



## 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 consumes approximately 17 million bushels of locally grown corn annually, and produces approximately 44 million gallons of denatured fuel-grade ethanol and approximately 340,000 tons of wet distiller’s grains for feed cattle annually.

### *Strategy*

In the past few years, U. S. ethanol production capacity has grown to over 13 billion gallons annually, and significant portions of that capacity are owned by the largest players in the U. S. fossil fuel markets. In that marketplace, we produce barely 1/3 of 1% of that domestic capacity, which 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 debt and as a newer plant in an industry in which approximately a third of all plants are nearly fully depreciated and a significant number of plants recently out of bankruptcy, we have a high interest burden requiring cash as well as a large non-cash depreciation burden to cover. The marketplace is also experiencing dramatic swings in profitability. In 2010, the “Crush Margin” (the difference between the market prices of ethanol and corn per gallon of ethanol produced) swung from a low of \$0.02 to a high of \$0.53. This compared to lows and highs in 2009 of \$0.18 and \$0.61 per gallon, respectively. Our combined interest and depreciation alone will be more than \$0.18 per gallon in 2011.

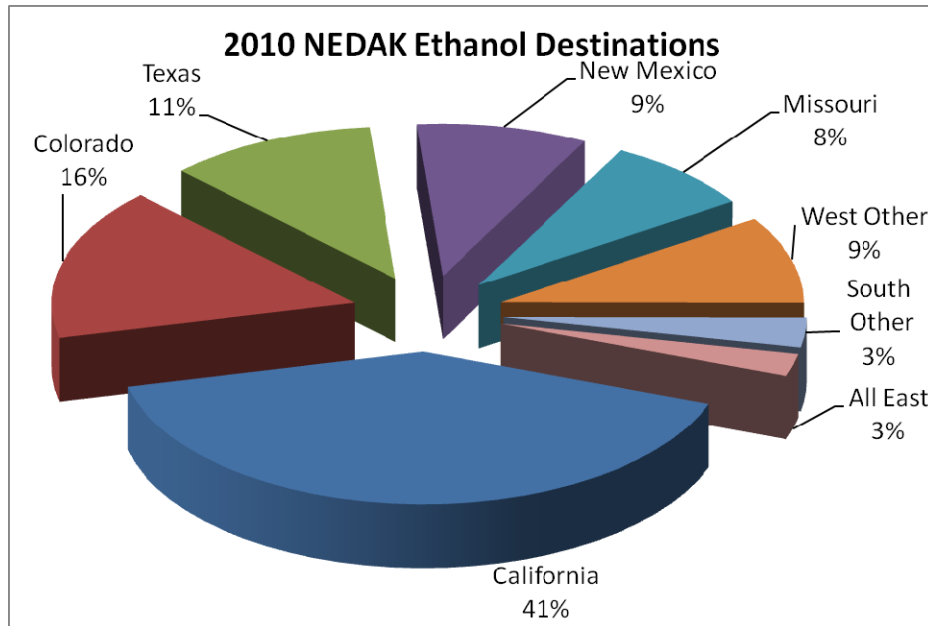
Accordingly, our near-term strategy is to minimize losses and to team up with a strategic commodities marketer that can assist with risk management. We are also currently working to reorganize our financial structure with the objectives of providing working capital and restructuring our debt. After risk-management, our strategic initiatives include improving production efficiencies, maximizing throughput, controlling expenses, and increasing revenues in an innovative way.

### *Snapshot of our Business*

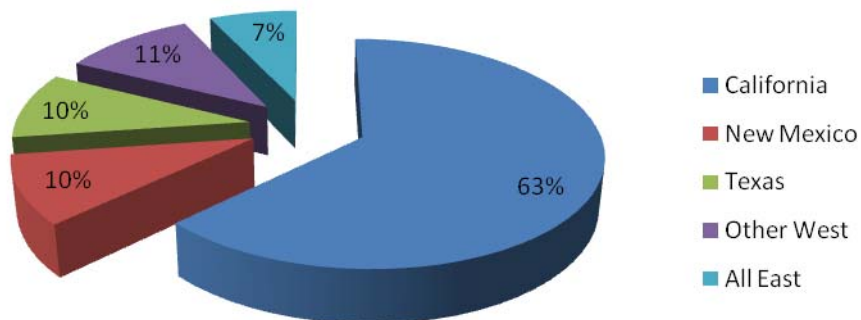
Below are three presentations of key economic drivers of our business: where we sell our product, Chicago Board of Trade (“CBOT”) crush margins, and a trend of reformulated blendstock for oxygenate blending (“RBOB”) pricing compared to ethanol pricing.

#### *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 3% of our product was shipped into the eastern U. S. in 2010.



### NEDAK Ethanol Destinations 2009

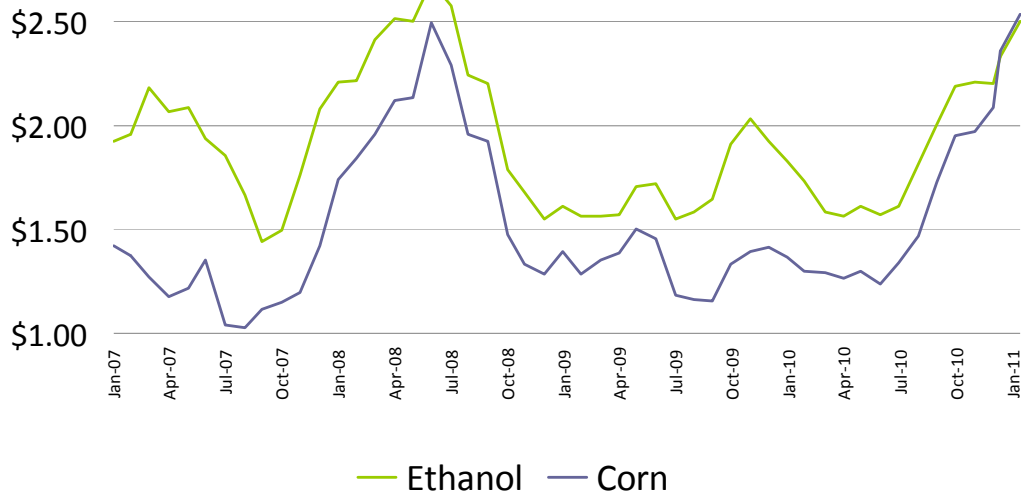


#### *Crush margin & RBOB*

The relationship between the cost of corn and the price of ethanol is shown 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. 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.

## CBOT Crush Margin

### Ethanol Price compared to Corn Cost / gallon



## RBOB

### Reformulated Blendstock for Oxygenate Blending compared to Ethanol pricing

