

Bonanza BioEnergy LLC

For the Nine Months Ending September 30, 2011

	Current	Prior Month	Prior Year
ASSETS			
Current Assets			
Cash & Equivalents	\$13,707,203.91	\$15,343,954.06	\$4,443,839.84
Accounts Receivable - Trade	9,852,907.13	2,575,276.31	5,290,884.77
Accounts Receivable - State Incentive	0.00	0.00	0.00
Accounts Receivable - Other		776,295.09	603,155.13
Accounts Receivable - Allowance for Bad Debt	(107,829.43)	(102,489.41)	(57,913.50)
Total Accounts Receivable	9,745,077.70	3,249,081.99	5,836,126.40
Inventory - Corn	281,661.51	641,434.65	450,480.08
Inventory - Sorghum	920,181.56	942,690.00	493,311.58
Inventory - Chem, Enzymes & Yeast	257,481.22	324,810.58	300,762.23
Inventory - Denaturant	176,416.60	193,740.54	224,760.56
Inventory - Work In Process	1,785,084.00	1,358,716.26	1,398,927.91
Inventory - Spare Parts	397,623.33	404,252.33	385,606.41
Inventory - Ethanol	1,080,688.35	2,591,016.32	1,218,271.10
Inventory - DDG			19,363.31
Inventory - DWG	45,162.00	19,340.00	31,600.00
Total Inventory	4,944,298.57	6,476,000.68	4,523,083.18
Prepays	134,995.59	160,747.32	136,237.49
Hedging Accounts at Market	1,757,692.68	551,993.84	2,622,838.82
Total Other Current Assets	1,892,688.27	712,741.16	2,759,076.31
Total Current Assets	30,289,268.45	25,781,777.89	17,562,125.73
PPE-Land and Buildings - Net	17,438,996.70	17,516,613.61	15,585,528.68
PPE-Machinery and Equipment - Net	43,922,794.45	44,266,903.59	47,987,840.36
PPE-Office, Computers and Software - Net	21,231.05	22,408.46	11,498.50
PPE-Vehicles - Net	6,658.40	6,800.06	8,358.34
Total Property, Plant and Equip - Net	61,389,680.60	61,812,725.72	63,593,225.88
Other Assets	1,129,919.16	1,076,626.64	582,285.07
Investment in Conestoga	1,307,436.40	1,295,949.92	1,039,168.63
Investment in Farm Credit Services	1,000.00	1,000.00	1,000.00
Total Other Assets	2,438,355.56	2,373,576.56	1,622,453.70
TOTAL ASSETS	94,117,304.61	89,968,080.17	82,777,805.31
LIABILITIES & EQUITY			
Current Liabilities			
Accounts Payable	1,098,251.55	1,239,931.91	1,493,330.84
Accruals	3,050,301.97	2,976,374.83	911,489.82
Current Maturities of Senior Debt (Incl Sweeps)	5,068,620.00	5,068,620.00	5,068,620.00
Current Maturities of Sub Debt	285,714.29	285,714.29	
Total Current Liabilities	9,502,887.81	9,570,641.03	7,473,440.66
Long Term Senior Debt	23,740,950.86	24,163,335.86	31,256,490.00
Long Term Sub-Debt	1,571,428.56	1,571,428.56	3,000,000.00
Total Liabilities	34,815,267.23	35,305,405.45	41,729,930.66
Equity	37,322,064.50	37,766,170.50	38,516,458.50
Retained Earnings	5,310,297.54	5,310,297.54	(894,371.03)
Current Year Income	16,669,675.34	11,586,206.68	3,425,787.18
TOTAL LIABILITIES & EQUITY	94,117,304.61	89,968,080.17	82,777,805.31

Bonanza - Income Statement

Variance greater than 10% explained below

\$000s

	Q3 2011					
	Budget		Actual		Change (Better / Worse)	
	\$	Per Gallon	Q3	Per Gallon	\$	Per Gallon
Revenues						
Ethanol	30,198	\$ 2.13	42,234	\$ 2.94	12,037	\$ 0.81
DDGs	-	\$ -	0	\$ 0.00	0	\$ 0.00
WDG's	5,004	\$ 0.35	9,887	\$ 0.69	4,883	\$ 0.34
Other	530	\$ 0.04	2,551	\$ 0.18	2,021	\$ 0.14
Total Revenues	35,732	\$ 2.51	54,672	\$ 3.80	18,941	\$ 1.29
COGS						
Feedstock						
Total Feedstock	24,979	\$ 1.76	36,703	\$ 2.55	11,724	\$ 0.79
Natural Gas	1,350	\$ 0.09	1,043	\$ 0.07	(307)	\$ (0.02)
Denaturant	586	\$ 0.04	771	\$ 0.05	185	\$ 0.01
Chemicals						
Fuel (Non-Denaturant)	-	\$ -	8	\$ 0.00	8	\$ 0.00
ABS	-	\$ -	12	\$ 0.00	12	\$ 0.00
Chemicals	8	\$ 0.00	26	\$ 0.00	18	\$ 0.00
Urea	89	\$ 0.01	124	\$ 0.01	35	\$ 0.00
Antibiotics	31	\$ 0.00	44	\$ 0.00	13	\$ 0.00
Yeast	35	\$ 0.00	41	\$ 0.00	6	\$ 0.00
Ammonia	44	\$ 0.00	83	\$ 0.01	39	\$ 0.00
Sulfuric Acid	14	\$ 0.00	75	\$ 0.01	61	\$ 0.00
Caustic	42	\$ 0.00	76	\$ 0.01	33	\$ 0.00
Enzymes	648	\$ 0.05	625	\$ 0.04	(22)	\$ (0.00)
Total Chemicals	911	\$ 0.06	1,113	\$ 0.08	202	\$ 0.01
Water	105	\$ 0.01	126	\$ 0.01	21	\$ 0.00
Electricity	480	\$ 0.03	624	\$ 0.04	144	\$ 0.01
Total COGS	28,412	\$ 2.00	40,380	\$ 2.81	11,968	\$ 0.81
Gross Profit	7,320	\$ 0.52	14,293	\$ 0.99	6,972	\$ 0.48
Total Fixed Costs - Operation	3,123	\$ 0.22	3,136	\$ 0.22	13	\$ (0.00)
EBIT	4,197	\$ 0.30	11,156	\$ 0.78	6,959	\$ 0.48
Interest Costs	552	\$ 0.04	302	\$ 0.02	(251)	\$ (0.02)
Net Income	3,644	\$ 0.26	10,855	\$ 0.75	7,210	\$ 0.50
EBITDA	5,450	\$ 0.38	12,518	\$ 0.87	7,068	\$ 0.49
EBITDA - Debt Service	3,632	\$ 0.26	10,874	\$ 0.76	7,242	\$ 0.50

Est Gallons	Act Gallons
14,211	14,385

Revenue Analytics
('000's)

	YE 2009	YE 2010	Q3 2010	Q3 2011
Revenue	112,837.77	120,694.42	29,387.55	54,672.34
Gross Profit	20,742.79	20,146.50	5,951.87	14,292.54
Net Profit	7,651.73	6,204.67	2,394.49	10,854.56
EBITDA	15,159.99	13,479.31	4,207.45	12,517.78
EBITDA - Debt Service	10,072.23	5,844.07	2,304.64	10,873.77
Senior Debt / Gallon	\$ 0.74	\$ 0.64	\$ 0.66	\$ 0.52

Debt Analytics
('000's)

	YE 2009	YE 2010	Q3 2010	Q3 2011
Senior Debt	33,480.34	28,411.72	31,256.49	23,740.95
Current Maturities of Senior Debt	7,068.62	6,646.24	3,050.30	3,050.30

Bonanza - Cash Flow

Beg Cash 1/1/2011	3,549.11
End Cash 9/30/2011	13,707.20

CASH FLOW STATEMENT

Net Income	16,670
Depreciation	3,751
<i>Changes in Working Capital</i>	
DSR	0
Margin Account	0
Accounts Receivable	(2,470)
Inventory	742
Prepaid & Commodity	(154)
Other Assets	(693)
Accounts Payable	899
Revolver	0
CMLTD - Sr. Debt	0
CMLTD - Sub Debt	(36)
<u>Total</u>	<u>(1,713)</u>
Operating Activities	18,708
<i>Investing Activities</i>	
Acquisition of Assets	0
Sale of Assets	0
Investing Activities	0
<i>Financing Activities</i>	
Proceeds from Long Term Debt	0
Debt Repayment	(7,356)
Dividend	(1,194)
Financing Activities	(8,550)
Net Change in Cash	10,158
Variance	0.00

Debt Disclosure
('000's)

For the Three Months Ended
9/30/2011

	<u>2011</u>	<u>2010</u>
Revolver	-	-
Sub Debt	1,857.14	3,000.00
Senior Debt	<u>24,026.67</u>	<u>31,256.49</u>
Total Long-Term Debt	<u>25,883.81</u>	<u>34,256.49</u>

Debt Terms

- Revolver: LIBOR + 3.35% with a 5% floor; \$0 outstanding
- Senior Debt: \$30,076 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>564</u>
Total	<u><u>25,884</u></u>

**3 Months Ended
9/30/2011**

Per Unit Information

Total Units Outstanding:
EBITDA
Debt
Cash

	2011	2010	Change
Total Units Outstanding:	20,593	20,593	-
EBITDA	\$ 607.87	\$ 204.31	404
Debt	\$ 1,256.92	\$ 1,663.50	(407)
Cash	\$ 665.62	\$ 215.79	450

Per Gallon Information

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

	2011	2010	Change
Total Gallons Sold (000's):	14,385	14,045	341
EBITDA	\$ 870.17	\$ 299.58	571
Debt	\$ 0.47	\$ 0.62	(0)
Cash	\$ 952.86	\$ 316.41	636

Key Production Indicators

	For the Three Months Ended Sept 30,		
	2011	2010	Change
Gallons sold (in thousands)	14,548	14,045	503.69
Average sales price per gallon (net)	\$ 2.94	\$ 1.76	\$ 1.18
Corn cost per bushel	\$ 7.16	\$ 4.01	\$ 3.15
Crush margin	\$ 0.38	0.33	0.05
Denatured yield (2.25% denaturant added)	2.80	2.79	0.00
Distiller's grain as a % of the delivered cost of corn	27%	21%	6%