



**US Development Group to open state-of-the-art \$130 million multi-modal terminal in Port Arthur**  
*Project to create more than 1,200 construction jobs and more than 40 long-term jobs in Jefferson County*

**PORT ARTHUR, Texas — (December 15, 2020)** – US Development Group, LLC (USDG), through Port Arthur Terminal LLC, a wholly-owned subsidiary, today announced the development of a multi-modal oil handling terminal in Port Arthur, Texas. The terminal is specially designed to handle DRUbit™, a proprietary blend of Canadian heavy crude oil formulated to be non-hazardous and non-flammable for transportation by rail.

Scheduled for completion in the second quarter of 2021, the Port Arthur Terminal represents a capital investment of more than \$130 million that is expected to bring more than 1,200 direct and indirect construction jobs to the City of Port Arthur and Jefferson County as well as more than 40 full-time jobs once the facility begins commercial operations.

“USDG is pleased to be part of the Port Arthur community and construct the first-of-its-kind destination terminal,” said Dan Borgen, US Development Group CEO and President. “By giving producers in the Canadian oil sands a safe and efficient means of transporting product to U.S. Gulf Coast refineries and manufacturers, we anticipate the new terminal will represent a long-term investment for USDG with continued growth. We look forward to playing a role in the economic prosperity of Port Arthur and Jefferson County in the coming years. Moreover, USDG’s patented DRUbit™ process produces a non-hazardous transportation product that has great economic benefits for Port Arthur area refineries.”

“We would like to recognize several city and county leaders who were instrumental in making the Port Arthur terminal project come to fruition, including the Honorable County Judge Jeff Branick and the Jefferson County Commissioners, the Honorable Mayor Thurman Bill Bartie and the Port Arthur City Council, City Manager Ron Burton and their combined staffs. We appreciate their leadership and ongoing collaboration throughout the site selection and proposal process as well as the supportive business environment they have created that helped us decide to locate the project here. We also wish to thank Larry Kelley, Director and CEO of the Port of Port Arthur, and Floyd Batiste, CEO and Executive Director of the Port Arthur Economic Development Corporation for their support in helping move the project forward. As a company with employees and contractors that call Port Arthur and Jefferson County home, USDG is committed to being a valued corporate member of the community.”

Strategically located close to key infrastructure and waterways, the Port Arthur terminal expands USDG’s network of crude oil destination terminals and will facilitate access of Western Canadian heavy crude to the Gulf Coast and other markets. The new DRUbit™ facility will allow Canadian heavy crude extracted from northwestern Canadian tar sands to replace competing feed stock from other imported sources, which are either becoming prohibitively expensive, or politically arduous. Project features include rail unloading, marine barge loading and unloading, tank storage and blending, and pipeline connectivity to the nearby Phillips 66 Beaumont Terminal, giving customers access to a large network of refining and

marine facilities. In addition to handling DRUbit™, the facility provides future growth opportunities for other bulk-liquid commodities including refined products, feedstocks, intermediates, chemicals, and biofuels, as well as dry-bulk aggregates, laydown storage, and railcar storage-in-transit (SIT).

“We appreciate the dialogue and collaboration with the team at US Development Group throughout the planning and approval process,” said Jefferson County Judge Jeff Branick. “We were able to come together for a common purpose that will benefit Jefferson County citizens and the local oil industry alike. The completed facility will have an ongoing positive economic impact on this community.”

“US Development Group’s terminal project will greatly benefit Port Arthur’s thriving downstream energy community with the construction of their patent DRUbit™ technology rail logistics facility, which will safely process and deliver heavy feedstock to local and regional industrial refineries,” Port Arthur City Manager Ron Burton said. “The company’s investment and their commitment to creating jobs for our local residents will have a tremendous economic impact for the community. We look forward to establishing this new partnership with a company committed to making Port Arthur attractive for other investments and community development projects to be initiated here in the near future.”

#### **About US Development Group, LLC**

US Development Group, LLC (“USDG”) and its affiliates are engaged in designing, developing, owning, and managing large-scale multi-modal logistics centers and energy-related infrastructure across North America. USDG solutions create flexible market access for customers in significant growth areas and key demand centers, including Western Canada, the U.S. Gulf Coast, and Mexico. Among other projects, USDG, along with its partner Gibson Energy, Inc., is pursuing long-term solutions to transport heavier grades of crude oil produced in Western Canada through the construction of a Diluent Recovery Unit at the Hardisty terminal, which is expected to be placed into service in the second quarter of 2021. USDG is also currently pursuing the development of a premier energy logistics terminal on the Houston Ship Channel with capacity for substantial tank storage, multiple docks (including barge and deep-water), inbound and outbound pipeline connectivity, as well as a rail terminal with unit train capabilities. For additional information, please visit [www.usdg.com](http://www.usdg.com). Information on websites referenced in this release are not part of this release.

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