

Bonanza BioEnergy LLC

For the Three Months Ending Mar 31, 2011

	Current	Prior Month	Prior Year
ASSETS			
Current Assets			
Cash & Equivalents	\$8,943,450.55	\$6,692,541.65	\$4,952,027.37
Accounts Receivable - Trade	1,625,460.40	1,688,865.63	3,428,360.20
Accounts Receivable - Other	3,934,440.87	5,241,880.96	1,333,658.32
Accounts Receivable - Allowance for Bad Debt	(85,365.97)	(80,882.36)	(40,916.27)
Total Accounts Receivable	5,474,535.30	6,849,864.23	4,721,102.25
Inventory - Corn	414,201.54	509,460.15	358,645.30
Inventory - Sorghum	388,779.17	570,704.62	417,778.64
Inventory - Chem, Enzymes & Yeast	326,568.86	288,870.63	277,549.90
Inventory - Denaturant	228,655.54	207,838.82	167,960.24
Inventory - Work In Process	1,588,322.21	1,462,947.97	990,646.04
Inventory - Spare Parts	377,123.32	420,010.88	344,118.00
Inventory - Ethanol	828,320.46	1,787,151.52	1,067,298.89
Inventory - DDGS	6,871.00	0.00	81,200.00
Inventory - DWG	0.00	53,430.00	53,040.00
Total Inventory	4,158,842.10	5,300,414.59	3,758,237.01
Prepays	377,765.38	394,552.16	423,338.50
Hedging Accounts at Market	1,814,160.47	924,143.36	3,420,117.58
Total Other Current Assets	2,191,925.85	1,318,695.52	3,843,456.08
Total Current Assets	20,768,753.80	20,161,515.99	17,274,822.71
PPE-Land and Buildings - Net	15,206,003.80	15,269,257.96	15,901,053.70
PPE-Machinery & Equipment - Net	45,987,449.26	46,331,558.40	49,934,705.43
PPE-Office, Computers & Software - Net	28,295.52	29,472.93	15,235.81
PPE-Vehicles - Net	7,508.36	7,650.02	0.00
Total Property, Plant and Equipment - Net	61,229,256.94	61,637,939.31	65,850,994.94
Other Assets	3,209,150.74	3,215,014.22	494,711.95
Investment in Conestoga	1,261,461.37	1,174,610.89	778,674.59
Investment in Farm Credit Services	1,000.00	1,000.00	1,000.00
Total Other Assets	4,471,612.11	4,390,625.11	1,274,386.54
TOTAL ASSETS	86,469,622.85	86,190,080.41	84,400,204.19
LIABILITIES & EQUITY			
Current Liabilities			
Accounts Payable	1,668,101.83	1,589,493.05	1,492,330.82
Accruals	2,495,928.38	2,452,375.00	1,083,539.90
Current Maturities of Working Capital	0.00	0.00	745,979.60
Current Maturities of Senior Debt	7,068,620.00	7,068,620.00	7,068,620.00
Current Maturities of Sub Debt	321,428.61	321,428.61	0.00
Total Current Liabilities	11,554,078.82	11,431,916.66	10,390,470.32
Long Term Senior Debt	26,275,260.86	27,566,950.00	31,790,800.00
Long Term Sub-Debt	2,678,571.39	2,678,571.39	3,000,000.00
Total Liabilities	40,507,911.07	41,677,438.05	45,181,270.32
Equity	38,516,458.50	38,516,458.50	38,516,458.50
Retained Earnings	5,310,297.54	5,310,297.54	(894,371.03)
Current Year Income	2,134,955.74	685,886.32	1,596,846.40
TOTAL LIABILITIES & EQUITY	86,469,622.85	86,190,080.41	84,400,204.19

Bonanza - Income Statement

Variance greater than 10% explained below

\$000s

	Budget		Q1 Actual		\$ Diff	% Diff
	\$	Per Gallon	\$	Per Gallon		
					\$	Per Gallon
Revenues						
Ethanol	28,868	\$ 2.03	36,684	\$ 2.46	7,815	0.52
DDGs	-	\$ -	-	\$ -	-	-
WDG's	4,986	\$ 0.35	7,773	\$ 0.52	2,786	0.19
Other	30	\$ 0.00	-	\$ -	(30)	(0.00)
Total Revenues	33,885	\$ 2.38	44,456	\$ 2.98	10,572	0.71
COGS						
Feedstock						
Total Feedstock	24,793	\$ 1.74	34,848	\$ 2.34	(10,055)	(0.68)
Natural Gas	1,251	\$ 0.09	1,100	\$ 0.07	151	0.01
Denaturant	556	\$ 0.04	742	\$ 0.05	(186)	(0.01)
Chemicals				\$ -		
Fuel (Non-Denaturant)	-	\$ -	21	\$ 0.00	(21)	
ABS	-	\$ -	9			
Chemicals	8	\$ 0.00	22	\$ 0.00	(14)	(0.00)
Urea	91	\$ 0.01	101	\$ 0.01	(10)	(0.00)
Antibiotics	32	\$ 0.00	57	\$ 0.00	(26)	(0.00)
Yeast	36	\$ 0.00	32	\$ 0.00	4	0.00
Ammonia	45	\$ 0.00	59	\$ 0.00	(14)	(0.00)
Sulfuric Acid	15	\$ 0.00	36	\$ 0.00	(21)	(0.00)
Caustic	43	\$ 0.00	58	\$ 0.00	(15)	(0.00)
Enzymes	663	\$ 0.05	633	\$ 0.04	30	0.00
Total Chemicals	932	\$ 0.07	1,029	\$ 0.07	(96)	(0.01)
Water	105	\$ 0.01	99	\$ 0.01	6	0.00
Electricity	480	\$ 0.03	537	\$ 0.04	(57)	(0.00)
Total COGS	28,118	\$ 1.97	38,355	\$ 2.57	(10,237)	(0.69)
Gross Profit	5,767	\$ 0.40	6,101	\$ 0.41	334	0.02
Total Fixed Costs - Operation	3,110	\$ 0.22	3,681	\$ 0.25	(571)	(0.04)
EBIT	2,657	\$ 0.19	2,420	\$ 0.16	(236)	(0.02)
Interest Costs	586	\$ 0.04	285	\$ 0.02	301	0.02
Net Income	2,070	\$ 0.15	2,135	\$ 0.14	64	0.00
EBITDA	3,897	\$ 0.27	3,911	\$ 0.26	14	0.00
EBITDA - Debt Service	2,045	\$ 0.14	2,050	\$ 0.14	5	0.00

Est Gallons	Act Gallons
14,256	14,895

	YE 2009	YE 2010	Q1 2010	Q1 2011
Revenue	112,837.77	120,694.42	28,014.83	44,456.27
Gross Profit	20,742.79	20,146.50	4,976.99	6,101.36
Net Profit	7,651.73	6,204.67	1,596.85	2,134.96
EBITDA	15,159.99	13,479.31	1,342.23	3,910.86
EBITDA - Debt Service	10,072.23	5,844.07	694.02	2,050.03
Senior Debt / Gallon	\$ 0.61	\$ 0.51	\$ 0.58	\$ 0.48

	YE 2009	YE 2010	Q1 2010	Q1 2011
Senior Debt	33,480.34	27,989.34	31,790.80	26,275.26
Current Maturities of Senior Debt	7,068.62	7,068.62	7,068.62	7,068.62

Bonanza - Cash Flow

Beg Cash 1/1/2011	3,549.11
End Cash 3/31/2011	8,943.45

CASH FLOW STATEMENT

Net Income	2,135
Depreciation	1,226
Amortization	18
<i>Changes in Working Capital</i>	
DSR	0
Margin Account	0
Accounts Receivable	1,782
Inventory	1,601
Prepaid & Commodity	(453)
Other Assets	(116)
Accounts Payable	915
Revolver	0
CMLTD - Sr. Debt	0
<u>Total</u>	<u>3,729</u>
Operating Activities	7,108
 <i>Investing Activities</i>	
Acquisition of Assets	0
Sale of Assets	0
<u>Investing Activities</u>	<u>0</u>
 <i>Financing Activities</i>	
Proceeds from Long Term Debt	0
Debt Repayment	(1,714)
Dividend	0
<u>Financing Activities</u>	<u>(1,714)</u>
Net Change in Cash	5,394

Debt Disclosure
('000's)

For the Three Months Ended
3/31/2011

	<u>2011</u>	<u>2010</u>
Revolver	-	-
Sub Debt	2,678.57	3,000.00
Senior Debt	<u>26,275.26</u>	<u>31,790.80</u>
Total Long-Term Debt	<u>28,953.83</u>	<u>34,790.80</u>

Debt Terms

- Revolver: LIBOR + 3.35% with a 5% floor; \$0 outstanding
- Senior Debt: \$26,275 outstanding at LIBOR + 3.35%; 5% floor; \$4.8M annual amortization + \$2M cash sweep (\$7M max over the life of the loan)
- Sub debt: 14% interest paid quarterly

Amounts of LT debt due in each of the next 5 years (in thousands):

Years Ended	
<u>December 31,</u>	<u>Amount</u>
2012	5,064
2013	5,064
2014	5,064
2015	5,064
2016	5,064
Thereafter	<u>3,634</u>
Total	<u><u>28,954</u></u>

**3 Months Ended
3/31/2011**

Per Unit Information

Total Shares Outstanding:
EBITDA
Debt
Cash

	2011	2010	Change
Total Shares Outstanding:	20,593	20,593	-
EBITDA	\$ 189.91	\$ 166.56	23
Debt	\$ 1,275.93	\$ 1,543.77	(268)
Cash	\$ 434.30	\$ 240.47	194

Per Gallon Information

Total Gallons Sold (000's):
EBITDA
Debt
Cash

	2011	2010	Change
Total Gallons Sold (000's):	14,895	14,586	310
EBITDA	\$ 0.26	\$ 0.24	0
Debt	\$ 1,764.00	\$ 2,179.60	(416)
Cash	\$ 600.42	\$ 339.51	261

Key Production Indicators

For the Three Months Ended March

	31,		
	2011	2010	Change
Gallons sold (in thousands)	14,895	14,586	309.70
Average sales price per gallon (net)	\$ 2.47	\$ 1.55	\$ 0.91
Corn cost per bushel	\$ 6.52	\$ 3.63	\$ 2.89
Crush margin	\$ 0.16	\$ 0.26	\$ (0.10)
Denatured yield (2.25% denaturant added)	2.82	2.81	0.01
Distiller's grain as a % of the delivered cost of corn	23%	23%	0%

Covenant Analysis:	3/31/2011
GAAP Working Capital	9,215
Calculated Net Worth	45,961.71
Calculated DSCR	N/A
Financial Covenants	
- Working capital	5,000
- Net worth	33,000
- DSCR	1.25
Financial Covenants Test	
- Working capital	in
- Net worth	in
- DSCR	N/A