



Confidential LACP Member Information Only

Enclosed you will find a disbursement of \$0.10 cents per capital unit for Lake Area Corn Processors, LLC members of record as of January 1, 2005. The total for this disbursement to LACP members was \$2,962,000.00. There has been a total of \$20,882,100.00 paid to members of Lake Area Corn Processors since February 2002.

We thank you for your investment and the trust you have towards the dedicated group of employees at Dakota Ethanol, The Board of Managers and The Broin Companies.

Capital Units Trading for the current trimester ended on February 17, 2005 due to the fact there were no offers left to sell after matching on that day. The last day to list capital units for sale this trimester was February 14, 2005. Preliminary matching information had 123,940 capital units traded with an average of approximately \$1.63 per capital unit. The effective date of all trades and transfers will be May 1, 2005. This current trimester saw lower volume and higher prices. The next opportunity to trade will begin on May 1, 2005, or the beginning of the next trimester. All members should have received your tax statements from Lake Area Corn Processors, LLC by this time and if you have any questions or concerns, please don't hesitate to contact us.

The Nominating Committee of Lake Area Corn Processors, LLC has begun the nomination process to fill the three (3) open seats on the Board of Managers (the "Board") for the expiration of the terms for Todd Brown, Brian Woldt, and Dale Thompson. All three incumbents have filed petitions to seek re-election. Their terms expire on June 10, 2005, the date of the 2005 annual meeting. If you have an interest in serving as a board member, or if you know someone who might be interested, please contact Alan May, Membership Coordinator, at Dakota Ethanol at 605-483-2676 or 1-888-539-2676. The deadline for submitting potential nominations and returning the application package is March 1, 2005.

If you have corn to market, please give us a call. We want to remind our members that we take open offers on your corn, which is handy when the market rallies, while you're not able to watch the markets. The markets have the potential to move wildly during the trading session and yet could settle near unchanged, especially in a sensitive "weather market". Please be mindful of your committed deliveries scheduled for this summer & fall; for those of you who have a scheduled delivery in the LH of August 2005, you will have another delivery in FH September 2005 as you rotate to the front of the schedule. Please keep this in mind and factor into your marketing plans to be sure and have enough corn available to meet both deliveries. Remember, you are able to forward contract your committed bushels. Please call Paul or Andrea for details on marketing options.

Please make note of our limited delivery hours on wet corn. We know your time is valuable and we don't want you to sit here waiting to dump because we are out of room for wet corn. We are seeing a lot of wet corn trying to move to town. A lot of you ask, "why can't we take more wet corn?" We simply can not maintain our current high level of productivity and efficiencies while processing more wet corn. Dakota Ethanol has no drying facilities and must slowly blend to maintain an even flow of dry corn into the ethanol making process. We are limited to the amount of wet corn we can accept by our capability to blend off and still maintain a consistent grind going into the process. We would certainly recommend giving us a call ahead of time if you have wet corn to market. Your cooperation and understanding is greatly appreciated. You may access our daily markets on the web at www.dakotaethanol.com or sign up to receive the daily market and comments via e-mail. You may also tune in to The Bottom Line report two times daily for market commentaries, along with live comments over the noon hour from Dakota Ethanol, on KJAM radio. Simply give us a call for current markets and options available when you have corn to market.