

NORTHEAST MISSOURI GRAIN, L.L.C.

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NORTHEAST MISSOURI GRAIN, LLC OUR STORY

Missouri is fortunate to have an ultra-modern corn-to-ethanol motor fuel refinery, near Macon. NEMO Grain started operations May 8, 2000. The plant is 82%-owned by a group of 310 Missouri corn farmers, who organized the first "New Generation Cooperative" in Missouri, Northeast Missouri Grain Processors, Inc., to invest in this ethanol plant. The other non-producer investors include Broin Enterprises, Inc., Scotland, SD, Corn Energy Investors, Sioux Falls, SD, Missouri Corn Merchandising Council, and Ralls County Electric Cooperative. The group formed Northeast Missouri Grain, LLC, to operate and manage the plant.

A small group of interested farmers, headed up by John Eggleston, Memphis, MO, began the long, arduous task of laying the groundwork for this venture, a full 5 years prior to the groundbreaking, which was held in April, 1999. John and this group, including Grover Ganum, Gordon Spilker, and others, traveled thousands of miles, donated a tremendous amount of their time, and literally "educated" folks from Jefferson City, to the county and city levels, about the needs and benefits associated with a dry-mill ethanol plant.

The initial plant took a year to build. The plant sat on 40 acres, located 4.5 miles east of Macon. Broin and Associates, the design-builder of the plant, was the general contractor. The plant was "nameplated" at 15 million gallons per year of fuel ethanol production. The initial plant employed 28 employees, and exceeded its design capacity after only 7 days of production! NEMO Grain has consistently increased its production and ethanol yield to the point that, just prior to the completion of the plant expansion in April, 2003, this original 15 million gallon plant was producing a whopping 23 million gallons per year of ethanol!

The plant expansion, begun in April 2002, brings the new "nameplate" up to 36 million gallons per year. The strength of the Broin and Associates design, the support of the Broin and Associates R&D group, and the skill of the NEMO Grain team of employees, already has the plant producing over 43 million gallons per year. The expansion included the purchase of another 68 acres of adjoining land, bringing the total to 108 acres.



"Missouri's Premier Value-Added Ethanol Plant!"

Most of the ethanol produced at the NEMO Grain plant is shipped by truck to ready markets in the St. Louis area. The plant also has equipment in place to load tanker rail cars of ethanol. Ethanol Products, Wichita, KS, markets all the ethanol from NEMO Grain.

A co-product, distillers dried grain with solubles (DDGS), is an important product stream from this plant. This high protein, highly palatable feed product, is sold to area dairies, cattle feeders, feed millers, pork producers, poultry producers, and others who find that this product easily produces an economical feedstuff. DDGS is readily available year round, from the Macon plant. NEMO Grain produces 136,000 tons of DDGS Plus per year. The DDGS is shipped by both truck and rail to ready markets in Missouri and other states. The DDGS produced at this plant has a consistent nutrient profile and color that has resulted in its being branded and sold under the premium trademark name, "Dakota Gold Plus". Dakota Commodities, Scotland, SD, markets all distillers grains from the NEMO Grain plant.

The plant expansion also included the addition of a carbon dioxide liquification plant. CO₂ is a natural byproduct of fermenting corn to make ethanol. The CO₂ plant cleans, liquefies, and stores food grade liquid CO₂ for sale to food, meat, poultry, soft drink, and industrial gas companies, within a 400-mile radius of Macon. This plant has a capacity of 400 tons per day, 7 days per week. NEMO Grain owns a modern truck terminal, on-site, from which all this CO₂ product is dispatched. Ethanol Products CO₂, Wichita, KS, markets all our CO₂.

NEMO Grain uses 43,000 bushels of corn per day, EVERY day, or about 15.5 million bushels per year. All corn is delivered by truck, however the plant can receive by rail as well. NEMO Grain is a major corn market in northeast Missouri, pulling corn from a 120-mile radius around Macon. The NEMO Grain cooperative members deliver corn to the plant throughout the year, in quantities tied to the amount of their investment in the plant. It is important to note however, that ANY CORN GROWN IN MISSOURI CAN BE SOLD AT NEMO GRAIN. ONE DOES NOT HAVE TO BE A MEMBER OF THE CO-OP TO SELL AND DELIVER CORN TO THE PLANT! NEMO Grain buys corn on the spot market, or will contract for corn up to 12 months in advance.

NEMO Grain has entered into a joint venture with the City of Macon on a natural gas-fired turbine generator, "Energy Center". This equipment is located just north of the ethanol plant, on NEMO Grain property. This major project includes a 10 megawatt electric generator, which generates most of the power required by the City of Macon, and a large steam boiler, which gets its heat source from exhaust of the jet engine that powers the generator. About 60% of the ethanol plant's steam requirements come from this boiler, in return for the ethanol plant's purchasing the waste exhaust heat from the City, to power the boiler. This is a prime example of a major area industrial business working together with a unit of government, for the common good of both entities.

NEMO Grain is a major economic engine for northeast Missouri and the entire state. The plant, as it operates today, has the following economic impacts on Missouri's economy:

- a. Impacts over 1900 jobs from the trickle effect of corn, goods, and services purchased within Missouri.
- b. Has increased the corn basis level by at least 20 cents per bushel in our entire area. This equals another \$17 million in income for area farmers. This added income turns over at least 7 times as it is spent by these families in Missouri towns, for goods and services.
- c. The plant spends at least \$18 million per year on goods and services from Missouri vendors, not including purchased corn.
- d. The plant spends up to \$40 million per year for corn grown on Missouri farms.
- e. NEMO Grain's annual payroll is \$1.8 million. The operation now employs 40 full-time and 3 part-time employees. In addition, we normally employ 2-4 college interns each summer. These are all good jobs, with good pay and benefits. The operation runs 24/7, year round.
- f. The plant has attracted a captive trucking company which hauls all of the CO₂ produced here. This company, CO₂ Transport, Inc., operates from a leased terminal on NEMO Grain's property. Ten tractor-trailers are dispatched daily to deliver all the product. They employ 12 full-time people, with an annual payroll of \$500,000.
- g. Over 90% of the ethanol produced at NEMO Grain stays within Missouri. This is ethanol that replaces motor fuels that used to be imported from other states, thereby keeping this revenue stream in-state.

NEMO Grain has a sizable investment in northeast Missouri. We have completed a major expansion of our plant. We believe in the future of agriculture in Missouri. We know that value-added processing is one of the few ways that farmers can cement a solid economic future for themselves and their communities. What is good for rural America is good for America, period. NEMO Grain, LLC is doing its part to keep rural America alive and well!