

Bonanza BioEnergy LLC

For the Nine Months Ending Sept 30, 2010

	Current	Prior Year
ASSETS		
Current Assets		
Cash & Equivalents	\$4,443,839.84	\$2,003,173.20
Accounts Receivable - Trade	5,290,884.77	929,644.02
Accounts Receivable - Other	603,155.13	3,145,672.05
Accounts Receivable - Allowance for Bad Debt	(57,913.50)	(25,000.00)
Total Accounts Receivable	5,836,126.40	4,050,316.07
Inventory - Corn	450,480.08	377,168.90
Inventory - Sorghum	493,311.58	0.00
Inventory - Chem, Enzymes & Yeast	300,762.23	279,993.23
Inventory - Denaturant	224,760.56	165,607.20
Inventory - Work In Process	1,398,927.91	1,081,652.59
Inventory - Spare Parts	385,606.41	372,451.16
Inventory - Ethanol	1,218,271.10	537,832.26
Inventory - DDGS	19,363.31	0.00
Inventory - DWG	31,600.00	21,192.00
Total Inventory	4,523,083.18	2,835,897.34
Prepays	136,237.49	252,234.51
Hedging Accounts at Market	2,622,838.82	2,009,871.50
Total Other Current Assets	2,759,076.31	2,262,106.01
Total Current Assets	17,562,125.73	11,151,492.62
PPE-Land and Buildings - Net	15,585,528.68	16,280,578.73
PPE-Machinery & Equipment - Net	47,987,840.36	51,993,289.48
PPE-Office, Computers & Software - Net	11,498.50	19,297.55
PPE-Vehicles - Net	8,358.34	0.00
Total Property, Plant and Equipment - Net	63,593,225.88	68,293,165.76
Other Assets	582,285.07	529,892.83
Investment in Conestoga	1,039,168.63	732,600.69
Investment in Farm Credit Services	1,000.00	1,000.00
Total Other Assets	1,622,453.70	1,263,493.52
TOTAL ASSETS	82,777,805.31	80,708,151.90
LIABILITIES & EQUITY		
Current Liabilities		
Accounts Payable	1,493,330.84	1,712,941.50
Accruals	911,489.82	919,209.26
Current Maturities of Working Capital	0.00	1,245,979.60
Current Maturities of Senior Debt (Incl Sweeps)	5,068,620.00	5,068,620.00
Total Current Liabilities	7,473,440.66	8,946,750.36
Long Term Senior Debt	31,256,490.00	36,325,110.00
Long Term Sub-Debt	3,000,000.00	3,000,000.00
Total Liabilities	41,729,930.66	48,271,860.36
Equity	38,516,458.50	38,516,458.50
Retained Earnings	(894,371.03)	(8,546,103.12)
Current Year Income	3,425,787.18	2,465,936.16
TOTAL LIABILITIES & EQUITY	82,777,805.31	80,708,151.90

Bonanza - Income Statement

\$000s										YTD		
	Q1 2010	Q1 2009	Change	Q2 2010	Q2 2009	Change	Q3 2010	Q3 2009	Change	2010 YTD	2009 YTD	Change
Revenues												
Ethanol	23,353	21,541	1,812	20,161	21,320	-1,160	24,653	22,208	2,445	68,167	65,070	3,097
DDGs	89	0	89	115	141	-26	31	243	-212	235	384	-149
WDG's	4,572	6,325	-1,753	3,650	5,262	-1,612	4,107	4,169	-62	12,329	15,756	-3,427
CO2/Other Income	0	0	0	0	0	0	597	504	93	597	504	93
Total Revenues	28,015	27,866	148	23,925	26,723	-2,798	29,388	27,124	2,264	81,328	81,714	-386
COGS												
Feedstock												
Total Feedstock	19,404	21,409	2,005	17,963	20,503	2,540	20,345	19,041	-1,304	57,712	60,953	3,241
Natural Gas	1,577	958	-620	1,056	771	-285	1,004	857	-147	3,637	2,586	-1,051
Denaturant	699	329	-370	627	396	-231	575	385	-190	1,901	1,110	-791
Chemicals												
Fuel (Non-Denaturant)	7	3	-3	9	2	-7	5	6	2	20	11	-9
Chemicals	50	248	197	72	16	-56	24	135	110	147	398	251
Urea	104	104	0	83	94	12	78	96	18	264	294	30
Antibiotics	34	14	-20	86	29	-58	100	42	-57	220	85	-135
Yeast	25	50	25	28	49	21	24	50	27	77	149	72
Ammonia	16	48	33	30	-21	-51	46	66	20	91	93	2
Sulfuric Acid	21	42	21	15	66	51	18	62	44	54	169	115
Caustic	39	0	-39	32	0	-32	44	3	-40	115	3	-111
Enzymes	546	667	121	536	620	84	530	649	119	1,612	1,937	325
Total Chemicals	841	1,175	334	891	855	-36	867	1,110	243	2,599	3,140	541
Water	86	83	-4	107	102	-5	124	114	-10	318	299	-19
Electricity	430	517	86	470	279	-190	520	501	-19	1,420	1,297	-123
Total COGS	23,038	24,470	1,432	21,114	22,906	1,793	23,436	22,008	-1,428	67,587	69,384	1,797
Gross Profit	4,977	3,397	1,580	2,812	3,817	-1,005	5,952	5,116	836	13,740	12,329	1,411
Total Fixed Costs - Operations	3,011	3,215	204	2,979	2,764	-215	3,128	2,632	-496	9,119	8,612	-507
EBIT	1,966	182	1,784	-168	1,053	-1,221	2,824	2,483	340	4,622	3,718	904
Interest Costs	369	306	-63	398	386	-12	429	560	131	1,196	1,252	56
Taxes										-		
Net Income	1,597	-124	1,721	-566	667	-1,232	2,394	1,923	471	3,426	2,466	960
EBITDA	3,430	1,815	1,615	1,263	2,633	-1,370	4,207	3,757	451	8,900	8,204	696
** Depreciation + Amortization	1,239	1,237	-2	1,239	1,237	2	1,240	1,242	-2	3,718	3,716	2

Beg Cash 1/1/2010	\$ 4,358.85
End Cash 9/30/2010	\$ 4,443.84

CASH FLOW STATEMENT

Net Income	3,426
Depreciation	3,665
Amortization	52.77
<i>Changes in Working Capital</i>	
DSR	0
Margin Account	0
Accounts Receivable	(744)
Inventory	(491)
Prepaid & Commodity	(912)
Accounts Payable	244
Revolver	(746)
CMLTD - Sr. Debt	(2,000)
<u>Total</u>	<u>(4,649)</u>
Operating Activities	2,495
<i>Investing Activities</i>	
Acquisition of Assets	(186)
Sale of Assets	0
Investing Activities	(186)
<i>Financing Activities</i>	
Proceeds from Long Term Debt	0
Debt Repayment	(2,224)
Dividend	0
Financing Activities	(2,224)
Net Change in Cash	85

	Three Months Ended			Nine Months Ended		
	September 30			September 30		
Per Unit Information:	2010	2009	Change	2010	2009	Change
Total Shares Outstanding:	20,593	20,593	-	20,593	20,593	-
EBITDA	\$ 0.20	\$ 0.18	\$ 0.02	\$ 8.90	\$ 8.20	\$ 0.70
Debt	\$ 1,664	\$ 1,684	\$ (21)	\$ 1,664	\$ 1,684	\$ (21)
Cash	\$ 216	\$ 241	\$ (25)	\$ 216	\$ 241	\$ (25)

	Three Months Ended			Nine Months Ended		
	September 30			September 30		
Per Gallon Information:	14,045	14,792	(748)	41,909	44,203	(2,294)
Total Gallons Sold:						
EBITDA	\$ 0.30	\$ 0.25	\$ 0.05	\$ 0.21	\$ 0.19	\$ 0.03
Debt	\$ 0.31	\$ 0.33	\$ (0.02)	\$ 0.31	\$ 0.33	\$ (0.02)
Cash	\$ 0.04	\$ 0.04	\$ 0.00	\$ 0.04	\$ 0.04	\$ 0.00

Debt Disclosure
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For the Nine Months Ended
September 30

	<u>2010</u>	<u>2009</u>
Revolver	-	-
Sub-debt	3,000	3,000
Senior Debt	<u>31,256</u>	<u>36,325</u>
Total Long-Term Debt	<u>\$ 34,256</u>	<u>\$ 39,325</u>

Debt Terms

- Revolver: LIBOR + 3.35 with 5% Floor. \$0 Outstanding.
- Senior Debt: \$31,256,000 Outstanding at LIBOR + 3.35; 5% Floor; \$4.8MM annual amortization + \$2MM cash sweeps (\$7MM maximum 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):

<u>Years Ended</u> <u>December 31,</u>	<u>Amount</u>
2011	\$ 5,064
2012	\$ 5,064
2013	\$ 5,064
2014	\$ 5,064
2015	\$ 5,064
Thereafter	<u>9,736</u>
Total	<u><u>\$ 35,056</u></u>

Key Production Indicators

	For the Nine Months Ended September 30,		
	2010	2009	Change
Gallons sold (in thousands)	41,909	44,203	(2,294)
Average sales price per gallon	\$ 1.63	\$ 1.47	\$ 0.15
Corn cost per gallon	\$ 1.38	\$ 1.38	\$ (0.00)
Crush Margin	\$ 0.25	\$ 0.09	\$ 0.16
Denatured Yield (2.25% Denaturant Added)	2.77	2.79	(0.02)
Distiller's grain as a % of the delivered cost of corn	22%	25%	-3%

Covenant Analysis**9/30/2010**

GAAP Working Capital

10,089

Calculated Net Worth

41,048

Calculated DSCR

N/A

Financial Covenants

- Working Capital

4,000

- Net Worth

33,000

- DSCR

1.25

Financial Covenants Test

- Working Capital

In

- Net Worth

In

- DSCR

N/A