

## **AGRILIANCE LLC OPERATES BULK TERMINAL**

In August, Agriliance LLC assumed a lease with the Port of Galveston and purchased the assets of River Materials, LLC at Pier 35, site of the old Imperial Sugar docks.

“This agreement with Agriliance has allowed the Port of Galveston to increase our cargo throughput which will result in increased employment at the facility and at other ancillary companies servicing the new terminal, said Steven M. Cernak, Port Director. “This new business with Agriliance assists our efforts to diversify our cargo base and adds a new dimension to the kinds of cargos that can be handled here.”

Agriliance operates as a general-purpose bulk cargo terminal in Galveston initially receiving only inbound products. The longer-term goal is to make improvements to allow for both import and export operations. Potential cargoes include bulk fertilizer products, bulk agricultural products, bulk grains and grain substitutes, non-hazardous bulk minerals or mineral products and non-hazardous chemicals.

Agriliance leases the up-land portion of the Pier 35 Bulk Cargo Terminal and over three acres on the north and east sides of Pier 36. Future plans include the building of additional warehouse facilities on Pier 36 with a minimum investment of \$6,000,000 over the first three years of the lease.

Agriliance projects that cargo activity expected at the facility will produce approximately 27,000 man-hours per year by the middle of 2006 for vessel unloading and rail car loading, and that the annual man-hours will exceed 60,000 for the same activities by mid-2008, when cargo is expected to exceed 800,000 tons annually.

“With the addition of the Galveston terminal, we’re enhancing our crop nutrients distribution position and capabilities across all U.S. crop nutrients markets, especially for rail shipments to western regions,” says George Thornton, Agriliance President and Chief Executive Officer. “Agriliance also anticipates that shipments through Galveston allow the company to divert some rail loads from Mississippi River terminals, thereby helping de-bottleneck normal river product movement. We began importing bulk product in 2003 through a port in Louisiana. Expansion into Galveston is an integral part of our company’s import strategy which is expected to increase significantly in the near term.”

Agriliance markets crop nutrients, crop protection products, seed and crop technical services to farmers and ranchers through local cooperative and independent dealers throughout the United States, Canada and Mexico.

Agriliance LLC, jointly owned by Land O’Lakes, Inc. and Cenex Harvest States, Inc., a Fortune 500 company, markets crop nutrients, crop protection products, seed and crop technical services to farmers and ranchers through local cooperatives and independent dealers in all 50 states, Canada and Mexico.