



## AppHarvest announces \$50 million in United States Department of Agriculture-guaranteed funding for 30-acre Somerset, Ky., high-tech indoor farm

August 1, 2022

### Loan guarantees replace \$50 million credit facility and free up additional cash

MOREHEAD, Ky., Aug. 01, 2022 (GLOBE NEWSWIRE) -- AppHarvest, Inc. (NASDAQ: APPH, APPHW), a sustainable food company, public benefit corporation and Certified B Corp building some of the world's largest high-tech indoor farms to grow affordable, nutritious fruits and vegetables at scale while providing good jobs in Appalachia, announced today that it secured \$50 million across two loans guaranteed by the United States Department of Agriculture (USDA) through Greater Commercial Lending (GCL), a subsidiary of Greater Nevada Credit Union. The financing supports AppHarvest's high-tech indoor berry farm in Somerset, Kentucky, which is about 84% complete and expected to be operational by year-end.

"Securing non-dilutive sources of capital to fund our growth has been a top priority since going public early last year, and I'm pleased with our team's ability to source lower-cost funding in a higher-cost lending environment," said AppHarvest President David Lee. "This funding agreement with the USDA allows us to continue to scale operations as we plan to bring the Somerset farm and two additional CEA (controlled environment agriculture) facilities online before the end of the year, which would quadruple our farm network and diversify our product portfolio to include berries and salad greens."

The USDA guarantees 80% of the GCL-arranged financing for the Somerset berry facility through its USDA Rural Development Business and Industry Initiative and the USDA Rural Development program. Each loan has a 23-year term with a rate that resets every five years based on the Federal Home Loan Bank five-year advance rate plus 340 basis points and is interest-only for the first three years.

The financing closed on July 29. Some of the funds will be used by the company to satisfy an existing \$46 million loan with J.P. Morgan that was used in part to fund the initial construction phase of AppHarvest's Somerset farm.

### About AppHarvest

AppHarvest is a sustainable food company in Appalachia developing and operating some of the world's largest high-tech indoor farms with robotics and artificial intelligence to build a reliable, climate-resilient food system. AppHarvest's farms are designed to grow produce using sunshine, rainwater and up to 90% less water than open-field growing, all while producing yields up to 30 times that of traditional agriculture and preventing pollution from agricultural runoff. AppHarvest currently operates its flagship farm – about the size of 50 football fields – in Morehead, Ky., producing tomatoes. The company is developing a network of farms to produce a variety of vine crops, salad greens and berries with three more farms currently under construction that are expected to be operational by the end of 2022. For more information, visit <https://www.appharvest.com/>.

### About Greater Commercial Lending

[Greater Commercial Lending](#) (GCL) is a credit organization that brings together credit unions and community lenders from around the U.S. to provide government-guaranteed loans to businesses and initiatives in rural and under-served markets throughout the U.S. and its territories. It helps finance key infrastructure services, like power, renewable energy, transportation and fiber optic, as well as schools, hospitals, restaurants, agriculture, hotels and manufacturers. GCL partners with the U.S. Small Business Administration (SBA) and the U.S. Department of Agriculture (USDA), which guarantee loans, to arrange credit at favorable terms. GCL is a subsidiary of Greater Nevada Credit Union (GNCU). [www.GreaterLending.com](http://www.GreaterLending.com)

### About Greater Nevada Credit Union

Greater Nevada Credit Union (GNCU) is headquartered in Carson City, Nevada and has been helping Nevadans with their financial needs since 1949. The credit union serves more than 80,000 consumers and small businesses and has over \$1.5 billion in assets. GNCU's subsidiaries include Greater Commercial Lending, Greater Nevada Mortgage, and Greater Nevada Insurance. GNCU has been consistently recognized as a Best Financial Institution in many of its service areas, as a top employer by the Reno/Tahoe Best Places to Work Awards and is the USDA Lender of the Year. GNCU is also the title sponsor of Greater Nevada Field in Reno. For more information, call (800) 421-6674 or visit [www.gncu.org](http://www.gncu.org).

### Forward-Looking Statements

Certain statements included in this press release that are not historical facts are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "should," "would," "plan," "predict," "potential," "seem," "seek," "future," "outlook," "can," "goal," "target" and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. All statements, other than statements of present or historical fact included in this press release, regarding AppHarvest's intention regarding the use of proceeds of the loan, AppHarvest's intention to build high-tech CEA farms, the anticipated benefits of and production at such facilities, including implementation of a phased approach at each facility, timing and availability of tomatoes at top national grocery stores and restaurants, anticipated benefits of the second season harvest, AppHarvest's future financial performance, as well as AppHarvest's growth and evolving business plans and strategy, ability to capitalize on commercial opportunities, future operations, estimated financial position, projected costs, prospects, plans and objectives of management as well as the expected closing date of the loan agreement are forward-looking statements. These statements are based on various assumptions, whether or not identified in this press release, and on the current expectations of AppHarvest's management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on as, a guarantee, an assurance, a prediction, or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of AppHarvest. These forward-looking statements are subject to a number of risks and uncertainties, including those discussed in the company's Quarterly Report on Form 10-Q filed with the SEC by AppHarvest on May 3, 2022, under the heading "Risk Factors," and other documents AppHarvest has filed, or that AppHarvest will file, with the SEC. If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. In addition, forward-looking statements reflect AppHarvest's expectations, plans, or forecasts of

future events and views as of the date of this press release. AppHarvest anticipates that subsequent events and developments will cause its assessments to change. However, while AppHarvest may elect to update these forward-looking statements at some point in the future, AppHarvest specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing AppHarvest's assessments of any date subsequent to the date of this press release. Accordingly, undue reliance should not be placed upon the forward-looking statements.

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