



Once promising US\$280-million ethanol project in Western South America ends in default

Maple Energy's Peru's ethanol project, where the company invested \$280-million to build a cane processing plant, took less than three years after start-up before it failed to meet debt payments and ended up in "default." This creates uncertainty over its 18 million gallons of annual ethanol production part of which is shipped to Europe.

The company had said in the past that its output was being sold in Europe through Mitsui traders..

While during the projection stage the ethanol plant had been expected to eventually yield 35 million gallons annually, in all of 2013 it was only able to obtain 18 million gallons, according to the company statements.

The company said in a statement near the end of last year that a trustee now has control of all the securities interests in this project located in the northern Peruvian region of Piura which was being granted to the senior lenders as it was the collateral for the loans that were taken to build up the new ethanol facilities..

The plant had been inaugurated in mid 2012.