

Redfield Energy, LLC
Condensed Balance Sheets (Unaudited)

	<u>February 28, 2009</u>	<u>November 30, 2008</u>
ASSETS:		
Current Assets:		
Cash and cash equivalents	\$ 1,000,266	\$ 1,034,951
Receivables	3,083,360	3,941,018
Inventory	2,617,080	5,599,067
Margin deposit and derivative financial instruments	53,234	1,099,178
Prepaid expenses and other current assets	410,337	379,637
Total Current Assets	<u>7,164,277</u>	<u>12,053,851</u>
Property and Equipment:		
Facilities	74,430,449	74,403,607
Less: accumulated depreciation	<u>(13,077,461)</u>	<u>(11,292,095)</u>
Total Property and Equipment, net	<u>61,352,988</u>	<u>63,111,512</u>
Other Assets:		
Financing costs, net of accumulated amortization of \$58,718 and \$50,712, respectively	260,694	268,700
Other investment	<u>15,000</u>	<u>15,000</u>
Total Other Assts	<u>275,694</u>	<u>283,700</u>
TOTAL ASSETS	<u>\$ 68,792,959</u>	<u>\$ 75,449,063</u>
LIABILITIES AND MEMBERS' EQUITY:		
Current Liabilities:		
Current portion of long-term debt	\$ 2,937,669	\$ 2,887,836
Revolving line of credit	-	-
Accounts payable	803,859	391,225
Corn payable	729,889	4,014,830
Accrued interest payable	176,042	186,972
Accrued losses on inventory purchases commitments	-	1,932,057
Other accrued liabilities	<u>670,359</u>	<u>734,874</u>
Total Current Liabilities	<u>5,317,818</u>	<u>10,147,794</u>
Long-Term Debt:		
Term loan	32,048,012	32,728,771
Long-term revolver	-	-
Notes payable - equipment	87,290	107,434
Total	<u>32,135,302</u>	<u>32,836,205</u>
Current portion	<u>(2,937,669)</u>	<u>(2,887,836)</u>
Total Long-Term Debt, Net of Current Portion	<u>29,197,633</u>	<u>29,948,369</u>
Members' Equity:		
Member contributions, net of \$158,190 costs related to capital contributions, 20,435,526 units issued/outstanding	40,037,862	40,037,862
Retained earnings	<u>(5,760,354)</u>	<u>(4,684,962)</u>
Total Members' Equity	<u>34,277,508</u>	<u>35,352,900</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 68,792,959</u>	<u>\$ 75,449,063</u>
Working Capital:	<u>\$ 1,846,459</u>	<u>\$ 1,906,057</u>

Redfield Energy, LLC
Condensed Statements of Cash Flow (Unaudited)

Three Months Ended Six Months Ended

Redfield Energy, LLC
Condensed Statements of Operations (Unaudited)

	<u>Three Months Ended February 28, 2009</u>	<u>Six Months Ended February 28, 2009</u>
REVENUES:		
Fuel ethanol sales	\$ 21,326,307	\$ 44,483,704
Distiller's grains sales	4,811,539	9,525,086
State ethanol producer incentive	151,446	401,446
Total Revenues	<u>26,289,292</u>	<u>54,410,236</u>
COST OF REVENUES:		
Corn ground	15,356,515	41,299,961
Freight costs and commissions	4,159,257	7,801,030
Natural gas	2,132,538	4,483,433
Depreciation	1,761,914	3,515,313
Denaturant, chemicals and ingredients	1,238,498	2,877,374
Losses on inventory purchases commitments	-	-
Other production costs and change in inventory	1,486,651	4,187,719
Total Cost of Revenues	<u>26,135,373</u>	<u>64,164,830</u>
GROSS PROFIT	<u>153,919</u>	<u>(9,754,594)</u>
GENERAL AND ADMINISTRATIVE EXPENSES:		
Related party management fees	122,850	245,700
Other costs	271,597	458,234
Administrative labor costs	77,833	154,228
Professional fees	71,401	85,344
Insurance	61,010	131,259
Total General and Administrative Expenses	<u>604,691</u>	<u>1,074,765</u>
INCOME FROM OPERATIONS	<u>(450,772)</u>	<u>(10,829,359)</u>
OTHER INCOME (EXPENSE):		
Interest income	16,269	40,298
Other income	998	12,395
Interest expense	<u>(641,887)</u>	<u>(1,308,588)</u>
Total Other Income (Expense)	<u>(624,620)</u>	<u>(1,255,895)</u>
NET INCOME	<u>\$ (1,075,392)</u>	<u>\$ (12,085,254)</u>
WEIGHTED AVERAGE UNITS OUTSTANDING	<u>20,435,526</u>	<u>20,435,526</u>
NET INCOME PER UNIT	<u>\$ (0.053)</u>	<u>\$ (0.591)</u>
Revenues, Net of Freight Costs and Commissions:		
Fuel ethanol sales	\$ 17,565,091	\$ 37,595,646
Distiller's grains sales	4,413,497	8,612,113
Corn Ground Cost, Before Hedging Activities	\$ 15,356,515	\$ 33,331,308
Corn cost per bushel ground, before hedges	\$ 3.38	\$ 3.85
Natural Gas Cost, Before Hedging Activities	\$ 1,997,094	\$ 3,713,513
Total Gains (Losses) from Hedging Activities	\$ (135,443)	\$ (8,738,573)
Production Statistics:		
Fuel ethanol (gallons)	12,843,166	24,535,609
Corn ground (bushels)	4,541,439	8,661,241
Distiller's grains (equivalent dry tons)	37,046	70,758
Natural gas usage (MMBtu)	318,001	622,010
Sales Statistics:		
Fuel ethanol -		
Gallons	13,037,408	24,830,990
Sales revenue per gallon	\$ 1.64	\$ 1.79
Netback per gallon 1/	\$ 1.35	\$ 1.51
Distiller's grains -		
Equivalent dry tons	37,619	71,201
Sales revenue per ton	\$ 127.90	\$ 133.78
Netback per ton 1/	\$ 117.32	\$ 120.95

1/ Revenues, net of freight costs and commissions.

	<u>February 28, 2009</u>	<u>February 28, 2009</u>
Operating Activities:		
Net income	\$ (1,075,392)	\$ (12,085,254)
Charges to net income not affecting cash		
Depreciation	1,785,365	3,562,216
Accrual of (amortization of) losses on inventory purchases commitments	(1,932,057)	(4,420,000)
Amortization of financing costs	8,006	16,011
Net (gains) losses recognized from derivative financial instruments	135,443	8,738,573
(Increase) decrease in current assets	4,719,447	4,809,370
Increase (decrease) in current liabilities	<u>(2,947,752)</u>	<u>(771,249)</u>
Net Cash Provided By (Used in) Operating Activities	<u>693,060</u>	<u>(150,333)</u>
Investing Activities:		
Purchase of property and equipment	(26,842)	(315,324)
Proceeds from contractor excise taxes and sales tax refund	<u>-</u>	<u>29,591</u>
Net Cash Provided By (Used in) Investing Activities	<u>(26,842)</u>	<u>(285,733)</u>
Financing Activities:		
Net borrowings (payments) on revolving line of credit	-	-
Net borrowings (payments) on long-term revolving note	-	-
Principal payments on term loan	(680,759)	(1,333,801)
Principal payments on notes payable - equipment	(20,144)	(40,288)
Payments for financing costs	-	-
Distributions to members	<u>-</u>	<u>-</u>
Net Cash Used in Financing Activities	<u>(700,903)</u>	<u>(1,374,089)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(34,685)	(1,810,155)
Cash and Cash Equivalents - Beginning of Period	<u>1,034,951</u>	<u>2,810,421</u>
Cash and Cash Equivalents - End of Period	<u>\$ 1,000,266</u>	<u>\$ 1,000,266</u>
Supplemental Disclosures of Cash Flow Information:		
Cash paid for interest expensed	<u>\$ 652,817</u>	<u>\$ 1,341,127</u>



**Unaudited Financial Report
Three and Six Months Ended
February 28, 2009**