

Celebrating 30 Years of Growth, Community & Innovation

Chippewa Valley Ethanol Company

1996 - 2026



GENERAL MANAGER'S MESSAGE, Chad Friese

Spring is a time of growth and opportunity, and for the team here at CVEC we have been busy reviewing both. Growth comes with change, so while we prepare to celebrate 30 years of

operating the plant, we also celebrate those that got us here. As the operating year continues to fly by, we have a few staff members looking toward retirement. This brings opportunities for our knowledgeable staff to take on new challenges and responsibilities. Our team is a huge part of our success and putting the right people into the right opportunity to continue that success has taken some good discussion and contributed to that "oh it's May already". Thank you to staff, shareholders and board for your persistent efforts.

Our staff has done a phenomenal job, and the plant is running strong. Our first six months of operations show we are on very solid footing, financially stable and operationally efficient. With strong yields in both ethanol and corn oil, and steady market demand, we are well positioned for the second half of the production year.

We are constantly evaluating how to modernize aging infrastructure and reduce carbon intensity. CVEC continues to focus on corn oil extraction. We just finished the replacement of two decanters to gain more efficient performance, improve yields and capture additional revenue in a market where corn oil

prices remain very strong. This continues to build on the equipment installed last Spring. We also have several projects we are reviewing and discussing with the board to make continued improvements and efficiency with thoughts toward our next 30 years of operation.

Our investments in Guardian and Ringneck continue to show benefits through ongoing production growth and a focus on efficiency. Each of the plants have ongoing projects that will expand production and support long-term operations.

While conversation around carbon intensity sometimes feels muted, the ethanol industry has been leading this charge for decades through efficiency in energy and water usage. As we continue exploring ways to impact our carbon footprint, we will continue to communicate any efforts that our corn producers may make that could contribute to this and impact value for all involved. We believe there could be a significant opportunity to engage with our local producers and educate policymakers on what programs and tracking methods can be truly effective for the future.

Future growth and carbon reduction efforts rely on a team approach between producers, processors, and policymakers. We may not know exactly what every fuel of the future looks like, but we know ethanol will be a part of it: Cleaner. Cheaper. Greener.

Thank you for your support, your hard work, and your belief in a better tomorrow. Have a safe and productive Spring!



COMMODITY COMMENTS, Brody Padgett

As I write this update, local planting progress is beginning to accelerate, even under less-than-ideal conditions. Unseasonably cool

temperatures have kept many growers waiting for warmer weather, but with little relief in the forecast, the calendar dictates it's time to move forward.

Nationally, U.S. corn planting progress stands slightly ahead of the five-year average. With average to below-average precipitation forecast in many areas, planting should continue with minimal delays. Corn markets have rallied solidly since the January lows. Managed money has built a decent net long position and retains room to add more. Fundamentally, we continue to carry ample old-crop supplies, yet demand remains excellent on both the export and domestic fronts (feed and ethanol). Crude oil prices have nearly doubled since the start of the Iran conflict, making ethanol highly competitive both domestically and in foreign markets.

Dry conditions are a growing concern across western states including Nebraska, Kansas, and the southern half of South Dakota. These areas will need timely rains to support emerging crops. Meanwhile, declining U.S. wheat condition ratings are lending additional pricing support that is spilling over into the corn market.

We are also heading into an El Niño summer, which historically brings hotter and drier conditions to parts of South America. Mato Grosso in Brazil is currently trending dry—a key area to watch in the coming weeks as the market focuses on the developing safrinha corn crop.

Please feel free to call with any questions regarding shareholder delivery or to discuss the various contracting options available at CVEC. Note that sign-up for the Flexible Pricing Option for next year's shareholder delivery will begin in mid-July. Sign-up information will be mailed out with Benson Corn Pool enrollments and will be due by the end of August.



Board of Directors

Harmon Wilts
Chairman, District 2

Tom O'Leary
Vice Chairman, District 2

Doug Schliep
Secretary, District 2

Chuck DeGrote
Treasurer, District 3

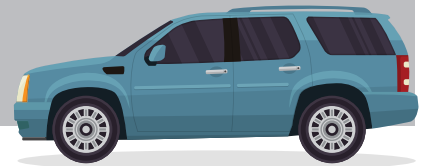
Richard Syverson
District 1

Dale Hansen
District 3

Greg Fynboh
District 1

John Luepke
District 3

Brad Vold
District 1



What is E15?

A fuel blend containing 15% ethanol and 85% gasoline. It contains slightly more ethanol than regular E10 gasoline blend found at most pumps today.

Can I use it?

E15 is legally approved for use in 2001 & newer light-duty vehicles and all flex-fuel vehicles on the road today.

Is it cheaper?

Yes! E15 typically sells at an average 8% discount to regular gas. E15 is normally 15-40 cents per gallon cheaper than E10.

Same fuel economy?

E15 has a 1.5% less energy per gallon than E10, but drivers rarely notice any impact on fuel economy (MPG).

97%

of vehicles on the road today are legally approved

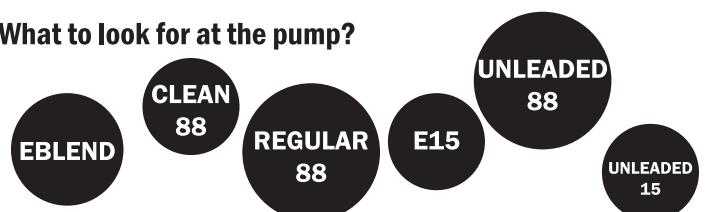
180

billion miles logged by consumers without any issues

-8%

average price discount vs regular gasoline

What to look for at the pump?



Source: Renewable Fuels Association

DELIVERY NOTICES START WITH THE LETTER "N" FOR 3RD TRIMESTER FY2026 beginning June 1, 2026. CVAC will be calling in 30% of total corn deliveries for 3rd trimester of 2026. Open delivery will continue and any shareholders who own 50,000 shares or more will have two weeks in which to deliver their corn.

The ENROLLMENT LETTER for Benson Corn Pool and the Flexible Pricing Program will be mailed to all members mid-July. This is the time to remove or enter any bushels into BCP and FPP for FY 2027. Changes are due by August 31.

DIRECT DEPOSIT is available for all corn deliveries and CVEC distributions. If you're interested in direct deposit, please call the CVEC office at 320-843-4813.

To all SHAREHOLDERS: We ask that you please take a minute to contact the CVEC office at 320-843-4813 to update your contact information.



REMINDER: INFORMATIONAL MEETING is scheduled for Thursday, September 10, 2026 at McKinneys on Southside, Benson, MN.

New!

You can now post public OFFERS TO BUY SHARES on our website under the 'Members' tab. Call our office for more information.

CVEC Financial Statements are located online at www.cvec.com. Use Password: CVEC\$

The CVAC Board of Directors has determined that there will not be a May DISTRIBUTION. While the year has started off well and the future outlook is promising, we continue to evaluate future projects at the plant. Likewise, our outside investments have shown good income, but are not making cash distributions as they focus on minimizing debt while pursuing future projects.



CHAIRMAN'S CHAT, Harmon Wilts, CVAC Chairman

Big thank you to Jan Lundebrek and Dan Benson for their many years of service on our board. Jan was on the board from the beginning and was a very good steady hand helping guide the board over the years. Dan's 27 years of service helped guide CVEC to its' success today. Enjoy your retirement.

Margins are very good this year. Our main board focus is keeping our Benson facility up to date and strategic growth for the future. Our goal is to grow gallons and be in the top 25% of the industry with profit or better. We are investing a great deal of time in how to grow the plant. Thank you for your input to those that took the survey. As we move forward we'll discuss expanding the Benson facility. This would be a significant expansion, and we will provide more details at the September shareholder

meeting. Our Guardian investment plants are expanding. The largest being in Hankinson, ND, which is adding 100 million gallons. Our investment in the Guardian plants has been very good for us and will continue thanks to good management, demand for ethanol, and the 45Z tax credit.

Your board approved a large energy project putting in two new boilers and two new steam turbines to reduce energy need at the plant by 70%. Our corn oil project from last year is really paying off with high yields in a great market.

The board has decided to not pay a spring distribution and rather focus our efforts on the fall distribution, but because of our plant's diversification we continue to make good money. Thanks for your patience.

Unleaded 88 (E15) and exports have helped the demand for ethanol in 2025 and into 2026. Unleaded 88 (also known as E15) has 15% blend of ethanol versus 10% blend in unleaded 87. By law, cars that are 2001 or newer can safely utilize Unleaded 88 and save significant money at the gas pump. Exports are up significantly due to several countries recognizing ethanol as a way to improve their environment while saving money versus fossil fuels.

I also want to comment on the fact that we have an excellent board that is focused on CVEC and shareholders as we continue to move forward. We have one of the best management teams and staff in the country. We look forward to seeing everyone on September 10 for our informational meeting.



CHIPPEWA VALLEY ETHANOL COMPANY
270 20th St NW | Benson, MN 56215

Save the Date



30 YEARS STRONG. POWERED BY OUR FARMERS. FUELED BY OUR FUTURE.

Join us in *Celebrating 30 Years*

For three decades, Chippewa Valley Ethanol Company has proudly supported our farmer-owners, strengthened rural communities and advanced renewable energy.

We invite you to celebrate this milestone with us!

— EVENT DETAILS —

Location:

Chippewa Valley Ethanol Company
270 20th St NW
Benson, MN 56215

Date:

June 18, 2026

Time:

Food served 12:00-2:00pm
Open House 11:00 to 2:00pm

— WHAT TO EXPECT —



Connect with our team and learn about our operations



Information displays and facility tours



Enjoy a meal and visit with friends



Celebrate our cooperative community



Honoring the 900+ cooperative members who make it all possible