LETTER FROM THE 2015 MCGA PRESIDENT

WOW! The last year passed quickly. It seems I just took the MCGA reins, and now my tenure has concluded. My father always told me time flies when you are having fun. Fighting government and regulatory overreach must be loads of fun because that is what MCGA did in 2015.

We worked to defend the RFS from the Environmental Protection Agency’s proposed Renewable Volume Obligation (RVO) reductions. Battling the proposal, MCGA participated in the Rally for Rural America and EPA field hearing in Kansas City. MCGA board members took the opportunity to testify before EPA and were the only group to get an ovation beyond the Iowa and Missouri governors. While the RVO numbers were not restored to full statutory levels, our collective voice forced EPA to make an increase over their spring proposal.

We fought another major battle with EPA over WOTUS, or Waters of the U.S. This policy would have given EPA control over all bodies of water nationwide. MCGA leaned hard on Missouri’s Congressional delegation. In the end, all Missouri delegates stood alongside growers on this important issue. Attorney General Koster also supported growers, filing a lawsuit which led to an injunction on the rule and more time to fight the misguided regulation.

Thank you to those that have contributed to these efforts by contacting elected officials, testifying at hearings and defending corn growers on the issues impacting our farms. I also want to thank the board and staff for their hard work this year. While we may not have solved all the problems, we were at the table working for what was best for Missouri corn farmers.

Sincerely,

Kevin Hurst
Outgoing MCGA President
Terkio, Missouri

LETTER FROM THE 2015 MCMC CHAIRMAN

Greetings to all who have been a vital part of the Missouri Corn Merchandising Council’s activities.

Over the past year, just like every year, we have faced a variety of issues and challenges. Although the United States is one of the largest exporters of corn in the world, in a global environment of large and increasing corn production, we continually strive to build demand. Through our efforts with the U.S. Grains Council, MCMC is helping build relationships with foreign grain buyers to increase markets for Missouri corn and corn co-products.

Through our longstanding partnership with the U.S. Meat Export Federation, we also work to promote beef, pork and mutton exports (all corn consumers). Strong demand for meat in Japan and China, as well as other developing economies, increases domestic corn grind here at home.

Another major emphasis has been increasing corn grind by refining our product into ethanol and distillers grains for livestock. These products are growing in demand abroad, opening additional market opportunities. MCMC is also working closely with the USDA and Missouri Department of Agriculture to help increase ethanol demand by assisting retailers interested in expanding options at the pump for consumers.

Beyond building markets, MCMC strives to increase consumer education on Missouri corn production. Through partnerships with the St. Louis Cardinals and Missouri Tigers, MCMC is working to share information on our nation’s top crop. Teaming up with Crappie Masters and NASCAR, water and motorsports fans are seeing the power and benefits of ethanol in action while watching the pros put it to the test each week.

Kevin Hurst and I, along with the rest of the board, are proud to represent the producers of Missouri in such a worthwhile endeavor. We thank you for your continued support.

Sincerely,

Morris Heitman
Outgoing MCMC Chairman
Current MCGA President
Mound City, Missouri
2015 YEAR IN REVIEW

DEFEENDING AND GROWING MARKETS

For nearly three decades Missouri corn growers have pushed for biofuels and protected the success of ethanol industry. The Federal Renewable Fuel Standard (RFS) passed in 2007 provides a crucial base for decreasing our dependence on foreign oil, improving national security and reducing greenhouse gas emissions. Despite these benefits, the RFS is under constant attack from wealthy oil companies pushing back against the proposed blending requirements.

Most recently, the RFS was challenged when the Environmental Protection Agency (EPA) called for big oil, defying the law established by Congress and reducing required ethanol blending levels. Proposed cuts of 3.75 billion gallons of corn-based ethanol translated to a potential loss of nearly 1.3 billion bushels of corn demand.

Refusing to accept these reductions, MCGA worked alongside growers, ethanol producers and industry partners to tell the EPA that statutory requirements must be left intact. Findings released in November reflected the success of Missouri efforts, with ending blending levels holding steady over original proposals. Though a major victory, full statutory levels were not completely restored. Missouri Corn continues to push EPA to follow the law and uphold Congressional intentions.

In addition to defending markets here at home, Missouri Corn and the U.S. Grains Council are working around the clock to increase global access to corn, ethanol and distillers’ grains. Last year, Missouri corn farmers hosted seven trade missions, proving firsthand the quality and availability of U.S. grain to international buyers.

Missouri Corn also partners with the U.S. Meat Export Federation to develop foreign markets for beef, wool, pork and lamb. Growing global meat consumption represents an increased demand for corn grind, meaning meat export markets boost food grain utilization in the U.S.

International markets are becoming more competitive, and these partnerships with USME and USME export partners ensure Missouri corn growers are on the forefront of each opportunity. At home and abroad, Missouri Corn and partners are working to defend and grow markets for your grain.

SWINGING THE FENCES WITH CARDINALS BASEBALL

For the sixth year, Missouri Corn and members of Missouri Farmers Care (MFC) joined forces to launch an educational campaign with the St. Louis Cardinals, Radio ads featuring Rich Horton and Dan McGahey aired during each of the Cardinals’ regular season games as well as the National League Division Series on the more than 140 Cardinals Radio Network stations spread across Missouri and neighboring states. In addition to the radio spots, fans in the stands during each Friday night home game enjoyed watching Missouri Corn mascot Captain Cornelius take the field and catch a baseball. With average attendance at Friday games nearing 45,000 and each game garnering over 150,000 radio listeners, Missouri agriculture’s positive messages reached more than 3.5 million consumers.

SURVEY SAYS...

Feedback is critical in any organization to evaluate priorities and provide relevant information to you and your operators. To enable us to better serve Missouri corn growers, last year we asked you to take a few minutes to fill out a survey included in the annual report. The insight collected from 328 responses yielded several key conclusions.

Considering the diversity of conditions and operations across the state, the priorities and challenges of corn growers followed the same track. When asked to rank the top three priorities for the checkoff, ethanol took the top spot with 24 percent, while exports and consumer education tied for second with 18 percent. Livestock and new uses came in at 15 percent and 12 percent respectively.

When growers were asked to identify their biggest obstacles to profitability, the most frequent responses were input costs, weather and government regulations. Not surprisingly, the ERA was the overwhelming answer when asked about the biggest political challenge facing corn farmers in the next five years.

Q. As a corn farmer, what do you consider to be the top 3 priorities for the checkoff?

- Ethanol
- Exports
- Consumer Education
- Environmental
- New Uses
- Youth Programs
- Other

Source: 2015 Missouri Corn Survey

FINANCIAL SUMMARY

OVERVIEW

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EX-OFFICIO

Mike Scanlon
- U.S. Farmers & Ranchers Alliance
- Board Director

EX-OFFICIO

Jon Sauer
- U.S. Farmers Council
- Board of Directors
2015 MISSOURI CORN CROP

3.25 MILLION ACRES PLANTED
3.08 MILLION ACRES HARVESTED
142 BUSHEL AVERAGE YIELD
437 MILLION BUSHELS PRODUCED

*Data provided by the USDA-NASS Missouri Ag Statistics.