assets, including operational grain facilities – comprising upcountry elevators, terminals and grain piles – as well as inventory, contracts and related agreements. The sale is accompanied by a commitment to reinvest in the facilities and make improvements over the next five years.

UGC has the resources and reach to support the grain community, an integral component of Oregon's economy, with services similar to what PGG provided to growers. The company will bring a competitive advantage in the purchase of grain, providing farmers with improved economic opportunities. Based in the Northwest, UGC is opening local offices and retaining a majority of PGG employees, capitalizing on local knowledge for a seamless transition. As a result, the company is well positioned to serve suppliers for the upcoming harvest under its USDA grain license.

About United Grain Corporation

United Grain Corporation is a bulk grain export company located in Vancouver, Washington. Formed in 1969, UGC quickly established itself as a premier wheat export company delivering high quality products to customers overseas and superior services to suppliers across the Pacific Northwest. Today, UGC's Vancouver Export Terminal boasts the largest storage capacity on the U.S. West Coast at 220,000 metric tons (eight million bushels) with an annual handling capacity of five million tons. For more information, visit www.ugcpnw.com.

About Pendleton Grain Growers

Founded in 1929, Pendleton Grain Growers is a member-owned agricultural marketing and supply cooperative that has served the farming communities of Eastern Oregon and Eastern Washington.

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