

Atchison's MGP Issues New Statement Regarding Chemical Release

(KAIR)--Chemical spill, one week later, and the investigation into the details surrounding the incident is continuing.

It was last Friday morning that the accidental mixture of two chemicals at Atchison's MGP Ingredients sent a chemical cloud of chlorine gas soaring above the city.

The company, in a statement Thursday, outlines for the first time exactly what happened, and says they will “continue to closely cooperate to investigate and to fully understand the cause and ensure that all appropriate response actions were taken.”

The statement follows the confirmation this week that federal agencies, including the Chemical Safety Board, and OSHA, have been investigating.

MGP also clarifies that the FDA has been involved in the probe.

The company says the MGP plant operations are fully functional, but the plant is currently undergoing previously planned, regularly-scheduled annual maintenance.

Editor's note: Below is the full statement from MGP Ingredients, as released Thursday.

MGP Issues Further Updates Regarding Chemical Incident

ATCHISON, Kan., October 27, 2016 -- As previously reported, a chemical release occurred at MGP Ingredients' (Nasdaq: MGPI) plant in Atchison, Kan., at approximately 8 a.m. CT last Friday, Oct. 21. The reaction resulted in emissions venting into the air. As of 11 a.m. that morning, based on observations by local officials, the emissions had dispersed. As is always the case, the health and safety of our employees and the communities in which we operate are our top priority.

MGP's management issued the following updates today:

- *During a routine chemical delivery by an MGP supplier to a secured portion of MGP's property, two commonly used chemicals, sulfuric acid and sodium hypochlorite (bleach), were inadvertently mixed, causing a reaction. This reaction led to emissions of chlorine gas being released into the air.*
- *Local officials reported the plume that resulted from the chemical release blew over an area north and west of the plant.*
- *MGP employees took immediate action, as outlined in our safety protocols, by shutting down plant operations. Our employees also assisted first responders with evacuation procedures in*

the immediate vicinity of the plant.

- *Per protocol, MGP reported the chemical release to the EPA and to Kansas and local authorities. The EPA, as well as the Center for Toxicology and Environmental Health, conducted monitoring at the plant and in the community following the incident. Local officials issued the “all clear” for residents and local employees within three hours of the incident occurring.*
- *Based on information we have at this time, approximately 100 people, including three MGP employees, sought medical treatment related to respiratory concerns. We understand that all who required treatment at local hospitals have been released.*
- *MGP has and will continue to closely cooperate to investigate and to fully understand the cause and ensure that all appropriate response actions were taken. An investigation by the Chemical Safety Board (CSB) is underway. Results of the CSB’s investigation are expected to be released at a later date per that agency’s schedule and procedural practices. The U.S. Food and Drug Administration (FDA) and the Occupational Safety and Health Administration (OSHA) have also investigated. At this time, we are unable to comment on investigations by various agencies, as investigations are ongoing.*

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- *Our plant operations are fully functional. However, this week our plant is undergoing previously planned, regularly-scheduled annual maintenance.*
- *Based on testing and analysis, we are confident our inventories of protein and starch ingredients, as well as distilled spirits, were unaffected and are safe for consumption.*
- *All MGP employees undergo extensive and recurring training in line with federal, state and local regulations to ensure their well-being and the well-being of the communities in which we operate. We are cooperating with the ongoing investigations, which will inform us of any procedural modifications we may implement in response to this incident.*
- *Since 2011, annual food and beverage safety audits have been conducted at our Atchison facility by the British Retail Consortium (BRC). Each year, the facility has received the BRC’s highest rating. These audits are approved by the Global Food Safety Initiative (GFSI). The GFSI benchmarks food safety standards for third-party audits that can be conducted and recognized worldwide. In addition, the facility has been ISO 14001 and OHSAS 18001 certified since 2009. ISO 14001 is an Environmental Management System which provides a standard for measuring and improving an organization’s environmental impact. OHSAS 18001 is the Health and Safety Management System, which provides a system for measuring and improving an organization’s Health and Safety Standards.*
- *We understand residents may have questions related to the chemical release. The City of Atchison has established a hotline in conjunction with the Federal Agency for Toxic Substance and Disease Registry to field questions about the chemical release. Residents are advised to call 1-800-232-4636.*

As the investigation of the incident is ongoing, MGP has no additional updates to share at this time beyond the information above. In the meantime, the company again extends appreciation to the

community and local first responders, including firefighters, law enforcement and hospital staff, and city and county officials, for their support, cooperation and assistance both during and following the incident.

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