



## GLACIAL LAKES CORN PROCESSORS

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August 25, 2016

Dear GLCP Shareholder:

Our success for creating value from your investment in Glacial Lakes Corn Processors (GLCP) and the ethanol industry continues!

After record setting earnings in 2014 and 2015, fiscal 2016 began flat and continued that way through the first three quarters ending May 31, 2016. Stronger crush margins peaked just long enough in June for our risk management team to lock in some very nice profits for the final quarter. In addition, our investment in enhanced grind capabilities in Mina and increased oil separation capacity in both our Watertown and Mina plants have also assisted with our favorable financial performance.

Your Board of Directors and Management team continues a balanced strategy of paying a competitive dividend while reinvesting a portion of our earnings back into the plant operations to remain competitive, to diversify and capitalize on market opportunities, and to maintain our current success.

As a result of the aforementioned efforts and strategies, the Board of Directors has **declared a patronage (cash) dividend of \$0.06 per share to shareholders of record as of August 31, 2016, which will be paid in early October 2016.** This will result in a total distribution of \$11.2 million in cash and will increase the amount of cash paid out since January 2014 to over \$100 million.

As I've said before, in the commodities business nothing is predictable except that markets change. Our Board of Directors and Management will continue a diligent and focused effort to return value on your investment. In the upcoming months, we will evaluate our profitability, capital expenditure needs, and market conditions and make additional distributions when appropriate.

If you or someone you know is interested in purchasing GLCP shares, our stock is traded on [www.Agstocktrade.com](http://www.Agstocktrade.com) or you can call (800) 859-3018

On behalf of the Board of Directors and our employees; we thank you for your support!

Sincerely,

**GLACIAL LAKES CORN PROCESSORS**

A handwritten signature in blue ink that reads "James A. Seurer". The signature is written in a cursive style.

James A. Seurer  
Chief Executive Officer

(over)

## Cautionary Statements Regarding Forward- Looking Statements

This document contains forward-looking statements involving future events, future business and other conditions, our future performance and our expected future operations and actions. In some cases you can identify forward-looking statements by the use of words such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” “predict,” “hope,” “should,” “could,” “may,” “future,” “continue,” “potential” or the negatives of these terms or other similar expressions. These statements are based on management’s beliefs and expectations and on information currently available to management.

Forward-looking statements are only our predictions and involve numerous assumptions, risks and uncertainties. Important factors that could significantly affect future financial condition and results include, among others, operating margins in the ethanol industry, the rapid pace of expansion in the industry, the cost of corn and the price of ethanol, changes in ethanol supply and demand, changes in current legislation or regulations that affect ethanol supply and demand, disruptions to infrastructure or in the supply of raw materials, the results of our risk management and hedging transactions, and ethanol industry valuations generally.

**Our actual results or actions may differ materially from those set forth in the forward-looking statements for many reasons, including events that are beyond our control or assumptions not proving to be accurate or reasonable. We caution you not to put undue reliance on any forward-looking statements, which speak only as of the date of this document. We cannot guarantee our future results, levels of activity, performance or achievements.**