

# LAKE AREA CORN PROCESSORS, LLC



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January 2018

## Capital Expenditure and Expansion update from Scott Mundt – CEO

A 40 million gallon per year plant expansion has been approved by the board with a cost of approximately \$33 million dollars. Engineering and design work will take place over the next few months with construction starting in the spring of 2018. The full expansion is expected to be on line in the second quarter of 2019. Production capacity after the expansion is expected to be about 90 million gallons of ethanol per year. We plan to fund the expansion project with a combination of cash from operations and debt in the form of a long-term revolving note.

Many projects completed in recent years were necessary and supportive of the decision to expand ethanol production. Some of these projects include increased ethanol storage, upgraded ethanol loadout capability, and increased rail for unit train shipments. We look forward to the improvements anticipated with the expansion project including increased efficiencies in labor and reduced overhead associated with increased throughput.

## Nomination Committee

It is not too early to consider serving on the nomination committee meeting for the Lake Area Corn Processors, LLC. Two directors will be elected in 2018 at the annual meeting scheduled for April 17, 2018. If you have an interest in serving on the Nomination Committee or seeking election to the Board, contact our office.

## Winter Address

If you are going to be temporarily away this winter, please notify us of your address if you wish to receive correspondence. A great way to keep in touch is also via the internet at [www.dakotaethanol.com](http://www.dakotaethanol.com).

## LACP Capital Units

Below is a trading re-cap for 2017. As there are 29,620,000 outstanding LACP Capital Units, you can see the volume traded is very small and may not be representative of all units if they were traded.

Trading period	Low	High	Ave	CU Volume
Jan - Mar 2017 (eff Apr 1, 2017)	\$4.15	\$4.15	\$4.15	10,500
April - June 2017 (eff July 1, 2017)	\$3.86	\$4.10	\$3.91	65,000
July -Sept 2017 (eff Oct 1, 2017)	\$3.50	\$3.51	\$3.51	20,000
Oct - Dec 2017 (eff Jan 1, 2018)	\$3.49	\$3.50	\$3.49	7,500

For more details on Lake Area Corn Processors, LLC trading please contact Variable Investment Advisors at 1-800-859-3018 or visit their website at [www.agstocktrade.com](http://www.agstocktrade.com), or contact our office.