



SIUXLAND ETHANOL LLC UPDATE

Pam Miller's Tremendous Contributions

Siouxland Ethanol would like to recognize the tremendous contributions of Pam Miller and the leadership she has provided to our company. Pam served as Chair of the Board of Directors from 2013 to 2020. During these 7 years, she was an integral part of the organization's drive to stay organized, focused on growth, and looking forward to create value for the unit hold-



ers. Pam has a passion for the ethanol industry and tirelessly advocates how it benefits consumers, the environment, our human health, farmers and our rural communities. We are fortunate to continue to have her counsel as a Director of Siouxland Ethanol and we sincerely thank her for her countless hours of service as Board Chair!!

Grit and Grinding On

An Overview from Nick Bowdish
President & CEO



Siouxland Ethanol resumed production on May 18, 2020 as motor fuel demand recovered nationwide after being down 45%. The company used its thirty days of

downtime to proactively inspect and perform maintenance on several pieces of equipment, machinery and tanks that time would not allow for during our typical biannual plant outages. The team was pleased to confirm the strong mechanical integrity and expected longevity of several of the plant assets.

The impact of the pandemic is far from over on our business and our in-

dustry. For the past 3 years, the US ethanol industry had 1 BGY of production capacity that was not utilized. The pandemic has increased the excess production capacity of the industry to approximately 3.5 BGY with the setback in total motor fuel consumption and the nationwide penetration rate of ethanol into gasoline remaining stagnant. Ten percent ethanol blends will not sustain \$3 per bushel cash corn bids – what blend are you using in your car?

Siouxland Ethanol remains in a strong financial position with \$23M of working capital, a \$40M unused line of credit, and no change in long-term debt. During the quarter, Siouxland Ethanol received its \$10M investment back with interest from Siouxland Renewable Holdings after that company ceased its strategy of acquiring another ethanol plant.

The combined heat and power addition to the Jackson plant continues to be on budget and on schedule with completion expected in November. As of June 30, 2020, Siouxland Ethanol had \$10.7M left to fully fund all of its committed capital projects. It is imperative to commission these projects as the company differentiates itself from the pack in order to withstand the volatility and downturns in average industry crush margins. The Board of Directors deserves recognition and credit for allocating capital to these critical reinvestments – it is the primary reason Siouxland Ethanol is profitable year-to-date.

I want to thank all our employees for their above and beyond efforts this past quarter. As Pat Baker points out, the team does so much more than manufacture fuel and animal feed. It is because of their grit that Siouxland Ethanol is grinding on!

Serving our Unit Holders & our Communities

Pat Baker
Plant Manager



Without a doubt, I'm certain the year 2020 will find its way into the history books. It seems as if trouble is lurking around each and every corner in several different facets of life. In the midst of so many challenges, it is so important to seek joy. Siouxland Ethanol

has an incredible team that does just that.

A tough day can take place at an ethanol plant. It tends to come with the territory while keeping \$100M worth of equipment running 24 hours per day / 7 days each week. When those days take place, you will not find a better team to count on. In an almost contradicting fashion, many Siouxland Ethanol employees will have smiles on their faces, striving together to get things back on track. Some

of the best team building experiences have come from the most troubling situations. Not only do our employees work hard to serve our unit holders, but we also spread our joy and service to the communities around us.

Between the 40 people on staff, we have accumulated over 118 years of volunteer fire department and/or EMT services. Many have devoted time to coaching kids basketball, volleyball, softball, bowling, & baseball teams. There are many of us who have served on school boards, village or town boards, whether it be Jackson, Maskell, Newcastle, etc. The Mayor of Waterbury is among us! All are extraordinary things our employees do for the betterment of our communities.

Siouxland Ethanol employees participate in Dakota County Leadership, Ponca Improvement Club, Community Club of Newcastle, Moose Lodge SSC, Jaycees SSC, Ducks Unlimited, Northeast Corn Growers Association, Christians Encounter Christ, Knightbackers, Education Foundation, Athletic and Music boosters for the surrounding schools. Siouxland Ethanol employees are supporting charities

including United Way, Local Food Banks, Back Pack Lunches, Veteran's Administration, Compassion, Goodwill, St. Jude and cancer outreach to local residents struggling with this illness. Surrounding churches are also commonplace for the team to give and share their time.

There are many who lend their expertise and share their specific talents. We have a maintenance team member that provides HVAC services to a local school. Another team member enjoys providing horseback riding and roping lessons to the younger generation. What a confidence booster for a young adult to receive instruction from a sponsored roper! We have team members who choose to reconstruct buildings within the local villages they live.

This dedication and hard work ethic is hard to find. I'm appreciative and truly blessed to be surrounded by such great people. The jobs that Siouxland Ethanol provides go so much farther than making fuel thanks to the hard work and continued service of the Siouxland Ethanol team!!

Lunch Grill Out provided by the Board of Directors on July 20th to thank employees for their dedication and work.



FINANCIAL HIGHLIGHTS

Comparison of operations three months ended:

- The severe effects of COVID-19 pandemic on fuel demand and reduced ethanol netbacks resulted in quarterly revenues nearly 48% below the same fiscal quarter 2019
- The Company suspended operations for ~30 days and sold ~33% less ethanol with netbacks down ~22% for the quarter over the prior quarter 2019. Co-product sales off similar volumes, though prices down only ~4% over prior quarter 2019

Comparison of operations six months ended:

- Fiscal YTD sales down primarily the result of ~6% reduced sales volumes and 7% lower ethanol netbacks, however distillers grains prices were slightly better than prior year to date
- The reduced sales volumes noted above, along with reduced crush margins, resulted in gross profits down over same fiscal period 2019
- Working capital remains strong at \$23.4MM, up \$8.4MM over last quarter ended March 31, 2020
- 15 units traded during the quarter ending June 30, 2020, averaging \$15,667/unit

Please be sure to keep Siouxland Ethanol updated on your contact information. This helps ensure you receive your distribution check, tax & other pertinent information timely. Thank you!

SUMMARY OF OPERATIONS

	3 Months Ended 6/30/2020	3 Months Ended 6/30/2019	9 Months Ended 6/30/2020	9 Months Ended 6/30/2019
Total Revenues	\$23,292,840	\$44,743,903	\$105,613,175	\$119,382,463
Gross Profit	\$2,756,443	\$6,078,964	\$5,187,281	\$11,931,029
Net Income	\$3,100,243	\$5,884,981	\$4,041,174	\$10,649,288
Net Income/Unit	\$852	\$1,618	\$1,111	\$2,927
Distribution/Unit			\$2,250	\$3,750

BALANCE SHEET

	As of 6/30/2020	As of 9/30/2019
Current Assets	\$32,582,004	\$46,136,579
Total Assets	\$97,936,548	\$98,763,489
Current Liabilities	\$9,226,046	\$5,814,060
Long-Term Liabilities	\$1,484,853	\$1,579,454
Members' Equity	\$87,225,649	\$91,369,975
Book Value/Unit	\$23,976	\$25,115

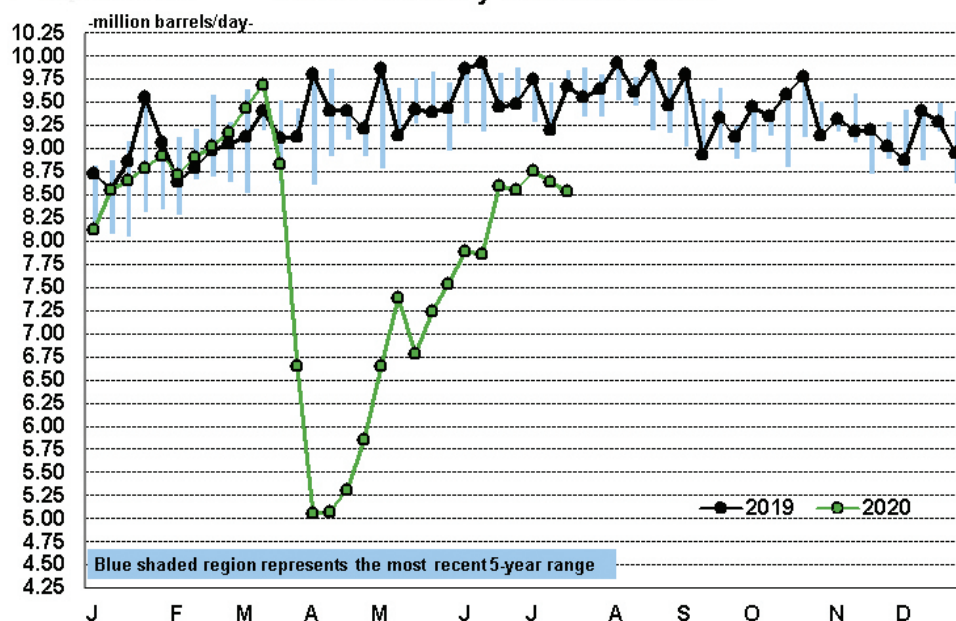
KEY METRICS

	3 Months Ended 6/30/2020	3 Months Ended 6/30/2019
Ethanol Yield (Gal/bu)	3.04	3.01
Natural Gas (BTUs/gal)	20,674	20,473
Electricity (KW/gal)	.58	.54
Corn Oil (Lbs/bu)	1.02	1.04
Ethanol Production (Gals/day)	174,522	265,462
Ethanol Production MGY	61.6	93.7

Gasoline demand



EIA - U.S. Weekly Gasoline Demand



Electronic Account Access

Coming Soon: Electronic Account Access for Corn Suppliers

Starting this fall, corn suppliers will be able to access information on contract, tickets, and settlements as well as E-Signing of contracts using our new phone Application or web portal. The phone application will be accessible for both Android and iPhone Users, and the web portal can be accessed from your home computer with an internet connection. Keep an eye out for a future mailing on how to sign up for access!

BOARD OF DIRECTORS

John Meuret • Brunswick, NE Chair
Shennen Saltzman • Dakota Dunes, SD Vice-Chair
Steve Ausdemore • Wisner, NE Treasurer
Craig Ebberson • Belden, NE Secretary
Mark Condon • Sioux City, IA
Darrell Downs • Marcus, IA
Vern Henjes • Dakota Dunes, SD
Pam Miller • Dakota Dunes, SD
Luke Moser • Valentine, NE
Doug Nelson • Jackson, NE
Ronald Wetherell • Cleghorn, IA

Our Mission

To be an efficient producer of ethanol and its co-products with a low carbon footprint, and to promote the “clean octane” value of ethanol which will ensure long-term profitability for the industry and the investors in Siouxland Ethanol.



Siouxland Ethanol New Plant Addition

The Combined Heat and Power construction project is progressing along on schedule and on budget. We're pleased to have the team at Fagen, Inc. performing the work. Expected completion of November 2020!

