



10/22/2025

Dear Ms. Caylen,

It is my understanding that you are assisting Tom Mars, who owns some shortline railroads and is proposing to reactivate a portion of the Napa-Platte rail line. It is also my understanding that as part of his proposal Mr. Mars needs to know if Farmers Pride Cooperative will utilize this line, if it is reactivated. By this message I am informing you that Farmers Pride will in fact ship agricultural products on the line, subject to the requirement described below.

The Napa-Platte line has for years suffered such mismanagement and neglect that potential shippers have given up on ever using it. For this line to be a feasible option, Farmers Pride will need to develop a facility near Avon, SD that is capable of loading grain shuttle trains. The expense of such a facility is so great that a partner may have to be brought in to help with the cost.

I cannot in good faith commit the resources of the Cooperative's members, or the resources of a potential partner, without the issue of prior mismanagement being resolved. The owner of the track is the State of South Dakota. As owner, South Dakota will need to rebuild and upgrade its track to a standard that will accommodate shuttle trains and do so as far as the Avon vicinity. If Mr. Mars can obtain certification from the State that it will rebuild the track, I will then have the confidence to begin planning a grain facility. In the current environment utilizing the line to help reduce the cost for shuttle train is a must. We just invested a large sum of money in Avon off the rail. However, look forward to working on a beneficial project to help the farmers in this area.

I look forward to working with you and Mr. Mars on this project.

A handwritten signature in black ink that reads "Dean Thernes". The signature is fluid and cursive.

Dean Thernes
President, Farmers Pride Cooperative