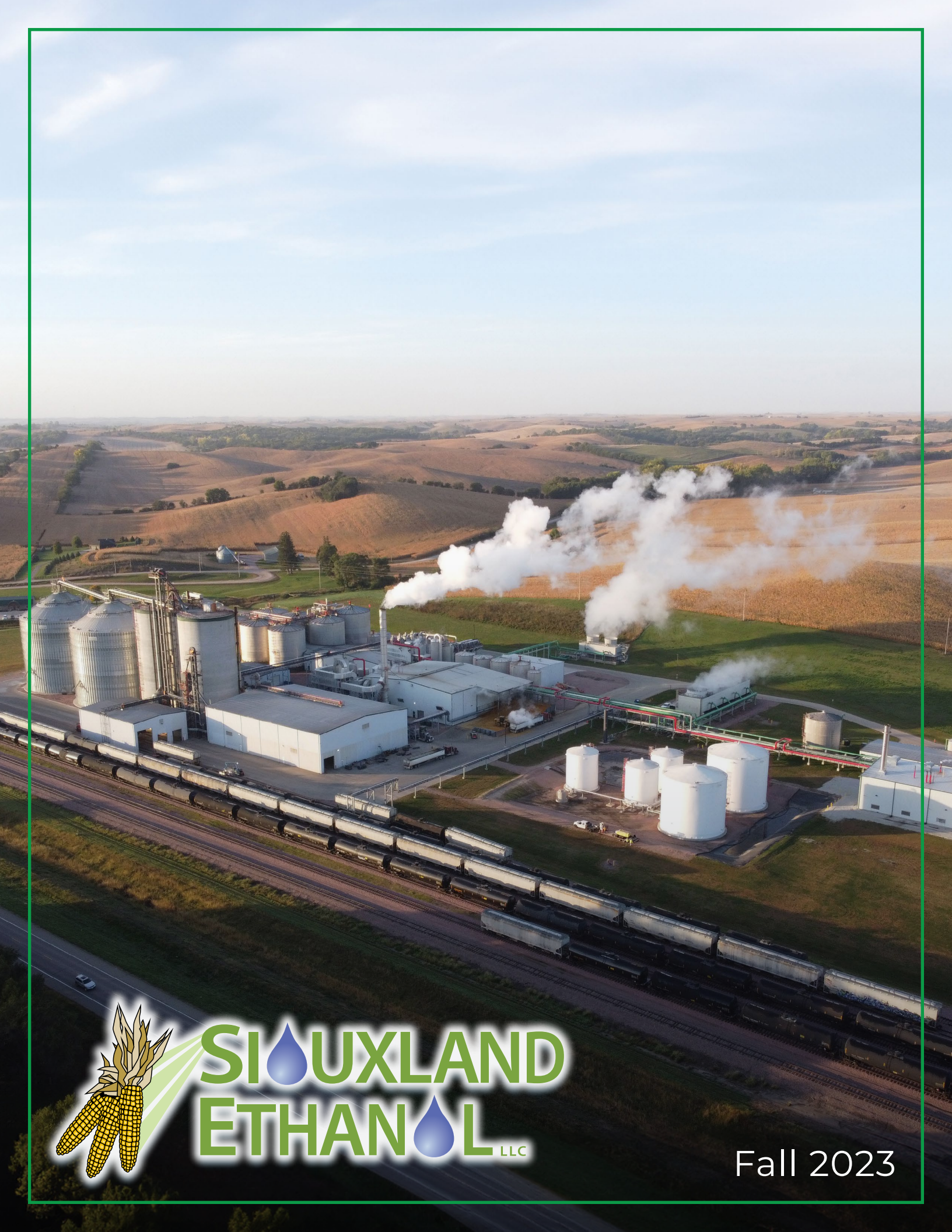


SIOUXLAND ETHANOL LLC

Fall 2023

100,000,000

REASONS TO BE THANKFUL

Siouxland Ethanol completed its 16th full year of operations by producing 100,096,049 gallons – a new company record. The team has already turned its focus to raising the bar in the year ahead, but a pause is warranted to celebrate the moment and all the people that contributed to making this possible: Unit Holders, the Board of Directors, Employees, Vendors, Corn Farmers, Cattle Feeders and all Internal Combustion Engine Drivers.

The Company is underway with two new capital reinvestment projects. The ethanol storage and load out is being expanded with an additional tank and two additional load out stations, while the processing equipment is being expanded with a novel approach to remove additional corn oil from the distiller's grain stream. Both projects are anticipated to be complete by Nov 2024. Additionally, reinvestment continues with maintenance capital being spent on refurbishing the original cooling tower as well as replacing other equipment nearing the end of its useful life.

Siouxland Ethanol and Navigator CO2 announced a collaborative agreement in March 2022 to capture carbon dioxide produced in Jackson, NE and transport and store it in a central Illinois rock formation. Navigator CO2 recently cancelled its pipeline project due to the unpredictable nature of the regulatory and government processes involved. Siouxland Ethanol has the upmost respect for and built a great deal of trust in the Navigator CO2 team and that will continue past this specific project announcement. The Company plans to demonstrate patience and see what other opportunities come along for monetizing the plant's carbon dioxide stream.

The low carbon economy continues to be a great opportunity for agriculture if all the stakeholders can define a collaborative path to proceed. Corn ethanol to jet fuel is not feasible without using the corn plant via an ethanol plant to sequester carbon dioxide in the earth, all while using a lot of taxpayer money along the way. A logical, common sense approach to reduce carbon might be using ethanol's superior octane characteristics to displace toxic gasoline components in engines already on the road today by enabling blends of 25% - 30% ethanol through revised CAFÉ standards and updating other federal policies. Next Generation Fuels Act anyone?

Siouxland Ethanol will be mailing all unit holders in the near future some information related to the Company purchasing and retiring your units. Please review the materials closely as an opportunity for liquidity is available for those members that deem it prudent.

Nick Bowdish
President & CEO

PROJECT

ANNOUNCEMENT

The Company has approved the addition of a new

2M GALLON ETHANOL STORAGE TANK and 2 RAIL LOAD OUT SKIDS!

Expected Start Date: **MARCH 2024**

Expected Completion Date: **NOVEMBER 2024**

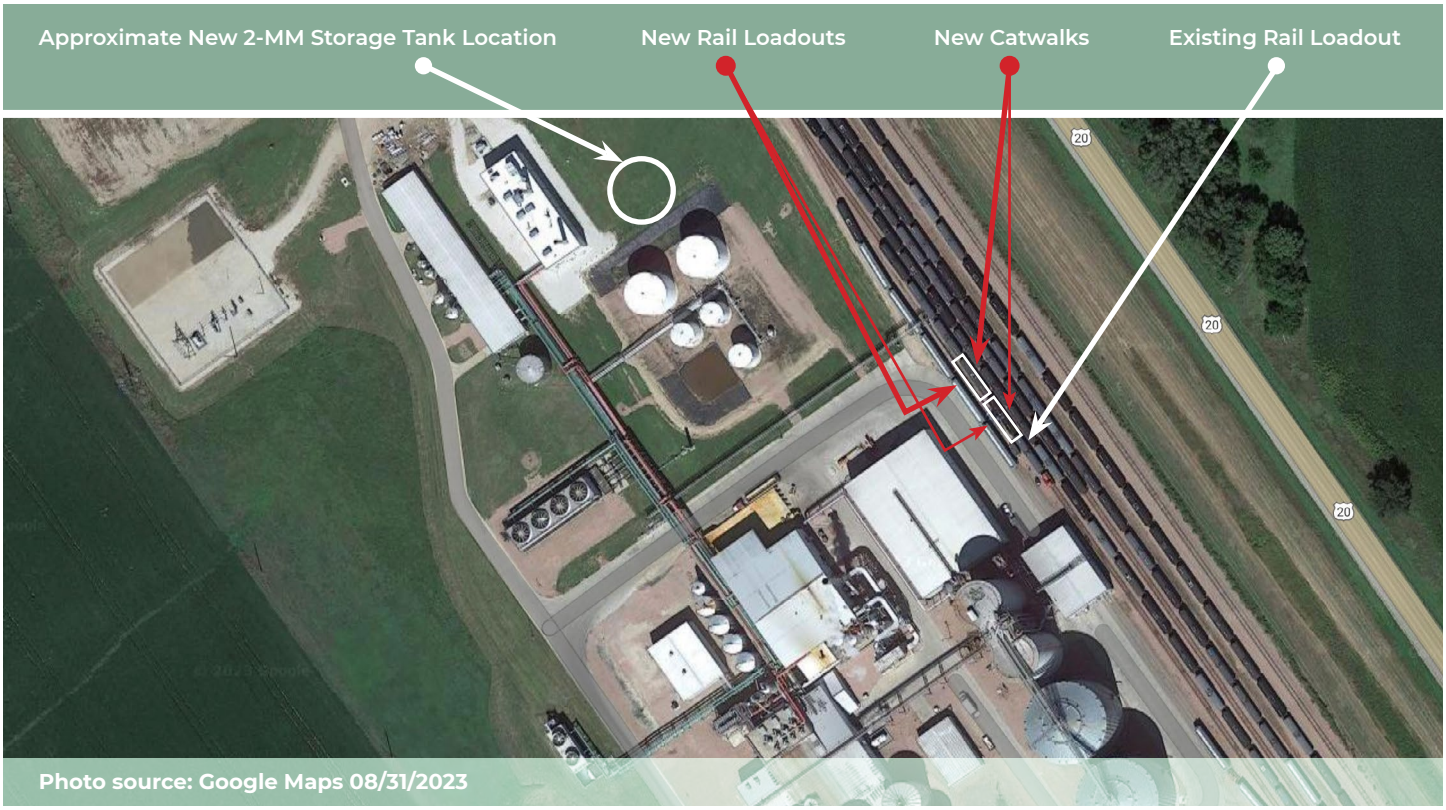


Photo source: Google Maps 08/31/2023

SIOUXLAND ETHANOL LLC

A DIRECTOR'S PERSPECTIVE

How are we going to keep from starving to death?!

This was the question reverberating around rural America in the 1980s, when corn was a buck a bushel, and there was a glut of it. Add in high-priced interest and the family farm's future was worse than bleak. Government responded with band-aid programs and short-term 'cures'. Agriculture and related industries struggled.

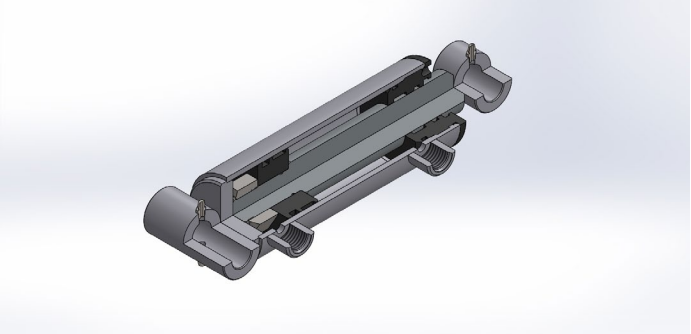
I was one of those related industries, having opened a general repair/machine shop and farm implements business in Cleghorn, Iowa (population 250) in 1966. One thing I learned from that early repair business was that building things heavier duty made the difference between breaking down and staying in service. Satisfied customers inspired me to begin designing farm machinery to meet the needs of my rural community.

By 1982, Wetherell Manufacturing Company had 14 employees and was designing, engineering, and building farm equipment and hydraulic cylinders. Our sales territory had grown beyond northwest Iowa to include Nebraska, South Dakota, and Minnesota. My wife, Sandy, son, Todd, and daughter, Lisa, were all involved in the family business.

But the problem of $1 corn and farmers taking land out of production had me worried. Low commodity prices and idle acres were not good for Main Street in my town or any other.

Just as I had once learned to build stronger farm equipment rather than repair weaker versions, I knew that America's farmers needed to build stronger demand for their crops, not grow reduced acres of them.

By the spring of 1999, I could see it, every day. Our office has a window that looks out at the railroad tracks. Farmers would come in to visit and we would gaze out at all the grain leaving the county for distant ports, with freight costing 75 cents/bushel. We realized a nearby grain processing plant could provide a local market and employment, as well as help the county's tax base.



Wetherell Manufacturing has become an industry leader, manufacturing custom welded hydraulic cylinders since 1979.

One day six of us decided to stop looking out the window at our vanishing grain. We visited a successful soybean processing plant in Volga, South Dakota. We learned we needed to form a company with directors, make a business plan, find a construction company with processing plant experience, put an option on a site location, and create a fund raising plan. Sounded easy enough. Because of hexane concerns with bean processing, we decided to pursue ethanol production first. We met with Ron Fagen, whose company had already built several small ethanol plants, and now wanted to build larger ethanol plants designed by ICM of Colwich, Kansas. Our little gang of six visited Fagen's smaller plants, and found him to be a great builder who guaranteed production. We put together an official board, hired an experienced legal firm, and put together a business plan and corn origination plan for a 40 million gallon annual rate plant. Our banker gave us the green light. The hard part was fund raising. An ethanol plant this size was new, and spendy, but we finally made it. In March 2003 we started grinding corn. Our Little Sioux Corn Processors plant of Marcus, Iowa, was up to capacity in less than a week.

The next year, Darrell Downs and I were asked to bring our experience founding Little Sioux and join the Siouxland Ethanol Board of Directors. Darrell and I recommended Fagen, Inc. as an excellent, honest builder...maybe not the least cost, but they would do exactly what the contract called for, with no corners cut. Fagen delivered, building the 50 million gallon annual production plant just west of Jackson, Nebraska. Siouxland Ethanol started up in early May 2007, and hit that 50 million gallon annual rate in under 10 days.

Today, as I look out the window, I'm much more optimistic about agriculture's future. Farmers are still finding ways to boost production, and ethanol has delivered higher prices, coproducts that can be fed to livestock, and lowered fuel costs. That 7 billion bushel 'glut' of the 1980s is now a 15 billion bushel profitable crop. When I watch the rail cars go by, it's alcohol, corn oil, and dried distillers grain. The rest of the crop is used locally. I'm happy that my children, and grandchildren, and great grandchildren will have brighter futures born out of a big problem that needed a big solution.

SIOUXLAND EFFICIENCIES

2007 TO 2023 COMPARISON

	June 2007	FY 2023
Bushels Corn Ground	1,531,598	33,260,410
Gal Ethanol produced per bushel	2.791	3.009
Natural Gas used btu per gallon	25,375	23,059
Electricity used kw per gallon	0.744	0.0112**
Corn Oil produced lb. per bushel	0*	1.04

***CORN OIL PRODUCTION DID NOT BEGIN UNTIL 2009**

****COMBINED HEAT & POWER INSTALLED DECEMBER 2020**

RON WETHERELL
Board Director

JOHN DEERE DEVELOPS ETHANOL ENGINE *AGRITECHNICA 2023*

John Deere is continuing to work toward its Leap Ambitions — the company's focused goals designed to boost economic value and sustainability for customers while delivering better outcomes with less resources. Under the Leap Ambitions, John Deere is working to innovate viable low- and near-zero-carbon power solutions by 2026 within four key areas of power generation, including internal combustion engine (ICE) efficiencies, renewable fuels, hybridization, and full battery-electric options.

John Deere is committed to bringing the most advanced and effective renewable fuel solutions to its customers by prioritizing the technologies and resources that make the most sense for its customers. Within the variety of available renewable fuels, John Deere considers biodiesel, renewable diesel (or HVO), and ethanol to be the most promising options for near-term integration into heavy duty applications. Ethanol is an alcohol-based renewable fuel that is widely available in many parts of the world since it can be made from feedstocks such as corn, wheat, or sugar cane. As a high-octane fuel, ethanol is attractive for high performance spark ignited engines.

John Deere is leveraging its world-class engineering expertise to vet and test new technologies that simplify the integration of renewable fuels with combustion engine technology as it strives to deliver more value and productivity to customers. **John Deere will have a concept 9.0L engine that is compatible with ethanol on display at this year's AGRITECHNICA show.** This concept engine illustrates the company's ongoing commitment to developing a diversified portfolio of solutions that can meet power needs across equipment sizes and applications.

FINANCIAL HIGHLIGHTS

Comparison Of Operations
Three Months Ended:

- Total revenues were down nearly $6MM quarter over quarter. Ethanol netbacks and distillers grain values were off 4% and 18%, respectively when compared to same quarter of previous year.
- Gross profit however, was up substantially quarter over quarter, primarily the result of a decrease in our cost of corn. The combination of an 18% decrease in corn prices and positive corn hedge movement primarily accounted for the $10.3MM increase in our gross profit quarter over quarter.

Comparison Of Operations
For the fiscal years ended:

- Overall, our revenues were down ~8% year over year. Ethanol netbacks were 13% lower. Coproduct values were nearly 9% higher. However, lower ethanol values were the primary driver to the $24.6MM decrease in total revenues year over year.
- When factoring in corn hedge movement, net cost of corn was relatively flat for the fiscal year over year. But our crush margins were down ~26% when compared to the prior year, on the lower ethanol values, therefore the ~$17MM reduction in gross profit year over year.

- Siouxland Ethanol will finish the year with $43.2MM in working capital. This is off the record levels from the last couple years, but still a very strong working capital position.
- No units traded during the quarter ending September 30, 2023.

Tax notice for our nonresident members, due to the passage of a new tax law in Nebraska in June 2023, we will NOT be requiring our non-Nebraska members to complete the form 12N going forward.

SUMMARY OF OPERATIONS	3 Months Ended 9/30/2023	3 Months Ended 9/30/2022	Year Ended 9/30/2023**	Year Ended 9/30/2022
Total Revenues	$74,660,260	$80,558,698	$296,099,313	$320,740,147
Gross Profit	$13,368,646	$3,065,224	$33,731,199	$50,811,705
Net Income	$14,095,563	$2,524,428	$32,590,774	$55,565,476
Net Income/Unit	$3,991	$715	$9,227	$15,732
Distribution/Unit	$-	$-	$10,000	$16,000

BALANCE SHEET	As Of 9/30/2023**	As of 9/30/2022
Current Assets	$59,908,846	$79,005,454
Total Assets	$128,529,195	$138,481,945
Current Liabilities	$16,698,751	$23,143,766
Long-Term Liabilities	$2,045,246	$1,289,512
Members' Equity	$109,785,198	$114,048,667
Book Value/Unit	$31,083	$32,290

** Unaudited

KEY METRICS	3 Months Ended 9/30/2023	3 Months Ended 9/30/2022
Ethanol Yield (Gal/bu)	3.03	3.04
Corn Oil (Lbs/bu)	1.08	1.06
Ethanol Production (Gal/day)	280,429	278,495
Ethanol Production MGY	99	98.3
Natural Gas (BTU/gal)	22,680	20,056
Grid Electricity (KW/gal)	0.02	0.01

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!

SIOUXLAND ETHANOL LLC
1501 Knox Boulevard | Jackson, NE 68743
(402) 632-2676 | www.siouxlandethanol.com

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

MISSION STATEMENT

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.

Northeast Nebraska Corn Grower’s Youth Ag Festival at Ebberson Farms!

Siouxland Ethanol donated materials to the remodel of The Corn Barn at the Dakota County Fairgrounds.

Dakota County Ag Festival at the Dakota County Fairgrounds!

Siouxland Ethanol’s new Kid’s Corn Bin at the Dixon County Fair Grounds!

Northeast Nebraska Farmer’s Golf Tournaments!
It’s always fun spending a day with our customers on the course.