



For Immediate Release

Keystone Processors welcomes financial support from Ottawa and MCEC Farmer-owned company to market premium beef from Manitoba farms to the world

Winnipeg, November 2, 2009 – The employees and investors of Keystone Processors Ltd. welcomed Federal Agriculture Minister Gerry Ritz to their plant today as he announced his government has conditionally approved the farmer-owned company for a loan of up to \$10 million.

Additionally, Manitoba Minister of Agriculture, Food and Rural Initiatives Rosann Wowchuk joined Minister Ritz to announce that the Manitoba Cattle Enhancement Council would increase its investment in the plant by up to an additional \$7.5 million. The money will be used to upgrade the former pork plant on Marion Street into a federally-licensed beef slaughter and processing plant.

“These funds are critical for us to move forward with significant plant upgrades, which will eventually allow us to export Manitoba beef across the country and around the world,” said Kelly Penner, President and CEO of Keystone Processors Ltd. “Our company represents Manitoba farmers taking control of their destiny by owning every part of the value chain from farm gate to our customers’ plates.”

The company’s plans include retrofitting parts of the existing plant as well as demolishing and rebuilding older sections so the facility meets or exceeds the highest food safety protocols for domestic sales and for export markets including Asia and the European Union.

“This will go to support more than just our company: this is vital for all Manitoba cattle producers to have secure access to markets outside the province. I want to thank Minister Ritz and the federal government for the support they’re showing our cattle farmers with this initiative,” said Penner. “We also commend the province, MCEC and all the cattle producers who kept their levies in the MCEC fund. Together we’re helping to reinvigorate both the family farm and the provincial food processing industry.”

Keystone Processors opened for business in early 2009 as a provincially-inspected beef processor selling boxed beef into Manitoba stores, restaurants and directly to consumers. Once renovations are complete, the plant will be able to accept up to 500 live cattle per day. The company has been developing premium niche markets for its beef, and has already established relationships with potential customers around the globe. It plans to produce Kosher and Halal



beef, hormone-free natural beef as well as other premium products. Once it is fully operational, the plant will employ up to 150 people.

“I don’t think this would have happened without the strong support of Manitoba Members of Parliament, especially Vic Toews and Shelly Glover, as well as the Manitoba Cattle Enhancement Council. They all deserve our thanks for believing that Manitoba farmers and Manitoba beef can and should be competing for market share around the world,” said Penner.

The federal funding is part of the \$50 million Slaughter Improvement Program announced earlier this year.

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