



COMPANY OVERVIEW

General

NEDAK Ethanol, LLC, a Nebraska limited liability company (the “Company,” “we” or “us”) was formed in 2003 to construct and operate our ethanol plant near Atkinson, Nebraska. We began producing ethanol and distiller’s grains at the plant in December 2008, but did not commence full production until June of 2009. Our ethanol plant will consume approximately 16 to 18 million bushels of locally grown corn annually, and produce approximately 44 million gallons of denatured fuel-grade ethanol and approximately 340,000 tons of wet distillers grains for feed cattle annually. With construction complete, we intend to focus on maintaining and exceeding 100% name plate production of our plant and resolving the challenges of our capital structure existing in our lending arrangements.

Business Model

Our business model is established to add value to our Unit holders’ investment and to the local economy in the small-town, rural community of Holt County, Nebraska.

The addition of value to the agricultural production of this farming community by conversion of corn to ethanol as well as development of the animal feed market for distiller’s grains provides jobs and significant economic activity. Many of our Members are corn producers and cattle feeders. We seek to provide an economic benefit to our community as a vehicle to all nearby producers to reduce their commodity market risk by adding incremental marketing opportunities for consumption of their product into the national blending of unleaded gasoline with ethanol. Before the startup of our operations, the area corn producers were forced to export a significant volume of their product out of the area at a significant transport cost. Our local demand for corn has reduced that cost of transportation and added the indirect market for gasoline as an incremental market place for the distribution of their product.

Additional value is also derived in our business model by the improved nutritional benefits from conversion of corn to distiller’s grain for the cattle feeders. This market is still developing, but the value of distiller’s grains when fed to cattle is an evident advantage above feeding raw corn.

Strategy

In our view, the political and economic climate in the United States and globally has established a permanent marketplace for ethanol. In the past few years the U. S. ethanol production capacity has grown to 12 billion gallons annually, and significant portions of that capacity are owned by direct investment from the largest players in the U. S. fossil fuel markets.

In that marketplace, we produce barely 1/3 of 1% of that domestic capacity. This reality leaves us with strategic challenges. Furthermore, the economic realities leave us with unique financial challenges as compared to most other producers. With approximately half of our assets leveraged with borrowed funding and as a new plant in an industry with approximately a third of all plants nearly fully depreciated and perhaps more than another third recently out of bankruptcy, we have a high interest burden requiring cash as well as a large non-cash depreciation burden to cover. That marketplace is experiencing dramatic swings in potential profitability. In 2009, the “Crush Margin” (the difference between the market prices of ethanol and corn per gallon of ethanol produced) swung from a low of \$0.18 to a high of \$0.61 per gallon. Combined interest and depreciation alone will be more than \$0.21 per gallon for the Company in 2010. Thus, our strategy is to minimize losses and take as great advantage as possible in the marketplace with risk management.

After risk-management, our strategic initiatives include improving production efficiencies, maximizing throughput, controlling expenses, and seeking to increase revenues in an innovative way.

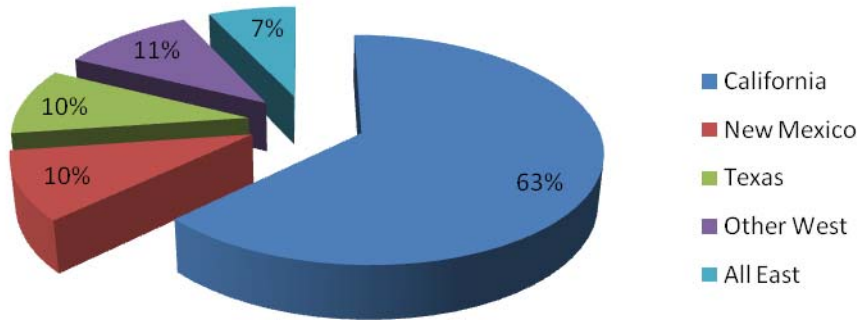
Snapshot of our Business

Below are three presentations of key economic drivers of our business: where we sell our product, Chicago Board of Trade (“CBOT”) crush margins, and a trend of reformulated blendstock for oxygenate blending (“RBOB”) pricing compared to ethanol pricing.

Where we sell our product

We believe that we have an advantage due to our location and the geography of other plant locations across the country. Our westernmost location provides us with a transportation cost advantage when shipping to our western customers. The large population in California is evident in the proportion of our sales delivered into that market, with New Mexico and Texas drawing effectively equal portions of our product as all the rest of the western states. Only 7% of our product has shipped into the eastern U. S. in 2009.

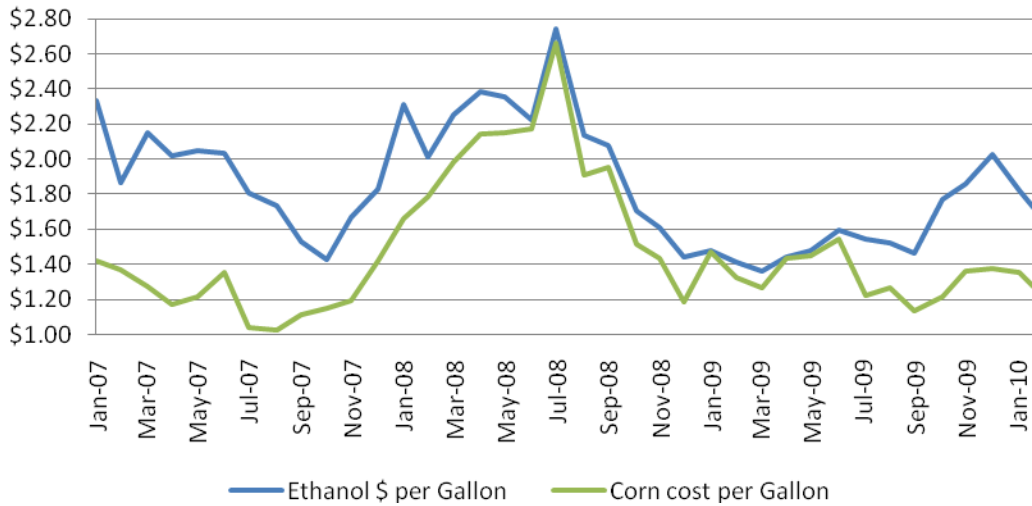
NEDAK Ethanol Destinations 2009



Crush margin & RBOB

The relationship between the cost of corn and the price of ethanol is demonstrated in the following graph. This correlation is clearly primary in our marketplace. The relationship between the cost of gasoline and ethanol is less direct, as shown in the RBOB graph, demonstrating that several times in the last three years, ethanol has actually been priced above the market price of RBOB, which is the unleaded gasoline base for the E10 product that is the dominant product in which ethanol is consumed.

Crush Margin



RBOB

Reformulated Blendstock for Oxygenate Blending compared to Ethanol pricing

