

Corn coming in; counting down to start-up

While weather continues to make final preparations difficult and has pushed the official start-up date back by another 30-40 days, Ringneck Energy is officially receiving corn and has hired a full crew to complete training and be ready for the big day.

We currently anticipate our first corn grind and start-up of the plant to take place the first week of April.

Corn receiving began Feb. 18, with coverage of the event in both local and statewide newspapers: [Onida Watchman](#) and the [Capital Journal](#).

Construction report

"With the brutal winter upon us, Fagen is fighting to wrap up construction activities for the Ringneck plant. With the sub-zero wind chills for the vast majority of the calendar year, snow and downright bone-chilling cold, we have not given up," says Rob Schladetzky, project manager. "Looking at the forecast ahead, we hope to see a break in the weather as we move into spring."

With the process and fermentation areas nearly complete, Ringneck employees have moved into the control room, offices and lab. They have also started training activities. Lab equipment has arrived and been installed. Our commissioning crew is hard at work checking all the equipment throughout fermentation and process. The main push now is in the energy center as our electrical, pipe, and siding teams are in full swing getting that area ready. Water trials are set to begin within the week of March 18.



Members of Ringneck Energy's board of directors and management team, as well as representatives from the city of Onida, were on hand Feb. 18 when the plant received its first delivery of corn.



On the grains side of things, the grain bins are about halfway full as corn trucks have been rolling in steadily since Feb. 18. Corn receiving was on hold for about a week so we could check the settlement in the grain bins. As the grain bins are filled to capacity, we will check for settlement again, all in preparation to grind corn on or about the 8th of April.

Experienced staff on board

President and CEO Walt Wendland is pleased with the quality of staff

hired to run Ringneck's plant, from management positions on down. ICM, the company providing the process for the plant and conducting hiring, was able to locate great people who fit the needs of the plant, Wendland said, including management leaders with years of experience in either ethanol or related industries. For a few, the jobs are an opportunity to return to their home state, while more than half of those hired in non-management jobs are from the Onida area.

"We're very pleased with the level of expertise in our operations team," he said.

Employee spotlight:

Mike Stanley, plant manager

Tell us about your previous experience in ethanol or related industries.

Mike brings 20 years of ethanol plant experience to Ringneck Energy. He worked at Agri Energy in Luverne, Minnesota for all 20 of those years in various rolls including Maintenance Manager, Operations and ending as Plant Manager.

What attracted you to Ringneck Energy?

I grew up in a small town not too far from Onida, SD and liked the idea of being closer to home. Coming on board with a brand new facility was also a bonus.

Share a bit about your family and/or hobbies.

My wife, Dee, and I have been married for 28 years and have 3 children together. In his spare time he rides his motorcycle and does woodworking.



RFA introduces educational videos

The Renewable Fuels Association has released three new educational videos that will help the public learn more about the advantages of using more renewable fuels like ethanol. The videos, released during RFA's 24th annual National Ethanol Conference in Orlando, focus on the ethanol production process, facts about the industry and the benefits of renewable fuels, and testimonials about ethanol-blended fuels from avid motorcycle riders.

The [Ethanol Process video](#) gives consumers and students an inside look at how fuel ethanol is produced, with a virtual tour of sophisticated biorefineries that use state-of-the-art technologies to convert grains, beverage and food waste, cellulosic biomass and other feedstocks into clean, renewable fuel.

Using updated data, the [Ethanol Facts video](#) highlights basic facts about today's industry and underscores ethanol's significant economic, energy independence, and environmental benefits. For example, last year the U.S. ethanol industry supported nearly 366,000 American jobs, while

displacing an amount of gasoline that would have required the refining of 594 million barrels of imported crude oil.

Finally, the [Ethanol & Motorcycles video](#) offers first-hand accounts from bikers who share their experience with ethanol-blended fuels. They discuss the high quality of ethanol and the increased engine performance they get when using gasoline blends with 10% ethanol to fuel their bikes. The video also features comments by Paul Teutul Jr., who highlights what he learned about ethanol while working on the custom-built RFA motorcycle, which was featured on the hit TV show "American Chopper."

"These new videos provide insight and education about ethanol's many benefits in an entertaining and creative way," said RFA President and CEO Geoff Cooper. "The renewable fuels industry has a great story to tell and RFA continues to find interesting new ways to share that story with consumers, policymakers, the media, and others. We encourage anyone interested in renewable fuels to view these videos and share them with others."

Commodity Comments

Corn buying under way; call for info

The March Supply and Demand report by the Gov. on March 8 did not provide the bullish news producers were looking for as corn, wheat and beans continued their downward momentum into new lows. The USDA pegged US corn 2018/19 carryout at 1.835 billion bushels which was 100 million more than the previous month by lowering ethanol usage by 25 million and exports by 75 million bushels. However, world stocks were lowered by 1.25 million metric tons from the previous month. The increase in US stocks was more than offset by decreases in Brazilian, Argentine and Chinese stocks; unfortunately, the trade put more importance on the domestic supply than it did the world.

Ringneck Energy celebrated a milestone last month receiving our first loads of corn on Feb. 18. These first loads were provided by local producers Goebel Brothers, Yackley Ranches, and Gary Wickersham. We continued to take 700,000 bushels of corn through March 6 which was the cutoff point to ensure proper settlement of the bins. When the engineers give us the go ahead, we will continue to accept corn on contract until the bins are full and operation of the plant begins. We would like to thank all of the farmers who delivered contracted corn during this time. You displayed excellent patience as our staff worked out all the bugs. We look forward to continually improving our service to you as we move forward.

If you have questions or would like to sell corn or milo to Ringneck Energy, please call Kevin Kjorsvik at (605) 945-6982.

Board of Directors:**President, CEO, & Chairman**

Walt Wendland

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Scott Mundt, Dakota Ethanol

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Our Mission:

To produce renewable energy that adds value to grain and livestock production, enhances the income of our investor partners, provides a safe and rewarding work environment that creates economic opportunities for the surrounding area.

Goals for the Company:

- Produce 80 million gallons per year of bio-fuel ethanol focusing on the local, regional and national markets by first quarter of 2019.
- Produce a high-protein feed source for the local livestock.
- Return maximum profits to member investors.
- Add value to agriculture in the area.
- Meet the standard 20% reduction in greenhouse gas emissions.
- Improve efficiency with the latest technology.

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Trading options set

The Ringneck Energy board of directors has approved an agreement with Variable Investment Advisors to facilitate the buying and selling of Ringneck Energy shares through www.AgStockTrade.com. These transactions, between current shareowners and interested owners, are not subject to the initial subscription requirements of being an accredited investor or minimum share purchase requirements.

CEO's industry, market update

Exports provide bright point in the future

As board member Ed Eller and I attended the National Ethanol Conference in February, the positive takeaway is the strength of ethanol exports throughout 2018. The US ethanol industry continues to set new records for exports, with 1.7 billion gallons in 2018 and some forecasters saying it could reach 3 billion gallons in just a few years. Among the opportunities are the potential to replace Mexico's current billion gallons of MTBE with US ethanol, along with growing demand in China and throughout the Pacific Rim.

This export market was a key impetus for the creation of Ringneck Energy, and we are excited to see it continue to grow.

Interested in wet feed?

With plant operations nearing start-up, we are seeing growing interest in our wet feed byproduct from area livestock producers. Ringneck's facility will extend the availability of the feed approximately 100 miles west from where it has previously been available to producers. Pricing for both modified and wet distillers grains are at <https://www.ringnecken-ergy.com/dist>.

—Walt Wendland, CEO

Annual Meeting & Open House

The company is tentatively planning to host the first annual membership meeting and an open house at the plant June 24 or June 25. We will send out more details regarding these events prior to the date.

NOTICE: K-1 forms have been mailed to all members. If you have not received yours, please contact the Ringneck Energy office ASAP.

DISCLAIMER

This newsletter contains historical information, as well as forward-looking statements about Ringneck Energy LLC and our future performance and prospects and expected future operations and actions. All statements that are not historical or current facts are forward-looking statements. In some cases you can identify forward-looking statements by words such as "believe", "hope", "expect", "anticipate" and similar expressions. We caution readers not to place any undue reliance on any forward-looking statements. Forward looking statements are only our predictions based on current information and involve numerous assumptions, risks and uncertainties including, without limitation, changes in the availability of credit, demand and supply of ethanol, corn production, plant operations and the actions of regulatory authorities. Our actual results or actions may differ materially from these forward-looking statements for many reasons, including risks associated with the ethanol industry generally, and the ability of the company to timely meet all requirements of financing and construction of the plant. We undertake no responsibility to update any forward-looking statement.

Additionally, certain information contained in this newsletter was obtained from our own research and other sources believed to be credible and reliable. In particular, we have used information provided by trade organizations for the ethanol industry, which may present information in a manner that is more favorable to that industry than would be presented by an independent source. Although we believe our sources are reliable, we have not independently verified such information and make no guarantees as to its accuracy or completeness.



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