



www.ringneckenergy.com

info@ringneckenergy.com

605.258.2900 • Onida, SD

IMPORTANT NOTE: Proposed investors should expect to receive an amendment and supplement to update them on project development and changes to the offering. If you do not receive the packet in the mail by July 5, please call the Ringneck Energy office at 605.258.2900.

Construction wait down to the details

Permitting, equity raise nearing completion

A few final details remain to be wrapped up before the green flag drops on construction of the plant.

One remaining item is final approval of the plant's air permit by the South Dakota Department of Environment and Natural Resources. Concerns expressed by plant neighbors have led to scheduling of a hearing on issuance of the permit. We believe the petitioners have failed to meet the requirements to request a hearing on the permit and asked for a dismissal of the hearing and request that the SDDENR issue the permit immediately. A pre-hearing conference has been scheduled for July 6 with the appointed hearing chairman. At that time we will present our case that the petitioners have not met the requirements to call for a hearing.

The permit application has been reviewed by the staff of SDDENR, and they have recommended that the permit be approved as written. We expect that the permit will be issued once the hearing concerns are addressed. However, we can't provide any assurance as to the outcome of the pre-hearing conference.

Ringneck has also made significant progress toward putting the final equity pieces in place, but due to the rapidly approaching July 31 deadline, we are extending the offering another 6 months to ensure we reach closing and to allow time to complete the air permit process. While this represents a delay in our original intentions for closing the offering, we have a lot of great partners involved in this project and thank you for your continued dedication and support. Additional information on the extension of the offering will be mailed to investors in the coming week.

Site ready for the go-ahead

A.G.E. Construction is working toward a July 15 deadline for the completion of Phase One areas of the civil work on site. In the last month, they have installed all Phase One storm drain fixtures. The contractor has completed the shaping of the roads and much of the Phase One laydown areas. The geogrid underlayment and a 12-inch layer of coarse rock has been placed and compacted on the roads. Rocking of the laydown areas will begin soon.

The berm shaping is complete on the north end of the site and seeding will soon be underway. The goals for A.G.E. Construction are to have the site work base contract complete by the end of July.

Other site dirt work will soon begin on the railroad construction as well as the over excavation to the energy center and backfill to prepare for its construction, said Tim Griffin, Fagen Inc. project manager.

In speaking with several vendors that will be supplying equipment for the ethanol process, we have found that many improvements have been made since the last ICM plant was built that will reduce energy consumption and increase throughput. "This confirms my thoughts that this will likely be the most efficient plant that ICM and Fagen have ever built," said Walt Wendland, Ringneck Energy president & CEO.

Positive changes

Overall changes in the nation's economy are also having a positive impact on Ringneck Energy. Railcar leases were quoted 18 months ago at \$1,500 per car and a \$1 million deposit. Now the cost for cars has dropped into the \$500 range with no deposit. That is an annual savings of around \$2.4 million per year. Also the railroad construction bids were estimated at \$5.2 million, and we have received bids to complete the project at \$3.7. With the slowdown in rail freight, the railroads are willing to buy down rates to lock in our business as we are very desirable customer, consistently shipping more than 300 cars per month.

The demand for ethanol continues to climb, as does the production of corn. This is the perfect scenario for our facility.



Board of Directors:

President, CEO, & Chairman

Walt Wendland

Secretary/Treasurer & Director

Janet Wendland

Directors

Ed Eller

Jeff Goebel

Kenton Johnson

Pat Voorhees

Gary Wickersham

Kirk Yackley

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 70 million gallon per year of bio-fuel ethanol focusing on the local, regional and national markets by the spring of 2017.
- 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.

Address:

PO Box 68
215A South Main
Onida, SD 57564
605-258-2900

Market outlook around the world

Ringneck Energy President & CEO Walter Wendland is optimistic about the market conditions that will greet Ringneck Energy when it begins construction, with China becoming a major importer of American ethanol and Europe potentially dropping tariffs that have been a damper on that market.

Pacific Rim

In just two years, China has gone from importing no ethanol from the United States to becoming a major market. In the first quarter of 2016, the nation, which has also put into place ethanol blend mandates in six provinces, has imported as much ethanol as it did in all of 2015. In March 2016, China imported 36 million gallons of ethanol from the United States, a third of our total ethanol exports.

The Oil & Gas Investments Bulletin from June 2 indicated that this current uptick in Chinese ethanol imports, along with the country's potential for growth in the number of vehicles and fuel usage, could have a long-term positive impact on US ethanol profits.

The transition of a transloading station in Port Westward in Oregon from crude oil handling to ethanol would be especially helpful for producers in the western part of the US such as Ringneck in reaching Asian markets.

Europe

After enacting high tariffs on American ethanol in 2013, the European Union may soon lift those tariffs as a result of a European court decision to nullify the anti-dumping duty. While the case could still be appealed, leaving a final determination 30-60 days away, if the tariffs are rescinded, the EU would again present a significant export opportunity for our ethanol.

Domestic

With the EPA's announcement of the 2017 RVO, mandated ethanol usage in the United States will increase from the previous year's requirement. While the RVO announced in late May is still short of the original targets outlined in the Renewable Fuels Standard legislation, it does mark continued increases in use of both corn-based ethanol and other versions of the renewable fuel. The EPA is accepting comments on the 2017 RVO proposals through July 11.

Growth Energy is asking our members to submit comments to the EPA through its website at www.growthenergy.org/takeaction.

"Exports are good, and we are making headway on breaking through the blend wall," says Walt Wendland, Ringneck CEO and president, "which is great, because we need both exports and domestic market growth to create a profitable market for our production."

DISCLAIMER

This newsletter is for informational purposes only and does not constitute or form part of, and should not be construed as, any offer for sale, or any invitation to offer to buy, any securities of Ringneck Energy LLC, nor should it be relied on in connection with any purchase or sale of securities whatsoever. Any offer or invitation for offers to buy will be made only by means of Ringneck Energy LLC's official private placement memorandum and only in accordance with the terms of all applicable securities and other laws.

This newsletter contains historical information, as well forward-looking statements about Ringneck Energy LLC and our future performance and prospects, project financing, 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 own research and other sources believed to be credible and reliable. However, we have not independently verified the information. 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 these sources are reliable, we have not independently verified the information and make no guarantees as to its accuracy or completeness.