

## Bonanza BioEnergy LLC

For the quarter ending 3/31/14

	Q1 2014	Q4 2013	Q1 2013
<b>Current Assets</b>			
Cash & Equivalents	\$21,285,614.04	\$16,763,987.33	\$4,287,913.12
Accounts Receivable - Trade	3,382,760.59	1,770,880.71	4,197,748.68
Accounts Receivable - Other	4,801,691.27	1,067,517.45	638,701.00
Accounts Receivable - Allowance for Bad Debt	0.00	0.00	(33,634.15)
<b>Total Accounts Receivable</b>	<b>8,184,451.86</b>	<b>2,838,398.16</b>	<b>4,802,815.53</b>
Inventory - Corn	919,745.61	785,476.62	422,197.19
Inventory - Sorghum	330,461.68	448,201.80	561,058.35
Inventory - Chem, Enzymes & Yeast	168,499.08	216,723.05	418,026.70
Inventory - Denaturant	211,849.86	206,492.56	198,590.52
Inventory - Work In Process	1,089,792.43	1,095,718.22	1,690,500.96
Inventory - Spare Parts	586,890.47	570,653.31	548,361.53
Inventory - Ethanol	2,024,999.66	527,958.03	2,669,016.37
Inventory - DWG	38,069.46	32,697.38	44,130.30
LIFO Reserve	515,086.30	515,086.30	( 1,297,915.06 )
<b>Total Inventory</b>	<b>5,885,394.55</b>	<b>4,399,007.27</b>	<b>5,253,966.86</b>
Prepays	213,596.61	345,219.09	226,768.16
Hedging Accounts at Market	544,685.64	1,210,214.97	1,257,583.85
<b>Total Other Current Assets</b>	<b>758,282.25</b>	<b>1,555,434.06</b>	<b>1,484,352.01</b>
<b>Total Current Assets</b>	<b>36,113,742.70</b>	<b>25,556,826.82</b>	<b>15,829,047.52</b>
PPE-Land and Buildings - Net	13,054,790.57	13,257,617.75	13,988,590.07
PPE-Machinery and Equipment - Net	35,434,734.24	36,503,298.72	39,708,992.08
PPE-Office, Computers and Software - Net	6,937.93	7,701.95	8,791.43
PPE-Vehicles - Net	2,408.60	2,833.58	4,108.52
<b>Total Property, Plant and Equip - Net</b>	<b>48,498,871.34</b>	<b>49,771,452.00</b>	<b>53,710,482.10</b>
Other Assets	298,015.21	230,855.65	283,626.97
Investment in Conestoga	0.00	0.00	2,691,087.21
Investment in Farm Credit Services	1,000.00	1,000.00	1,000.00
<b>Total Other Assets</b>	<b>299,015.21</b>	<b>231,855.65</b>	<b>2,975,714.18</b>
<b>TOTAL ASSETS</b>	<b>84,911,629.25</b>	<b>75,560,134.47</b>	<b>72,515,243.80</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Current Liabilities</b>			
Accounts Payable	2,331,081.58	1,536,475.23	2,137,259.93
Accruals	814,201.69	993,656.12	1,157,990.57
Notes Payable - Current	0.00	0.00	0.00
Current Maturities of Working Capital	0.00	0.00	1,995,000.00
Current Maturities of Senior Debt (Incl Sweeps)	2,500,000.00	2,500,000.00	723,795.86
Current Maturities of Sub Debt	0.00	285,714.29	285,714.29
<b>Total Current Liabilities</b>	<b>5,645,283.27</b>	<b>5,315,845.64</b>	<b>6,299,760.65</b>
Notes Payable - Long Term	0.00	0.00	0.00
Long Term Senior Debt	17,250,000.00	17,250,000.00	19,750,000.00
Long Term Sub-Debt	0.00	928,571.38	1,142,857.10
<b>Total Liabilities</b>	<b>22,895,283.27</b>	<b>23,494,417.02</b>	<b>27,192,617.75</b>
Equity	38,516,458.50	38,516,458.50	32,338,558.50
Retained Earnings	13,549,258.95	4,417,754.79	12,998,467.35
Current Year Income	9,950,628.53	9,131,504.16	( 14,399.80 )
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>84,911,629.25</b>	<b>75,560,134.47</b>	<b>72,515,243.80</b>

**Bonanza BioEnergy**  
**Budget vs Actual**  
**For the quarter ending 3/31/14**

Description	Q4 Budget	Per Gal	Q4 Actual	Per Gal	Variance	Per Gal
Gallons Sold	14,337,600	1.00	14,778,902	1.00	441,302	1.0
Net Income	1,183,613	0.08	9,950,629	0.67	2,643,382	0.2
EBITDA	2,643,716	0.18	11,398,645	0.77	2,740,804	0.2
EBITDA - Debt Service	2,421,584	0.17	11,271,422	0.76	3,152,733	0.2

**Bonanza Analytics**  
**('000's)**

	Q4 2012	Q4 2013	Q1 2014
Revenue	46,082.07	41,202.23	45,497.11
Gross Profit	( 903.78 )	8,891.57	13,692.11
Net Profit	( 3,705.50 )	4,526.94	9,950.63
EBITDA	( 2,139.32 )	6,107.79	11,398.65
EBITDA - Debt Service	( 3,649.27 )	5,847.77	11,271.42
Senior Debt / Gallon	\$ 0.03	0.36	\$ 0.36

**Debt Analytics**  
**('000's)**

	<b>YE 2009</b>	<b>YE 2010</b>	<b>YE 2011</b>	<b>Q4 2012</b>	<b>Q4 2013</b>	<b>Q1 2014</b>
Senior Debt	33,480.34	28,411.72	20,473.80	1,142.86	17,250.00	17,250.00
Current Maturities of Senior Debt	7,068.62	6,646.24	7,068.62	723.80	2,500.00	2,500.00

Bonanza BioEnergy, LLC  
Cash Flow Statement  
For the quarter ending 3/31/14

Beginning Cash	16,763,987
Ending Cash	21,285,614
Net Income	9,950,629
Depreciation	1,303,203
Amortization	0
<i>Changes in Working Capital</i>	
Accounts Receivable	(5,346,054)
Inventory	(1,486,387)
Prepaid & Commodity	797,152
Other Assets	(67,160)
Accounts Payable	615,152
Notes Payable - Current	0.00
CMLTD - Sub Debt	(285,714)
CMLTD - Sr. Debt	0.00
Operating Activities	<u>5,480,821</u>
<i>Investing Activities</i>	
Acquisition of Assets	
Sale of Assets	<u>( 30,623 )</u>
Investing Activities	(30,623)
<i>Financing Activities</i>	
Proceeds from Long Term Debt	0.00
Debt Repayment	(928,571)
Dividend	<u>0</u>
Financing Activities	(928,571)
Net Change in Cash	4,521,627

**Debt Disclosure**  
**('000's)**

	<u>2014</u>	<u>2013</u>
Revolver	-	-
Sub Debt	-	1,428,571.39
Senior Debt	<u>19,750,000.00</u>	<u>20,473,795.86</u>
Total Long-Term Debt	<u>19,750,000.00</u>	<u>21,902,367.25</u>

**Debt Terms**

- Revolver: LIBOR + 3.35% with a 5% floor; \$0 outstanding
- Senior Debt: \$19,750 outstanding at LIBOR + 3.35%; 5% floor; \$4.8M annual amortization + \$2M cash sweep (\$7M max over the life of the loan)
- Sub debt: 7.5% interest paid quarterly

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

<b>Years Ended</b>	
<b><u>December 31,</u></b>	<b><u>Amount</u></b>
2014	5,069
2015	5,069
2016	9,613
2017	
Thereafter	
Total	<u>19,750</u>

**3 Months Ended  
3/31/2014**

**Per Gallon Information**  
Total Gallons Sold (000's):  
EBITDA  
Debt  
Cash

<b>2014</b>	<b>2013</b>	<b>Change</b>
14,779	14,098	680
\$ 771.28	\$ 111.47	660
\$ 1,336.36	\$ 1,553.53	( 217 )
\$ 1,440.27	\$ 304.14	1,136



## Key Production Indicators

	For the quarter ending		
	3/31/14		
	<u>2014</u>	<u>2013</u>	<u>Change</u>
Gallons sold (in thousands)	14,779	14,098	680.46
Average sales price per gallon (net)	\$ 2.83	\$ 2.45	\$ 0.38
Corn cost per bushel	\$ 5.10	\$ 7.81	\$ ( 2.71 )
Crush margin	\$ 0.97	\$ ( 0.34 )	1.30
Denatured yield (2.25% denaturant added)	2.74	2.80	( 0.06 )
Distiller's grain as a % of the delivered cost of corn	31%	28%	3%