



2011 Annual Meeting

Sep 21, 2011

- Welcome, Chairman Bill Schueller
- Introduction of Directors/Officers/Staff
- Vote on Proposals 1 – 3 (Regarding Deregistration)
- Vote on Election of Directors
- Management Results, Tom Brooks
- Iowa Renewable Fuels Presentation, Grant Menke
- Q&A, Bruce Klostermann
- Report of Voting Results

- **William G. Schueller, Chair**
 - **Bruce Klostermann, President**
 - **Joyce Jarding, Secretary**
 - **George Davis, CFO, Treasurer**
 - **Craig J. Breitbach**
 - **Jack Friedman**
 - **Denny Mauser**
 - **David P. O'Brien**
- Farley**
Dubuque
Farley
Dubuque
Farley
Dyersville
Early
Epworth

- Tom Brooks General Manager
- Chris Rausch Quality Manager
- Troy Gibbs Operations Manager
- Mary Jo Rooney Accountant &
Director of Elections

- Katie Cownie Brown Winick
- Britney Schnathorst Brown Winick

- Grant Menke Iowa Renewable Fuels Association

- To amend and restate our Amended and Restated Operating Agreement by adopting the Second Amendment and Restated Operating Agreement, which provides for three separate and distinct classes of units:
- Class A, Class B, & Class C Units.

- Reclassify our units for the purpose of discontinuing the registration of our units under the SEC Act of 1934.
- Class A unit holders with 50 or more
- Class B unit holders with 25 and less than 50
- Class C unit holders with less than 25

- The proposal is for the election of the following nominees to serve on the Board of Directors of the Company for the term provided in the Proxy Statement:
 - George Davis - Currently serves as a Director
 - Denny Mauser - Currently serves as a Director
 - Alan Manternach –

(Voting for 2 positions on the Board)

- Questions & Answers
 - Discussion concerning the proposals on the Ballot only at this time

2011
Annual Meeting
Management Report

- EHS Environmental Health & Safety
- Quality Program – BQ 9000
- Financial Results
- Operations Update
- RFS2 and our Future @ WDB
- Legislative Helps or Hindrances

EHS Results

- No Workman's' comp injuries or accidents
 - Reduced annual Fees
- No Lost Time injuries
 - New Mod rating for 2011 (three years)
- No nonconformities during DNR Audits
- EPA & DNR Inspections for 2011
 - Very favorable with no recordable findings

Quality Results

2010/2011 BQ 9000 Audit

No nonconformities & recertified w/ BQ 9000

No rejected loads or customer complaints

Certified 38 Lots (all met spec 1st Time)

Financial Results

FY 2011 vs. 2010 & 2009

• Thru Aug 2011	2011	2010	2009
Revenues	47,283,827	7,642,693	23,361,586
EBITDA	3,589,576	(792,400)	1,019,901
Net Income (loss)	1,520,256	(4,230,842)	(2,335,531)
Net Income (loss) per share	\$ 51.05	(\$ 142.07)	(\$ 78.43)

Biodiesel Economics as of 9/01/2011 at
25 million gallons of production

S.B.O. .5907 F.O.B. WDB

Biodiesel Feedstock **0.5907** X 7.55 #'s per gallon

Feedstock 4.4598

Chemicals .3000

Fixed, Var., Int., Dep., .3500

5.11 vs. ULSD 3.82

Operations Update

- **16million gallons produced in the past 12 months**
 - **90% of this in the past 6 months**
- **Since January 2011**
 - **We have been producing Biodiesel with soy oils, refined animal fats, and canola oil**

WESTERN DUBUQUE
BIODIESEL, LLC **Feedstock Options**

EPA approved pathways or those under review



Palm Oil (Pending)



Canola Oil
(Canadian/pending)



Soybean Oil



Yellow Grease



Animal Fats

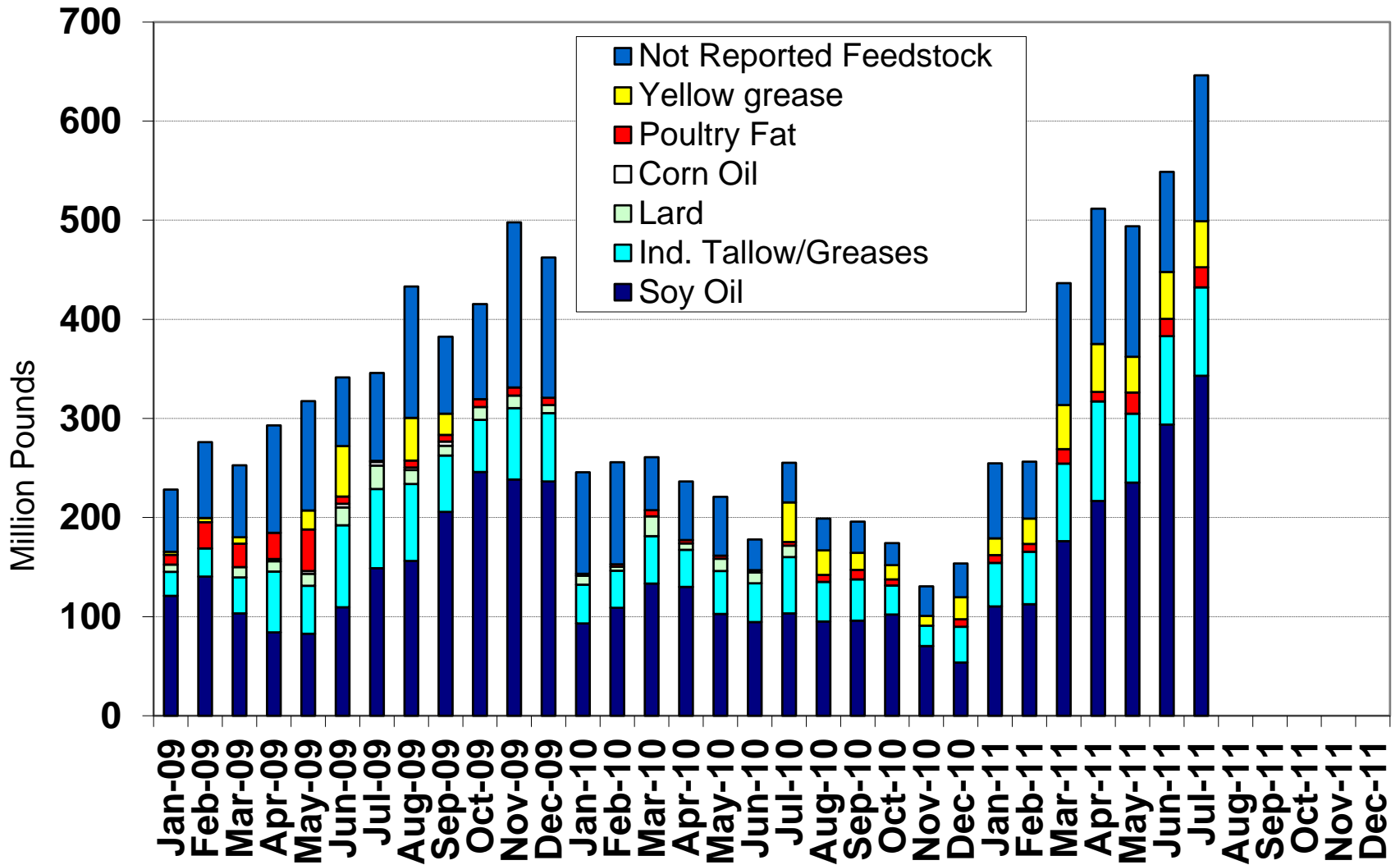


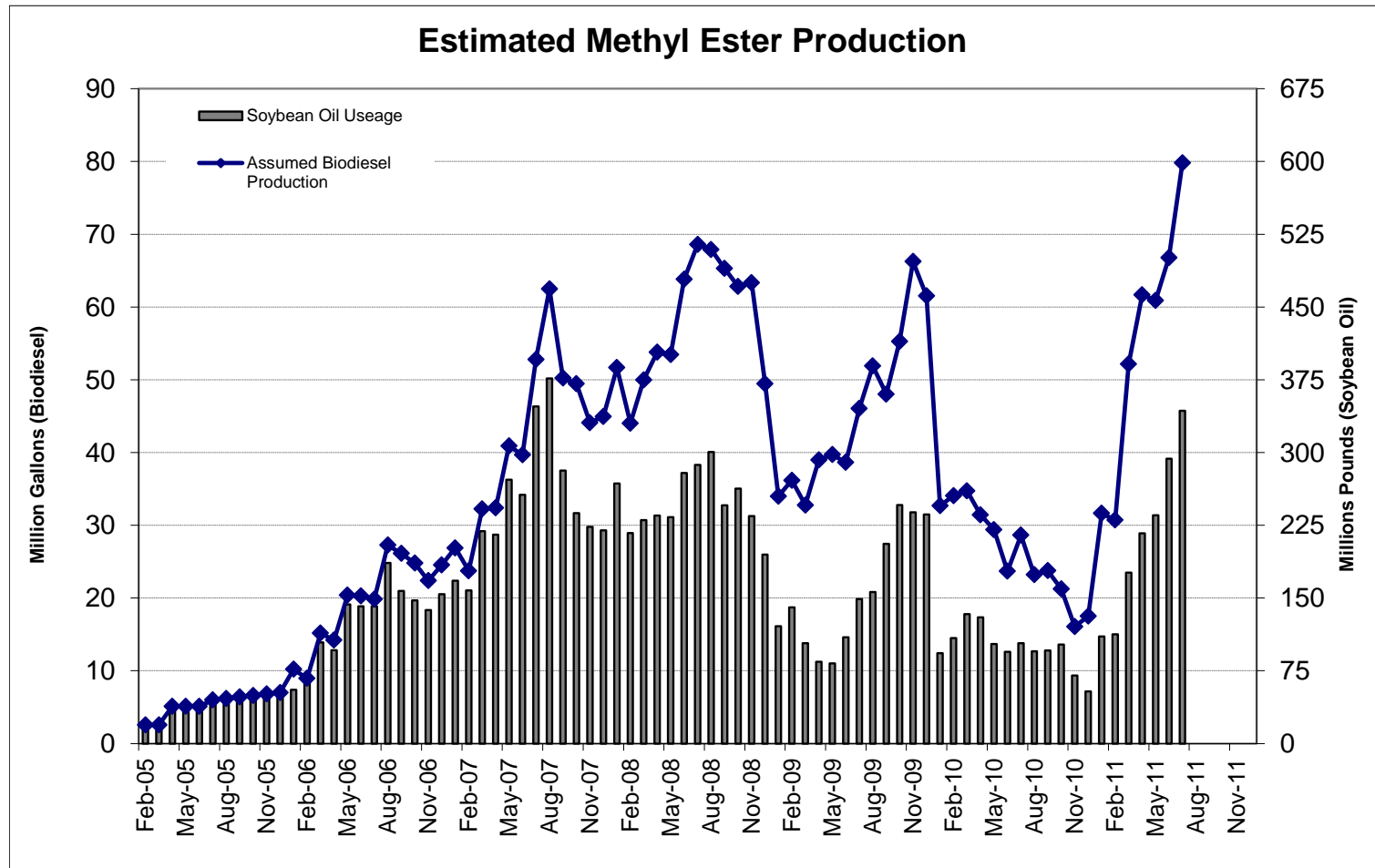
Corn Oil from DGS

Good for Iowa, America, and the World

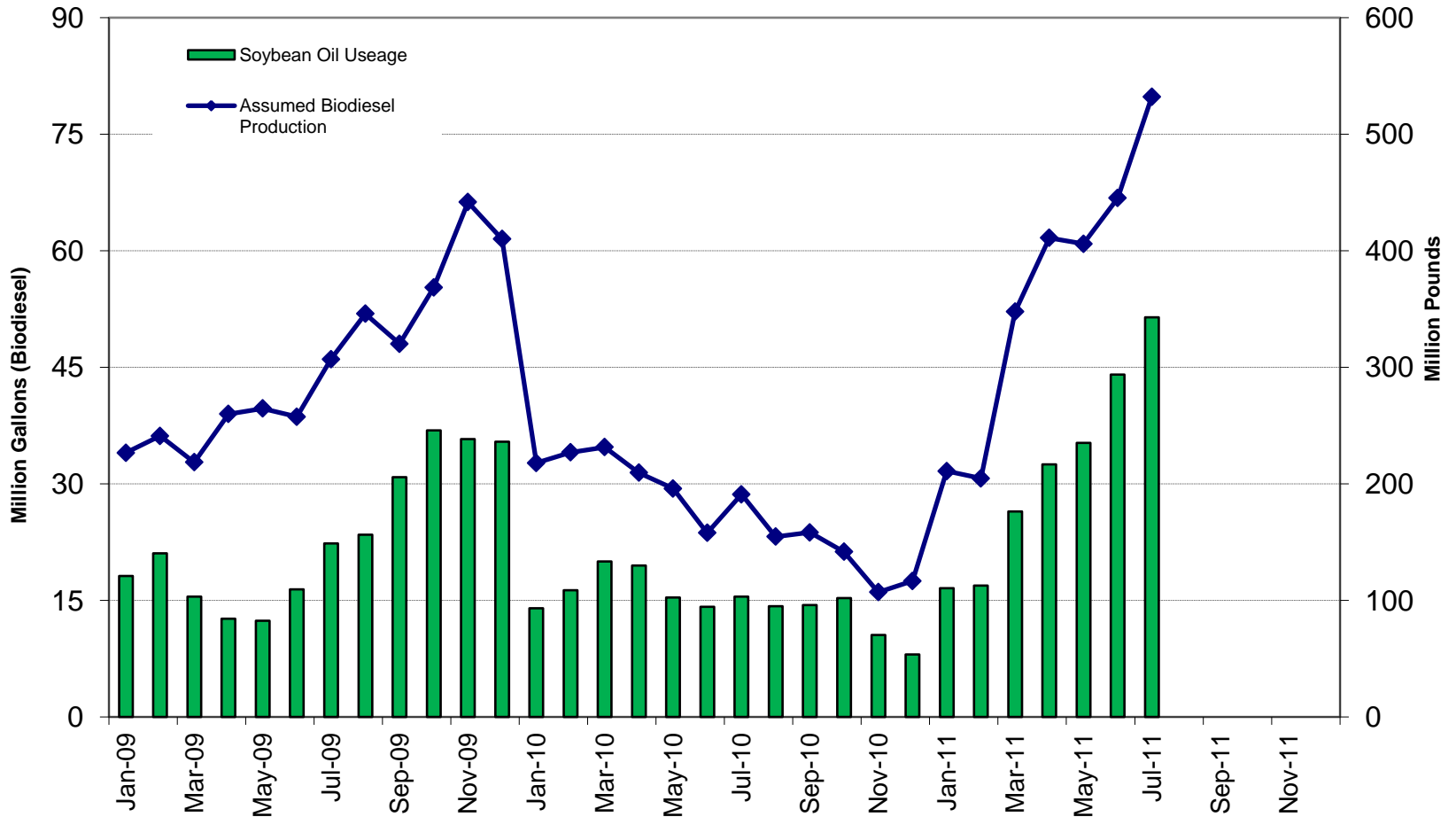
WESTERN DUBUQUE
BIODIESEL, LLC Feed Stock Supply

Biodiesel Feedstock Supply

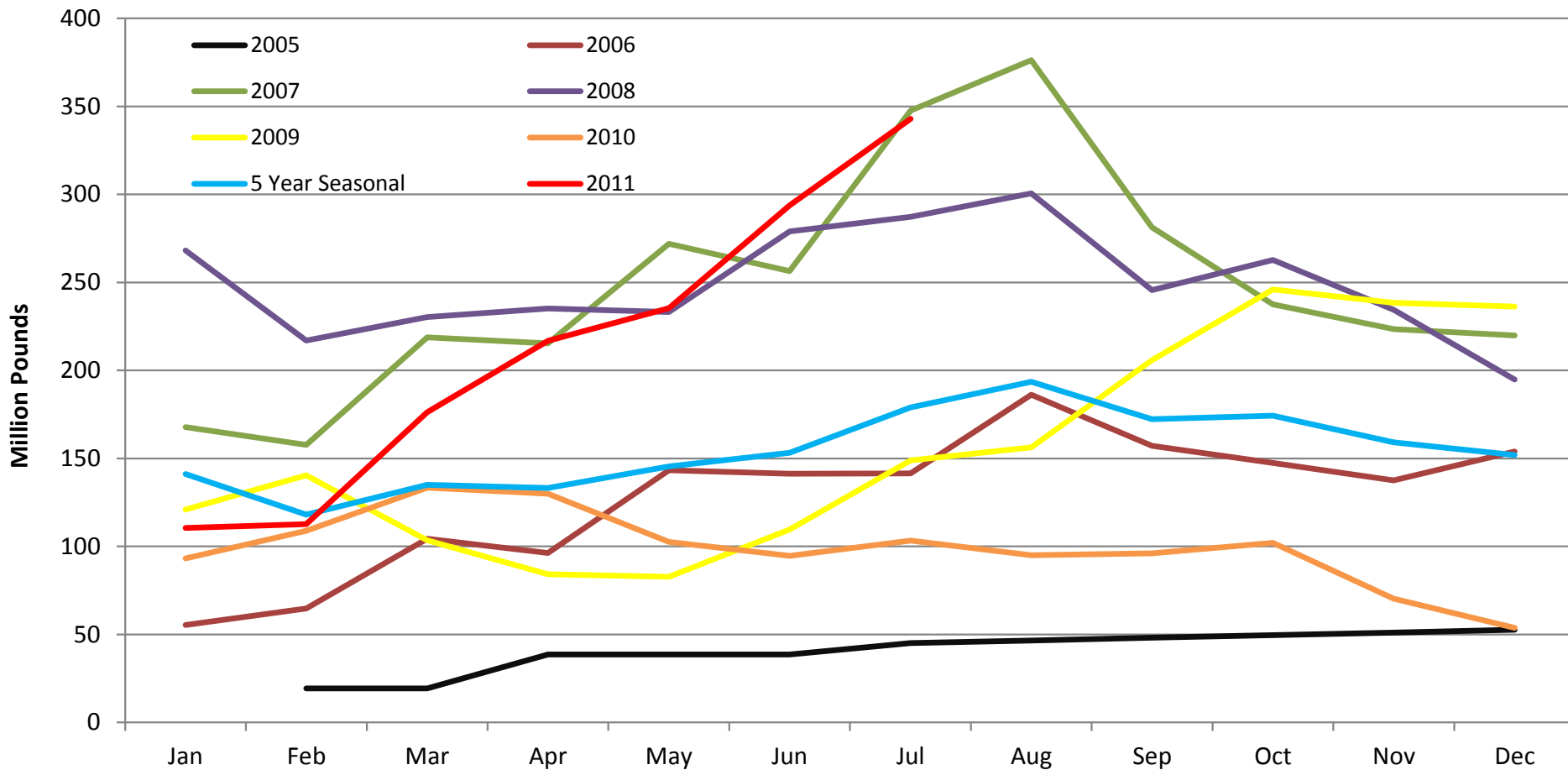




2010/11 Estimated Methyl Ester Production

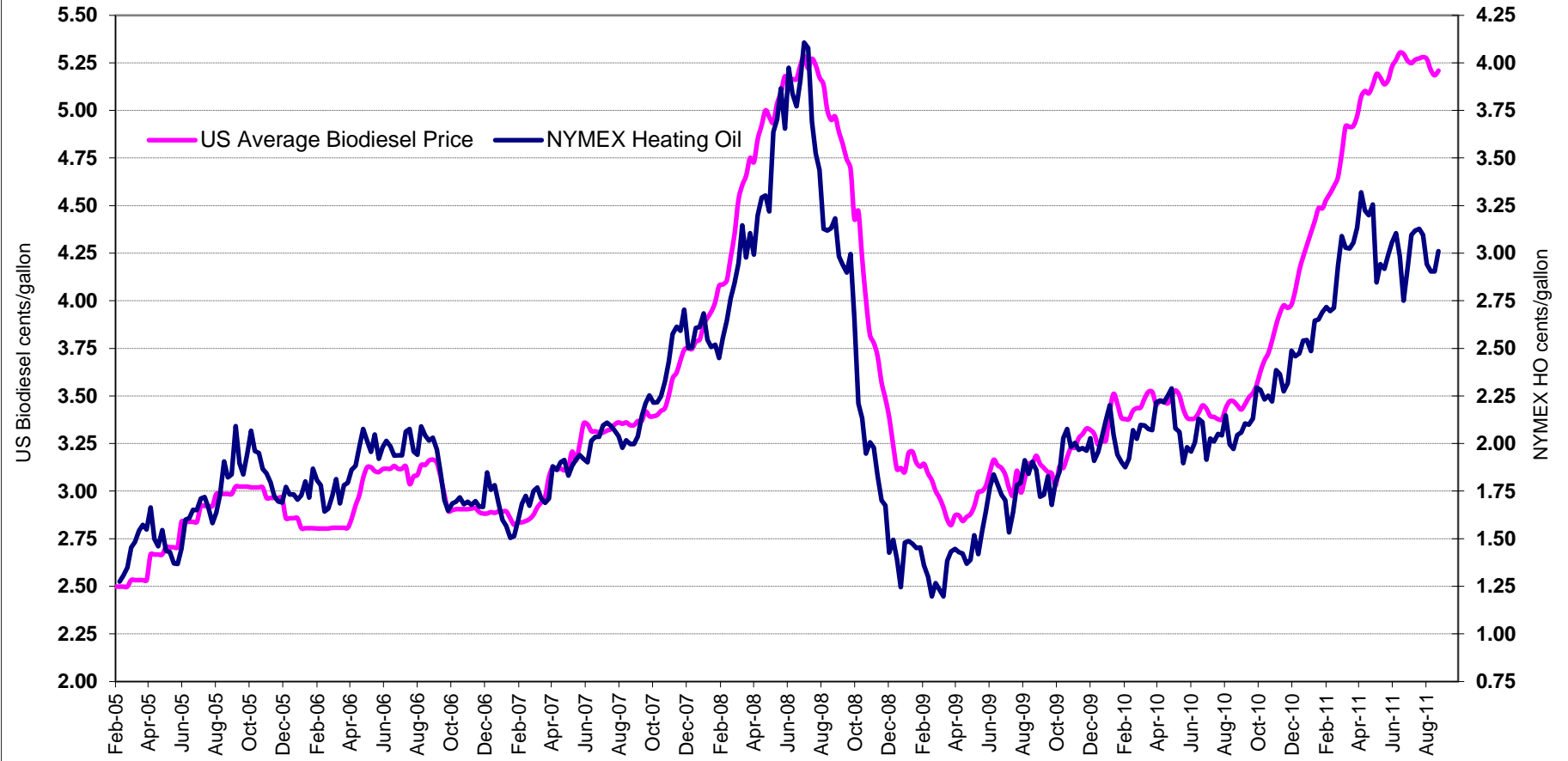


Soybean Oil Usage In Biodiesel

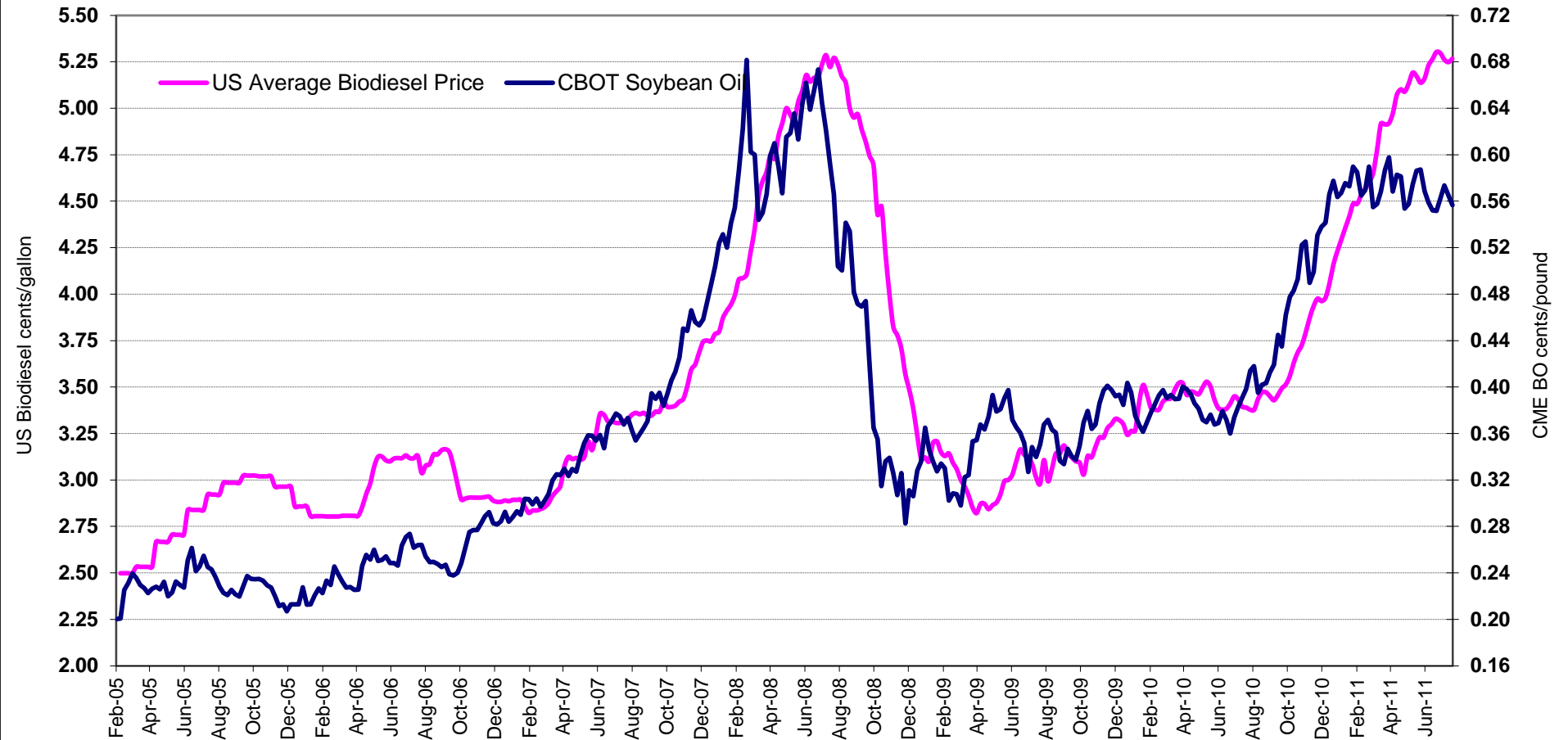


B100 vs. H.O.

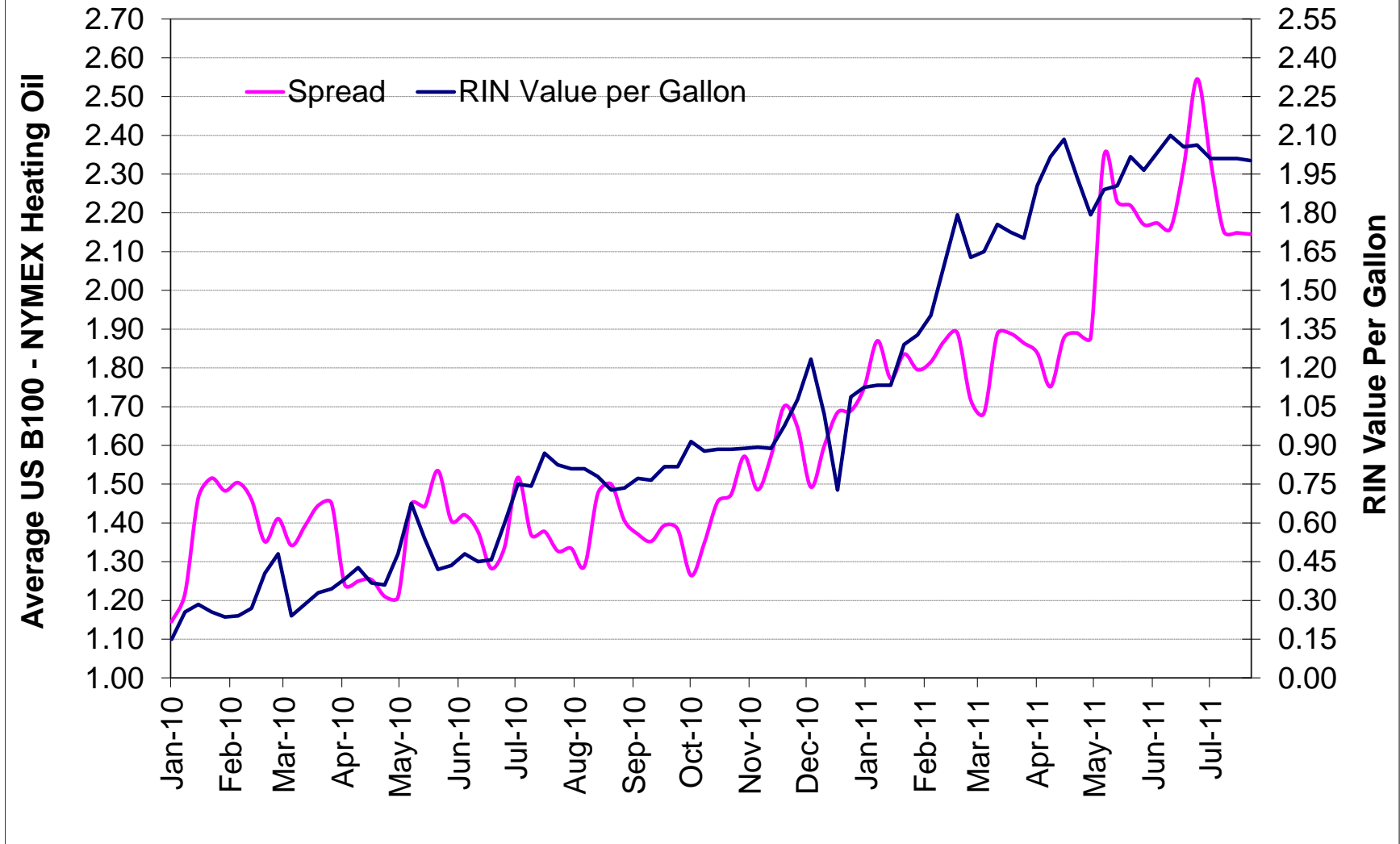
Average US B100 Price vs NYMEX Heating Oil



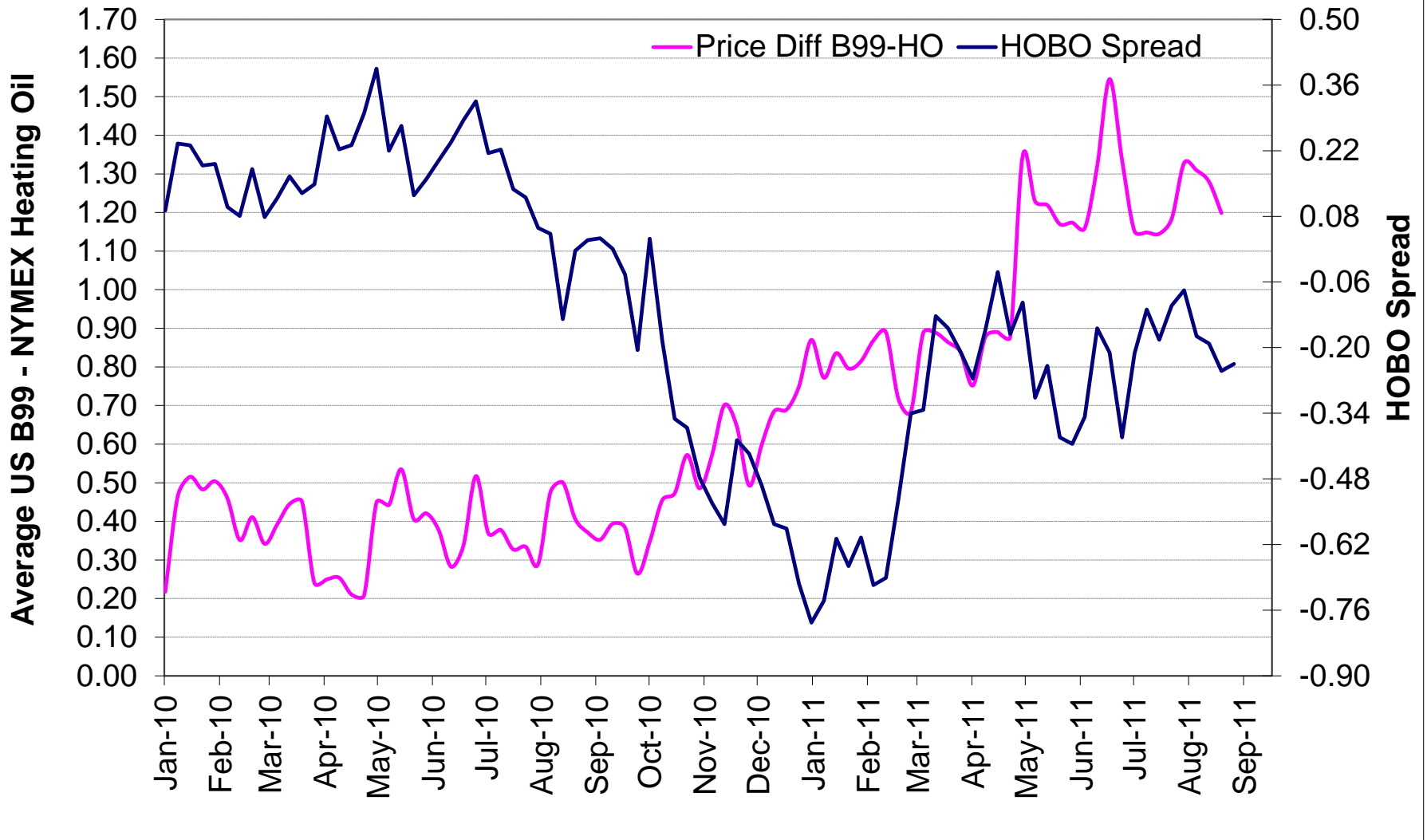
Average US B100 Price vs CBOT Soybean Oil



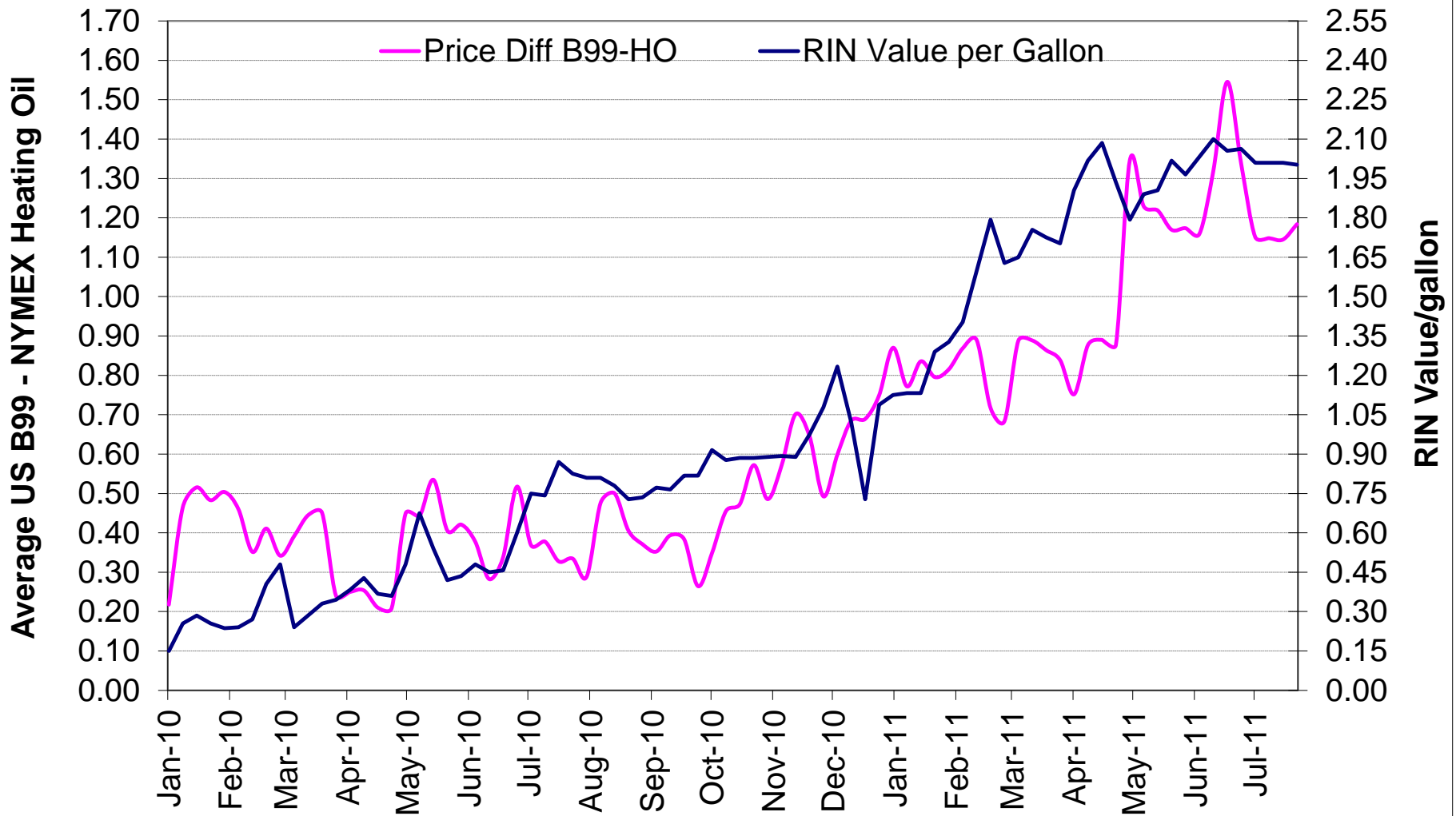
RIN Value vs US B100/NYMEX Heating Oil Spread



(B99 - Heating Oil) vs HOB0 Spread



(B99 - Heating Oil) vs HOBO Spread



RFS2 & Beyond

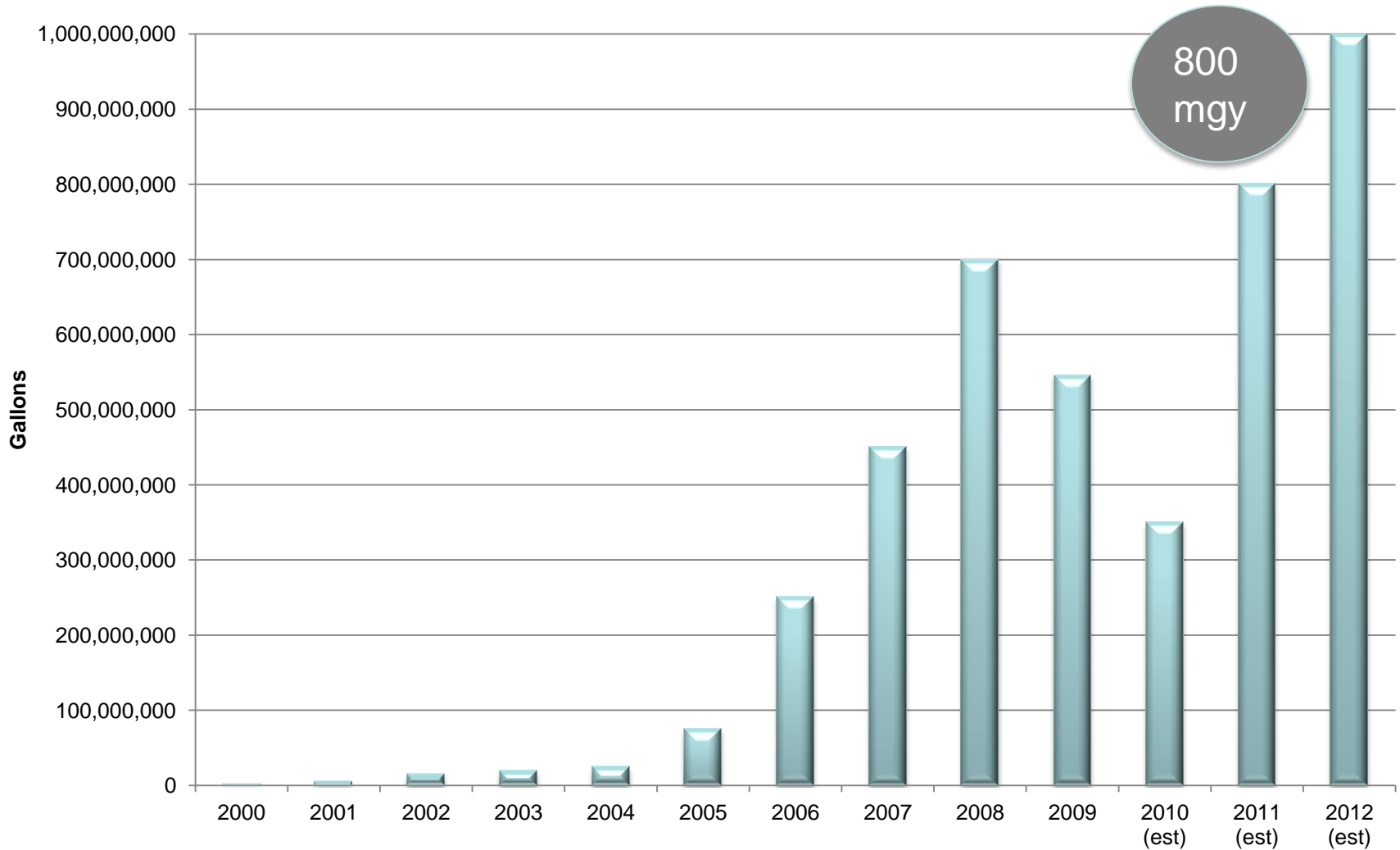
What Does It Mean To Us

- EPA-defined “Advanced Biofuels” include
 - Imported sugar cane ethanol
 - Domestically-produced cellulosic ethanol
 - Renewable diesel
 - **Biodiesel**
- Biodiesel reduces greenhouse gas emissions by up to 86% compared to petroleum diesel

Advanced Biofuel: Good for America

- EPA definition: 50% reduction in greenhouse gases
 - compared to petroleum
- *Advanced Biofuel is more...*
 - Enhances independence from imported petroleum
 - Reduces harmful greenhouse gas emissions
 - Supports American agriculture
 - Supports rural economies
 - Creates and maintain green collar jobs
 - Does not compete with food

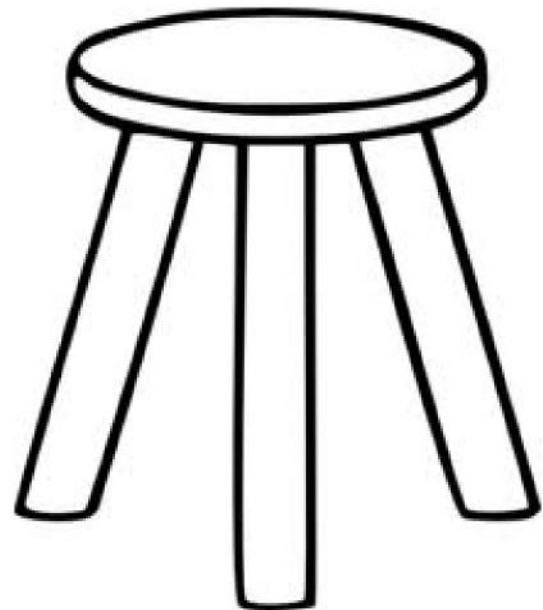
Estimated U.S. Biodiesel Production (Jan 1 - Dec 31)



- Renewable Fuels Standard
•(RFS2)

- Federal Biodiesel
•Tax Incentive

- State Level Incentives
Requirements



- Requires petroleum refiners and importers to show
 - compliance for biodiesel use
 - – Refiners/importers known as “obligated parties”
 - – Biodiesel accounts for 0.91% of obligated party’s diesel fuel refining/importation
- Compliance shown using “Renewable Identification Numbers”
 - – RINs are the tracking mechanism for obligated party compliance
 - – Value associated with RINs determined by market’s supply/demand of biodiesel

• EISA Renewable Fuel Volume Requirements (RFS2) (*billion gallons*)

• Year Biomass-Based Diesel

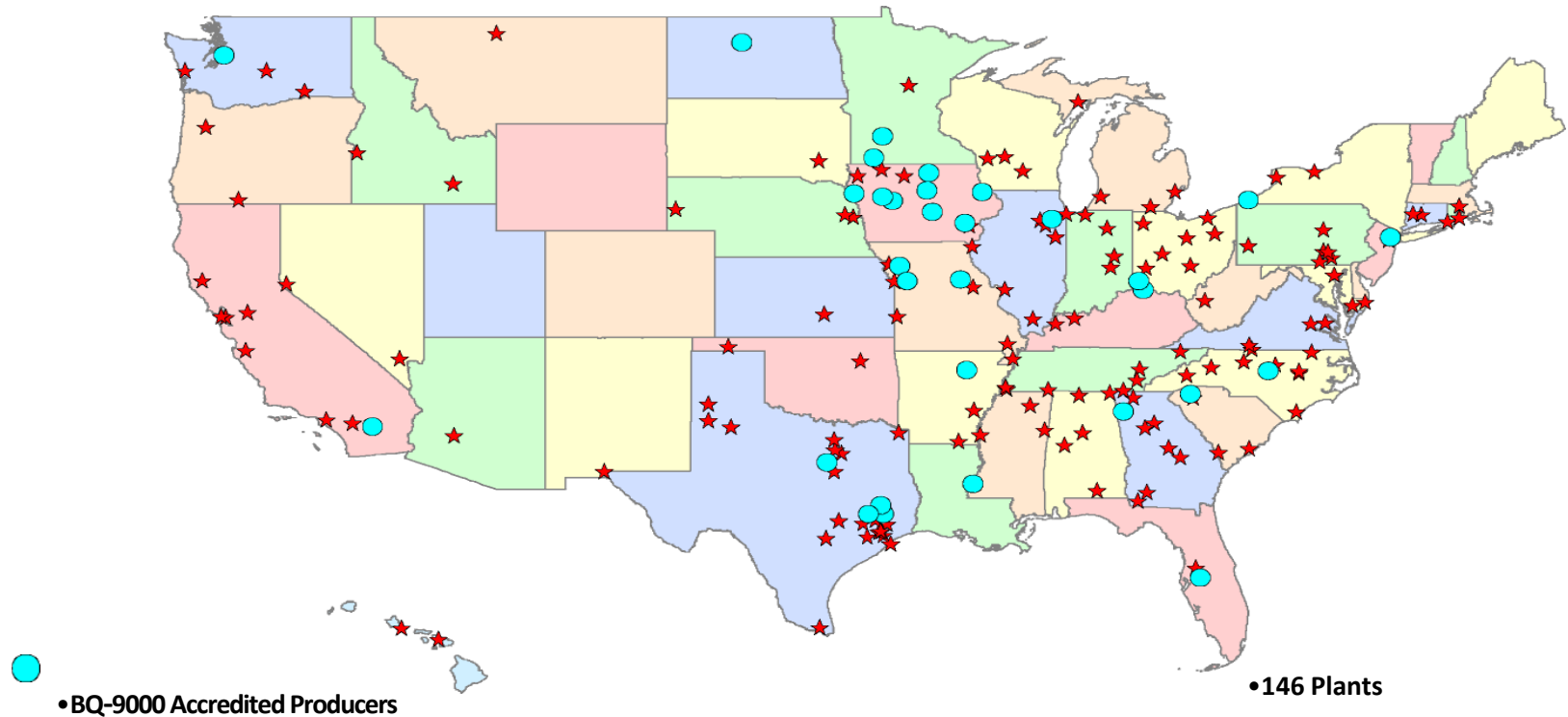
• *First Level of Compliance for Biodiesel Producers to Meet*

• 2011	800 Million Gallons
• 2012	1.00 Billion Gallons
• 2013	1.28 Billion Gallons
• 2014	1+, TBD by EPA
• 2015	1+, TBD by EPA
• 2016	1+, TBD by EPA
• 2017	1+, TBD by EPA
• 2018	1+, TBD by EPA
• 2019	1+, TBD by EPA
• 2020	1+, TBD by EPA
• 2021	1+, TBD by EPA
• 2022	1+, TBD by EPA

- **Biodiesel Tax Credit** – was renewed
- **Renewable Fuel Standard (RFS2)** –
800 million gal. obligation in 2011.
- 1 Billion gal. obligation in 2012
- 1.2 Billion gal. obligation in 2012

- **American Petroleum Institute v. EPA - FAILED!**

More Than 2 Billion Gallons of Production Capacity Registered with EPA to Meet RVO (2014) ?



•Source: National Biodiesel Board/ EPA



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Displacing Petroleum
Reducing Greenhouse
Gas Emissions

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BIODIESEL**
INITIATIVE

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Changing
the
dynamics...
creating
profitable
equations
for biodiesel
and the
Soybean
Checkoff

- **Biodiesel Tax Credit** – Expires Dec 2011
 - Future Producers credit 3 years (Politics of Budget cuts may get in the way of renewing this year) ????
- **Renewable Fuel Standard** – 1 billion gals. in 2012.
- **Bioheat** – the 7 billion gal. home heating oil has committed to moving to Bioheat.
- **State Incentives and Mandates** – 450 million gal. market by 2015.

- Blenders Tax Credit
 - Expired December 31, 2009
 - Passed Retroactively for 2010
 - Expires December 31, 2011
- Production Tax Incentive (New)
S. 1277 & HR 2238
 - Proposes
 - \$1.00/per gallon to biodiesel producer
 - Would expire 2015 (three-year program)

Waiting to determine bills' next steps

- New legislation SF 531 passed and enacted (5/26)
- modifying and extending biodiesel incentives
- Measure contains:
 - Retail credit: 2012 – B2 at \$.02 *and* B5 at \$.045; 2013 - 2017 – B5 at \$.045.
 - Production credit:
 - 2012 - \$.03;
 - 2013 - \$.025;
 - 2014 - \$.02.
 - \$3 million per year for renewable fuel infrastructure.

B20 Approved





DODGE



A NAVISTAR COMPANY



A Toyota Group Company



JOHN DEERE





All 2011 MY and beyond GM Heavy Duty
Products are approved for B20:



Chevrolet
Silverado



GMC
Sierra



Chevrolet
Express



GMC
Savana