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Renewable Energy Group to Close New Boston, Texas Biodiesel Plant

Company Cites Poor Plant Economics, Lack of Biodiesel Tax Credit

AMES, Iowa--(BUSINESS WIRE)-- Renewable Energy Group, Inc. (NASDAQ: REGI) today announced the closing of its New Boston, Texas biorefinery due to challenging business conditions and continued federal policy uncertainty, most notably the long-lapsed federal biodiesel tax credit.

The company acquired the 15-million gallon per-year biodiesel plant near Texarkana, Texas in October 2012 and began producing biodiesel there several months later. The facility is capable of running both high and low free fatty acid feedstocks and has truck and rail access.

“We truly appreciate all the efforts of our team and those that support our New Boston plant,” said Brad Albin, Vice President of Manufacturing. “They significantly improved safety, demonstrated capacity, yield, quality and costs. However, these improvements could not overcome the unfavorable economics of the plant relative to our other options for ongoing focus and forward investment.”

The company is currently working with plant employees on relocation opportunities within the production network.

“This closure comes today as a result of the poor economics over the last 18 months resulting in large part from the uncertainty surrounding the Biodiesel Tax Credit,” said Cynthia J. Warner, REG President and CEO. “Despite significant bipartisan support, Congress’ inaction on this value-added incentive has led to unsustainable market conditions.”

About Renewable Energy Group

Renewable Energy Group, Inc., (Nasdaq: REGI) is leading the energy industry transition to sustainability by transforming renewable resources into high-quality, cleaner fuels. REG is an international producer of cleaner fuels and North America’s largest producer of biodiesel. REG solutions are alternatives for petroleum diesel and produce significantly lower carbon emissions. REG utilizes an integrated procurement, distribution and logistics network to operate 14 biorefineries in the U.S. and Europe. In 2018, REG produced 502 million gallons of cleaner fuel delivering over 4 million metric tons of carbon reduction. REG is meeting the growing global demand for lower-carbon fuels and leading the way to a more sustainable future.

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Scott Hedderich

Renewable Energy Group

Scott.hedderich@regi.com

(515) 710-6248

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