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AG SUMMIT
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BEEF PROCESSING UPDATE

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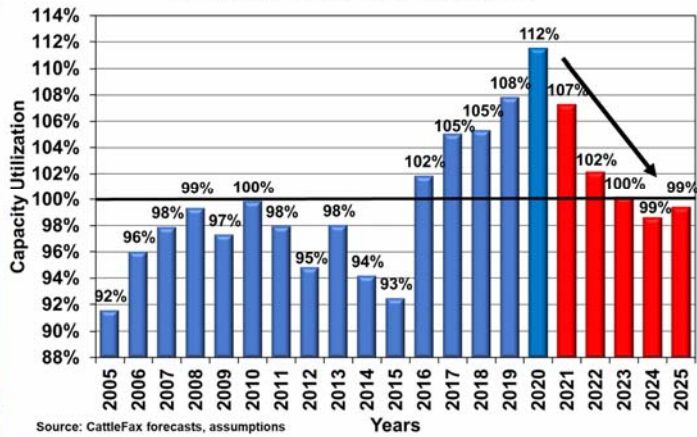
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<http://www.agmanager.info/about/contributors/individual/tonsor.asp>

Packing Capacity vs Fed Cattle Inventories

1. See 3/24/21 KS House Ag. Committee Hearing
 - <https://www.youtube.com/watch?v=FcktRbRbi1I&t=1037s>
2. See 6/23/21 U.S. Senate Committee on Ag., Nutrition, & Forestry Hearing
 - <https://www.agriculture.senate.gov/hearings/examining-markets-transparency-and-prices-from-cattle-producer-to-consumer>

Fed Slaughter Capacity Utilization Vs. Monday-Friday Packing Capacity

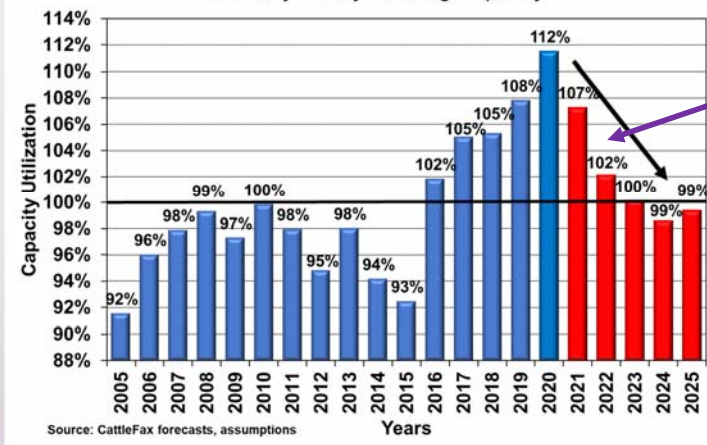


“Too many cattle relative to capacity”
- Wider beef-cattle \$ difference

“Too much capacity relative to cattle”
- Narrower beef-cattle \$ difference

Source: CattleFax’s December 2020 Long-Term Outlook; Text box points added by Tonsor

Fed Slaughter Capacity Utilization Vs. Monday-Friday Packing Capacity



Lower FI Slaughter
2021 = 33.8 mil
2022 = 33.7 mil
2023 = 32.1 mil
2024 = 29.8 mil

Slaughter Capacity Additions

- How Many ?
- How Large ?
- Where ?
- When ?

Source: CattleFax’s December 2020 Long-Term Outlook; Text box points added by Tonsor

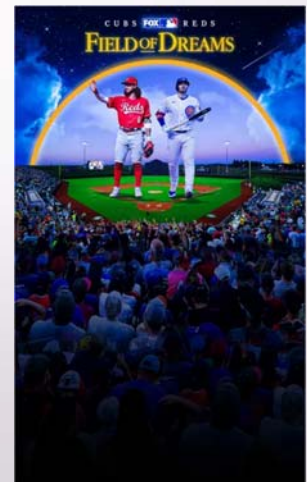
Summary of Announcements

(Disclaimer: GT's best effort, August 2022)

Announced Daily, Physical Packing Capacity Increases

Location (Co)	Announced Completion Date	Current/Recent Past Capacity (hd)	New Capacity (hd)	GT's Quick Assessment
Kansas City, MO (Republic Foods)	Early 2021	250	500 (possibly 1k)	Yes
Pleasant Hope, MO (Missouri Prime)	Early 2021	N/A	500 (possibly 1k)	Yes
Idaho Falls, ID (Intermountain Packing)	Late 2021	N/A	500 (cattle & bison)	Yes
Aurora, IL	Late 2021	450	1k (?)	Yes
Tama, IA (National)		1,100	2,500	No (Ceased)
Augusta, GA (FPL)	2023?	500 (cow)	Up to 1k	Yes
Jerome, ID (Agri-Beef)	Late 2022	N/A	500	Yes
North Platte, NE (Sustainable Beef)	2023	N/A	1,500 (steer/heifer & cows)	Possible
Hanford, CA	Permit pending (?)	1,500 (cow)	4,500 (cows & steer/heifer)	Possible
Mills County, IA (Cattlemen's Heritage)	Late 2023 (?)	N/A	1,500	Possible
Foristell, MO (American Food Group)	Late 2024	N/A	2,400 (cows & steer/heifer)	Possible/Likely
Rapid City, SD	2025?	N/A	8,000	Possible/Unlikely
Amarilo, TX (Producer Owned Beef)	2025?	N/A	3,000	Possible

If You Build It, Will They Come?



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Other Considerations...



“ Any good business plan or policy needs a clearly stated goal ...

AND I THINK THERE ARE CONFLICTING GOALS. ”

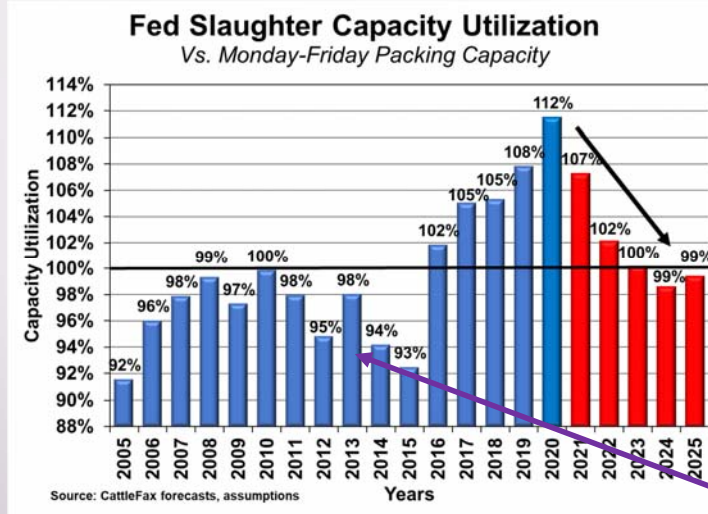
November 2021, Meatingplace Thought Leader
<http://library.meatingplace.com/publication/frame.php?i=727245&p=72&pn=&ver=html5>

Other Considerations...

Looking back, will we “learn”:

- those pushing for more physical processing capacity remain “unsatisfied” ???
- conflicting policies and inherent industry economic realities exacerbate “new plant failure” ???
- new/expanded plants were added & subsequently older/dated plants were removed ???

ONGOING EVOLUTION...



2013 Cargill Closed
Plainview, TX Plant
(~4,500 hd/day)

Plainview is 75 miles
South of Amarillo...

Source: CattleFax's December 2020 Long-Term
Outlook; Text box points added by Tonsor



More information available at:



This presentation will be available in PDF format at:

<http://www.agmanager.info/about/contributors/individual/tonsor.asp>

Host of additional industry resources are cross-linked as well