



The

DISPATCH

STEVE'S REMARKS Comments from our GM

It seemed like all we heard in 2020 was discouraging news. Covid was ravaging our economy in the U.S. and the world. Fuel consumption declined rapidly which adversely affected ethanol demand, forcing plants to shut down, and product inventories to explode. As the year progressed those that were able to weather the storm in the first half of 2020 saw indicators of demand improvement and subsequent margins. We ended the calendar year in positive territory which to us was a major accomplishment.

The 2nd fiscal quarter is usually lackluster at best and disappointing at its worst. The company cannot say that about this past 3 months. We have had an outstanding quarter that is without question in the top 5 since we ground our first bushel in 2003. Corn prices have escalated but ethanol has followed the trend. Distillers corn oil and Distillers grain have gained value keeping pace with corn. We do not see that trend often, but it has been

most welcome, allowing us to turn in a quarter ending March 31 of +8 million in net income. You will be reading this newsletter sometime in May. Those that watch the market know corn values have escalated very rapidly, fortunately ethanol has kept pace. DDG and corn oil are still at good values but have not kept pace with corn which has reduced our grind margin slightly but thankfully it remains positive.

The Hi-Protein project continues to move along quite well. Construction is brisk and we will be making product by the end of May barring some unforeseen delay. Those who have been involved in large projects will realize once the painters arrive, and they have, the project is on the downhill slide to final completion. Everyone at the plant is most excited to hit the switch and get this new product line in full scale production. It cannot happen soon enough for everyone involved. This project will further cement our company into a more stable, sustainable business producing multiple

products from a single bushel of corn. Production of Corn Protein will further diversify our revenue stream allowing increased profitability and success for the company and its investors.

The 2021 crop went into the ground in record time. Ground conditions were most favorable from comments I have heard from area producers although it is dry and we need rain to get this crop off to a good start for the upcoming growing season. Today the 8-14 day forecast is calling for above normal rainfall. Let's hope it comes to fruition and we get a good soaker.

Steve



Steve Roe
General Manager

Commodity Corner



Jake Wetter
Grain Merchandiser

What a difference a year can make!!! One year ago, we were right in the teeth of lockdowns and demand destruction. Cash prices were as low as \$2.70/bu for corn and 70c/gal for ethanol.

Painful times for all. Look at the depressed values we saw last year due to the demand destruction caused by shutting down the economy to combat

	2020 Low	2021 High
Ethanol	\$0.70	\$2.60
Corn	\$2.70	\$7.65
DDGS	\$100	\$250
MWDGS	\$50	\$125
Corn Oil	\$0.23	\$0.58
Crush Margin	(\$0.30)	\$0.30

COVID 19

Fast forward to now and demand has returned and stocks for corn & ethanol are as low as they have been since 2014. Bull markets seldom go straight up, but this market has been different. The

economy has consistently improved the last 9-10 months. Demand & profitability for most of the economy is starting to return to normal. Contrary to what one would think, as an ethanol producer sometimes our profitability is much better on high priced corn than cheap corn. Historically, there has not been a strong correlation between cash corn prices & ethanol profitability. Ethanol has its own supply & demand separate from corn that dictates processing margins for the industry. Fortunately, ethanol stocks are at multi-year lows and buyers are forced to pay up to secure ethanol for blending into the rising gas demand. The demand for gas in the last couple of months has been within 5% of 2019 lev-

...continued on page 3



Little Sioux Corn Processors and RPMG are excited to announce AltiPro™ to the market! The new, innovative high-protein corn product for use in dairy, swine, poultry, layers and aquaculture diets.

AltiPro™ is a >50% protein corn gluten and yeast meal product which provides an improved concentration of available lysine over traditional corn gluten meal. AltiPro™ has an elevated amino acid and phosphorus digestibility when compared to common soybean meal, which should provide some cost savings in your feed.

AltiPro™ is a great addition to the high-quality co-products that will continue to be produced by Little Sioux Corn Processors: Modified Wet Fiber Syrup Feed, Dried Distillers Grains (DDGS), and Distillers Corn Oil.

SPEC SHEET



ALTIPRO™ Takes Your Feed to the Next Level!

A high protein feed ingredient created for animals today and into the future. This 50% protein product provides highly bioavailable amino acids and minerals. ALTIPRO™ is an innovative alternative protein technology made for today's successful production operations.



ALTIPRO Nutrient Composition (as is)	
Dry Matter	92.80%
Crude Protein	50.07%
Fat	4.01%
Fiber	4.13%
Starch	4.41%
Sugar	0.28%
Ash	4.76%
Calcium	0.03%
Sodium	0.15%
Potassium	0.61%
Magnesium	0.21%
Phosphorus	0.87%
Sulfur	0.54%
Copper	6.92 mg/kg
Manganese	12.12 mg/kg
Zinc	89.89 mg/kg
Lead	< 0.10
Cadmium	< 0.02
Yeast	24%
Glucans	8.54%
Mannans	2.02%
Carotenoids	58.23 mg/kg
TME _n (poultry)	3132 Kcal/kg
AME (poultry)	3045 Kcal/kg

ALTIPRO Amino Acid Composition (95%DM)			
Amino Acid	Data (%)	Coeff ID	IDAA%
Lysine	2.01	0.8	1.61
Methionine	1.09	0.92	1.00
Tryptophan	0.45	0.91	0.41
Threonine	2.03	0.85	1.73
Valine	2.55	0.91	2.32
Iso-Leucine	2.02	0.91	1.84
Leucine	5.57	0.93	5.18
Phenylalanine	2.5	0.91	2.28
Histidine	1.33	0.90	1.20
Arginine	2.35	0.93	2.19
Cysteine	0.89	0.83	0.74
Glutamate	8.18	0.92	7.53
Aspartate	3.68	0.86	3.16
Serine	2.5	0.87	2.18
Glycine	1.98	na	na
Alanine	3.41	0.90	3.07
Tyrosine	1.71	0.91	1.56
Proline	3.55	0.91	3.23

ALTIPRO Mycotoxins (SGS Lab Analysis)	
Aflatoxin	Not Detected
DON	0.66 ppm
Fumonisin	3.73 ppm

ALTIPRO Physical/Feed Mill Characteristics	
	Range
Density (lbs/cu ft)	30 - 38
Flow: angle of repose*	30 - 37
Particle size	<300 microns

*Efficient flow below 40

contact us



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FINANCIAL STATEMENT

Review

By Laura Lunders



Laura Lunders
CFO

LSCP, LLC Statement of Operations For Periods Ended March 31, 2021 and 2020

	Quarter Ended March 31, 2021 (Unaudited)	Quarter Ended March 31, 2020 (Unaudited)	Six Months Ended March 31, 2021 (Unaudited)	Six Months Ended March 31, 2020 (Unaudited)
Revenues	\$89,667,000	\$63,653,000	\$160,844,000	\$133,886,000
Cost of Goods Sold	\$80,480,000	\$68,324,000	\$152,437,000	\$133,148,000
Gross Margin	\$9,187,000	(\$4,671,000)	\$8,407,000	738,000
Operating Expenses	\$1,249,000	\$1,238,000	\$2,485,000	\$2,612,000
Income from Operations	\$7,938,000	(\$5,909,000)	\$5,922,000	(1,874,000)
Other Income (Expenses)	\$889,000	\$135,000	\$1,976,000	\$329,000
Net Income	\$8,827,000	(\$5,774,000)	\$7,898,000	(\$1,545,000)
Net Income/Unit	\$32.56	(\$21.30)	\$29.14	(\$5.70)
Distribution/Unit			\$23.60	\$40.00

We will definitely take 2nd Qtr FY 2021 results over 1st Qtr and even more so over the same Qtr FY 2020. We have seen ethanol prices move upward by 50% for 2nd Qtr 21 vs 2nd Qtr 20 and 20% YTD vs YTD, while production showed a reduction of 7% for Qtr and 4% on YTD comparisons. We have also seen corn prices jump, in comparison, by 20% for the Qtr and 9% for YTD. Other income is up as we were able to capitalize on energy contracts.

LSCP, LLC Balance Sheet For Periods Ended December 31, 2020 and 2019

	As of March 31, 2021 (Unaudited)	As of March 31, 2020 (Unaudited)
Total Current Assets	\$48,942,000	\$23,607,604
Net Property and Equipment	\$131,003,000	\$106,708,720
Other Assets	\$3,328,000	\$3,630,427
Total Assets	\$183,273,000	\$133,946,751
Total Current Liabilities	\$17,087,000	\$11,211,773
Total Long-Term Liabilities	\$31,876,000	
Owner's Equity	\$134,310,000	\$122,734,978
Total Liabilities and Equity	\$183,273,000	\$133,946,751
Book Value/Unit	\$495	\$453

The increase in Total Current Assets is due to taking the funds for the HPF project, which we see the offset to in Long-Term Debt. The Net Property Plant and Equipment is also due to the High Protein Feed project. Current Liabilities increased by the first payment due on the Term Debt in August 2021. Increase in Owner's Equity is a result of yearly earnings less distributions to owners.

LSCP, LLC Owner's Data For Periods Ended December 31, 2020

Most Recent Sales	Current Offers to Purchase	Current Offers to Sell
Class C: January 2021 - 75 Units @ \$470	Class B - 100 Units @ \$500	
Class C: April 2021 - 60 Units @ \$500	Class B - 100 Units @ \$475	
	Class C - 100 Units @ \$500	
	Class C - 100 Units @ \$475	

Please be sure to contact LSCP if you have updated contact information to help ensure you receive information timely.

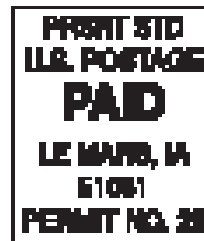
From front page

els and many are expecting gas demand for this summer to return to normal usage levels. Markets have put in a new high every month since August and profitability looks encouraging this summer.

I have been saying for months now that the markets' response has much to do with the record monetary & fiscal stimulus coming into the market. There has been 16 trillion dollars printed out of thin air in the last year and it is looking for a home. Everywhere you look there seems to be supply disruptions and inflation. Commodities in general are viewed as a hedge against inflation and ag commodities have benefitted from this support. Pretty much, if you have anything useful to sell there seems to be a willing buyer ready to put it to use as the economy recovers from COVID 19. Fund managers have huge piles of cash and have dramatically higher position limits so markets will continue to be extremely volatile this summer. The market will lack confirmation of this year's production for several months, leaving prices vulnerable to volatility in the meantime. With spectacular highs come spectacular crashes. Markets become overbought at lofty altitudes. Momentum stalls and profit taking emerges. We will get to the point where excesses and imbalances occur in the market and a significant correction will occur. As such, we only know in hindsight when a bull market has come to an end. Here is to enjoying the ride while it lasts!



Little Sioux Corn Processors
4808 F Avenue, Marcus, IA 51035



Call us daily for current corn bids. We have a large supply of distillers grains on hand at all times - Contact us for your distillers grains needs.

BOARD OF DIRECTORS:

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Darrell Downs - Marcus, IA
Daryl Haack - Primghar, IA
Verdell Johnson - Cleghorn, IA
Steve Core - Frost, MN
Ray Bradbury - Decatur, IL

One month left....



Chris Williams
Plant Manager

ensure it is installed correctly and will function as designed.

A major step is making sure that all that was programmed to work actually works. Can the computer and instrumentation talk back and forth to each other? When this valve is requested to open, does it open? When this pump is clicked to turn on, does it turn on? It gets a lot more complicated as sequences get programmed for cleaning cycles. This valve is supposed to open for this amount of time, while this valve closes. This pump will run for this amount of time, will shut off and these valves will

An exciting new venture is approaching... LSCP will be making high protein feed in less than a month. Engineering has been completed while building and equipment installation is nearing completion. In this

final month there will be a series of check outs done on equipment to

close. If one step is not correct, it can throw off the whole routine, causing equipment problems or incorrect cleaning. Knowing where each misstep is and then correcting it and essentially working all the bugs out of the programming is not a small task at all.

After achieving confidence in programming, we still must check if the equipment will work and that it was properly installed. The equipment must be balanced and aligned, checked for correct operating direction and validate its mechanical soundness. In closely controlled conditions, the equipment will be started in automatic control to verify that the wiring and control systems are operating correctly. The last step is to verify that each of the safety interlocks are operating as designed. Measurement instrumentations are checked to be sure that they are operational and reporting accurate values. This is a daunting task of over 1,000 different pieces of equipment and instrumentation.

Finally, we need to ask, will these tanks and lines hold liquid without leaking? A water test must be done to check to make sure welds do not leak, gaskets seal up and to clean out any residual construction debris. Each tank and piping setup will have to be checked to ensure that it holds water be-

fore putting actual product in the tanks. This will also be a pretest to verify that pumps, valves, flow transmitters and other instruments operate correctly with fluids introduced to them.

Lastly, the MSC building tanks will be filled with whole stillage and actual process fluids. The product will get moved around through tanks and equipment. Do the products maintain the correct densities? Does the product flow as intended?

The dryer itself went through extensive function testing and checkouts including quality checks on the burner management system, safeties, and instrumentation. Several groups went through checks including the manufacturer, Fluid Quip engineers, LSCP controls programmer, and our electrical contractors. It was "dry fired" prior to adding products to it to verify correct operation.

Intimidating and energizing all at the same time. We will get to learn an entirely new process, while keeping our current process as efficient as it has been in the past. This will be a hurdle that we are preparing for by practicing jumping those hurdles until they are not as much of a challenge. We will practice, fail, practice, and succeed repeatedly until we get good at making high protein feed for our customers, ensuring the prosperity of LSCP.