

SCHNEIDER ANNOUNCES FUNDS FOR EARTH HARVEST MILLS EXPANSION

Harvey, ND, October 26, 2009 - USDA Rural Development State Director Jasper Schneider today joins Earth Harvest Mills for a ribbon cutting and check presentation to celebrate their new and expanded headquarters.



"USDA Rural Development is proud to have assisted Earth Harvest Mills with their impressive expansion," Jasper Schneider state director for USDA Rural Development said. "The new facility will help create good paying North Dakota jobs, while allowing Earth Harvest Mills to continue to grow their domestic and international markets."

Left to right: Tim Moore, Special Assistant to Senator Kent Conrad; Aaron Krauter, Executive Director, USDA Farm Service Agency; Grayson Hoberg, CEO, Earth Harvest Mills, Inc.; Gary Bergstrom, President, First National Bank Harvey; Jasper Schneider, State Director, USDA Rural Development; Eric Hoberg, Sales, Earth Harvest Mills, Inc.; and Dale Van Eckhout, Business & Community Program Director, USDA Rural Development.

The expansion will increase annual revenue capabilities, provide a more diverse product, and offer unmatched flexibility and quality. The plant is highly computerized to manage numerous products resulting in low overhead.

In 2002, Earth Harvest Mills met with USDA Rural Development and community leaders in search of financing for an organic flour mill facility. In 2003, three Business & Industry Guaranteed loans through USDA Rural Development provided \$2.2 million to purchase the out-of-business veterinary clinic and construction of the main building to start the business. Two of the original loans have been paid in full. In 2009, USDA Rural Development provided a fourth Business & Industry Guaranteed loan, through the First National Bank of Harvey, for \$7,387,040 for the expansion and other capital purchases, which we are celebrating today.



Earth Harvest Mills, Inc.

With the expansion, Earth Harvest Mills is able to increase overall capacity production from 23 to 185 million pounds of quality ND flour per year.

"Funding a start-up manufacturing company is challenging. No bank would fund us until we received a USDA Rural Development guarantee," Grayson Hoberg, CEO of Earth

Harvest Mills, Inc. said. "The expansion was only possible because of Rural Development's loan guarantees; it was critical to have their assistance."

"The Obama Administration is committed to building strong rural communities by helping businesses grow and help bring additional jobs to America's small cities and towns," Schneider continued. "Rural Development is proud to team with the First National Bank of Harvey in assisting Earth Harvest Mills with the expansion."

Other funding partners include the Small Business Administration, the Entrepreneur Center of ND, Dakota Certified Development Corporation, Bank of North Dakota, and the Department of Commerce.

USDA Rural Development's mission is to increase economic opportunity and improve the quality of life for rural residents. Rural Development fosters growth in homeownership, finances business development and supports the creation of critical community and technology infrastructure.

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