

Proximity Malt, LLC Announces Partnership with NGP Global Agribusiness Partners

by: **Business Wire**

Press Release

Proximity Malt, LLC announced today the closing of its private equity financing with \$60 million of funding commitments from NGP Global Agribusiness Partners, an affiliate of NGP Energy Capital Management.

Proximity Malt is committed to providing locally sourced and produced high quality base and specialty malts for the craft brewing industry. To accomplish this, Proximity Malt will construct state-of-the-art malting plants sized to match the unique needs of the craft brewing market and will develop or enhance local raw material markets in the regions of operation. The company will be staffed with passionate team members that are able to collaborate closely with craft brewers to assist their product development and sustainability initiatives.

“Currently the vast majority of malt being produced and sold to the United States craft brewing industry comes from large international malting companies with production facilities designed to service global brewers. In many cases craft brewers are located over a thousand miles away from existing malt facilities, which are located in the western half of the United States, Canada or Europe. What sets Proximity Malt apart, is that we will establish local raw material sources and newly constructed malting facilities in close proximity to craft brewers. Proximity Malt will provide an alternate, sustainable and customer focused line of quality base and specialty malt products right in the brewers’ backyard,” says Dale West, CEO of Proximity Malt.

“NGP Global Agribusiness Partners brings both the financial resources and agribusiness knowledge to support our experienced management team in establishing a world class start-up food and beverage ingredients company. There is no doubt in my mind that we’ve chosen the right partner to ensure we meet our objective of being the preeminent local malt supplier for craft brewers and distillers,” said Mr. West.

The company is in the final stages of due diligence on sites in the Mid-Atlantic and Mountain West regions of the United States, with the expectation of having the first two facilities operational in the first quarter of 2017.

“We have a unique opportunity to partner with a passionate, highly qualified management team at Proximity Malt, and we look forward to working with them on this new venture,” said Mark Zenuk, Managing Director of NGP Global Agribusiness Partners.

About NGP Global Agribusiness Partners

NGP Global Agribusiness Partners (“NGP GAP”), a premier equity sponsor in the agribusiness sector, is an affiliate of NGP Energy Capital Management, a leading investor in the natural resources business. Founded in 1988, NGP Energy Capital Management (“NGP”) is a premier investment franchise in the natural resources industry, with approximately \$19.5 billion in cumulative equity commitments, organized to make investments in the natural resources sector. In addition to NGP GAP, NGP Energy Capital Management’s investment platform includes Natural Gas Partners and NGP Energy Technology Partners. For more information visit www.ngpgap.com.