

# Ethanol Finance & Investment Summit

## Summit Agenda

March 20, 2007

Welcome and Introduction by the Summit

Co-Chairs:

### ETHANOL FINANCE AND INVESTMENT MARKETS IN 2007

The ethanol finance and investment market has entered a period of transition. This introductory market overview will look at what factors are driving the market's transition, how market players are responding and where the new deal making opportunities will emerge in 2007.

- How is the market responding to oil price uncertainty?
- What are the opportunities for new project deals in 2007?
- What level of industry consolidation is likely in 2007 and what opportunities will that create for buyers and sellers?
- What strategies are market players adopting to take advantage of these new opportunities?

Summit Co-Chairs:

**Todd E. Alexander**, Partner, Chadbourne & Parke, LLP

**Chris Groobey**, Partner, Baker & McKenzie, LLP

### PRODUCERS' PERSPECTIVES ON THE MARKET

Established producers already have a significant presence in the ethanol industry. Their financial resources, needs and strategies are distinctive. These producers will discuss the evolving market from their unique vantage points.

- How do producers see the market maturing in 2007 and beyond?
- What role do they plan to play in the industry of the future?
- What is their view on the need for additional capacity?
- Will they be in the market as buyers and sellers of plants?
- What role is there for third parties in their plans?
- What is the future of federal and state mandates and subsidies?

Moderator:

**Todd E. Alexander**, Partner, Chadbourne & Parke, LLP

Panelists:

**Tydd Rohrbough**, CEO, Cornhusker Energy

**Duane Christensen**, General Manager, Chief Ethanol Fuels

Additional Panelist to be announced

### DEVELOPERS' PERSPECTIVES ON THE MARKET

This panel of independent ethanol developers will discuss their views on the state of the ethanol finance and investment market. They will discuss their experience in attracting funding in a transitioning and maturing market. They will set out their needs and how they would like to work together with the lending and investment community in 2007. They will address questions such as:

- What are their major financing challenges?
- What are the current financing trends in the market?
- Do they expect to finance their projects on a project basis?
- How do they mitigate risks on their project?
- How can investors become involved in their deals?
- How can the lending community facilitate their projects?
- How do independents compete against larger producers?

Moderator:

**John Pierce**, Partner, Stoel Rives, LLP

Panelists:

**Scott Pearce**, President & CEO, BioFuel Energy

**Terrence O'Malley**, CEO, Indiana Corn Products

**Kevin Kuykendall**, CEO, White Energy

Additional Panelist to be announced

### Luncheon Address



**Thomas C. Dorr**

Under Secretary for

Rural Development

U.S. Department of Agriculture

# Ethanol Finance & Investment Summit

## INVESTORS' PERSPECTIVES ON THE MARKET

*This panel of investors will share their perspectives on the ethanol market as it moves towards maturity and comment on the criteria they will use when evaluating investment decisions in 2007.*

- How has the course of the ethanol market during 2006 affected investors' market strategy for 2007?
- Will investors be operating as investors in new projects and as buyers of existing plants?
- What terms are equity investors looking for when making 2007 investment decisions?
- What levels of investment for initial sponsors of projects are investors will to commit?
- How is the experience of publicly traded ethanol companies affecting investors' strategy?
- What is the investors' investment horizon?
- What is investors' exit strategy?

*Moderator:*

**Chris Groobey**, Partner, Baker & McKenzie, LLP

*Panelists:*

**Tom Reich**, VP Finance, Noble Americas

**Andrew dePass**, Managing Director,  
Citigroup Venture Capital International

**John McKenna**, Chairman & CEO, Hamilton Clark & Co.

**Ken Taratus**, Managing Director, Morgan Keenan & Co.

## LENDERS' PERSPECTIVES ON THE MARKET

*This panel of lenders will provide their perspectives on the current market for ethanol project debt. They will provide the most up-to-date information on the current sources, terms, and structures for debt financing. They will also discuss the prospects for lenders entering the market.*

- What deals have received financing?
- What type of leverage is available?
- Is subdebt available?
- What is the role of working capital?
- How do the covenants compare among ethanol deals?
- What should sponsors better understand before they speak with you?
- What have been the most contentious issues?
- What is the tenor of the debt?

*Moderator:*

**Chris Groobey**, Partner, Baker & McKenzie, LLP

*Panelists:*

**Jerry Peters**, Vice President, TD Banknorth

**Denny DeVos**, Senior VP, Agribusiness,  
Ag Country Farm Credit

**Jeffrey Wood**, Managing Director, Wachovia

**Michael Allison**, Division Director - Commodity Market Division,  
Macquarie

## EPC CONTRACTORS' PERSPECTIVES ON THE MARKET

*EPC contractors will discuss the latest market conditions for EPC contracting. They will share their companies' views of the risks—including construction, completion and performance—that EPC contractors are expected to shoulder in these deals. They will discuss what kind of pricing and other terms can be expected in the market in 2007, and address such questions as:*

- What are the challenges EPC contractors will face in 2007?
- How are these taken into account when negotiating the EPC agreement?
- What is a realistic construction schedule for new projects?
- What types of schedule and performance guarantees and related liquidated damages are currently available in the market?
- How do they measure progress toward completion and completion itself?
- What is the advantage of using a turnkey contract, as opposed to a time and materials based contract?
- What are the advantages/disadvantages of obtaining financing from the EPC Contractor?

*Moderator:*

**Pete Moss**, Vice President of Marketing,  
Frazier Barnes & Associates

*Panelists:*

**Vaughn Farrie**, VP-Sales & Marketing, Lurgi PSI

**Al Knapp**, President & CEO, Ethanex Energy

**Mark Shmorhun**, VP-Project Development, Delta-T Corporation

[Summit Reception](#)



# Meet The Leading Ethanol Producers, Developers, Investors, Lenders, EPC Contractors and Other Players In The Ethanol Finance & Investment Community

March 21, 2007

## INNOVATIVE FINANCIAL STRATEGIES FOR 2007

With the ethanol industry maturing and its fortunes tied to the price of oil, selecting the right financial strategy will be critical for success in the future. This panel of highly experienced and knowledgeable investment bankers will share their insights on the current market, comment on where the new opportunities are likely to be and discuss the strategies that are likely to lead to success in 2007 and beyond.

- Why did the IPO market cool off in 2006?
- What is the impact of current market conditions on IPO and sales exit strategies?
- What will the deal flow look like over the coming year?
- What factors will most influence the level of activity in the coming year?
- What are the current trends in asset values?
- Who are the motivated sellers, and who are the best-positioned buyers in today's markets?
- What are the prospects for portfolio strategies, and acquire and build strategies, in 2007?

Moderator:

**Todd E. Alexander**, Partner, Chadbourne & Parke, LLP

Panelists:

**Gautam Bhandari**, Vice President, Morgan Stanley

**Brian Bolster**, Vice President, Goldman Sachs

**Craig Sielaff**, Senior Vice President, Commercial AgriBusiness & Energy Group, RJ O'Brien

**Ralph Cho**, Director, Global Energy, WestLB Securities

Morning Networking Break



## More to Come!

New Summit participants are still being added

Visit the Summit website for event updates:  
[www.infocastinc.com/ethanol.html](http://www.infocastinc.com/ethanol.html)

## BUYERS' AND SELLERS' PERSPECTIVE ON THE M&A MARKET

With the continuing maturity of the ethanol market and the forces of industry consolidation in play, asset and company M&A activity is on the rise. This panel will discuss what buying and selling opportunities they see in the market, what buyers and sellers are looking for when they get involved in deals, and what they see driving valuations.

- What are the opportunities present in the market for buyers and for sellers?
- What are buyers looking for in the market?
- What are sellers looking for in the market?
- What kinds of assets can we expect to see on the market?
- What are the forces supporting prices for assets in the market?

Moderator:

**Chris Groobey**, Partner, Baker & McKenzie, LLP

Panelists:

**David Hallett**, Managing Director, Goldsmith Agio Helms

**Ralph Cho**, Director, Global Energy, WestLB Securities

**Ted Brandt**, CEO, Marathon Capital

**David Allen**, Senior Manager, PricewaterhouseCoopers

## DEAL STRUCTURES TO MITIGATE RISKS IN A PERIOD OF UNCERTAINTY

This group of deal experts will discuss how contract and deal structures are adapting to changing market conditions. They will particularly focus on how to incorporate protection during periods of higher corn prices and lower ethanol prices.

- How are deal structures addressing the uncertainty in the market?
- What are the key deal points?
- What are the key contract structures?
  - o What's out there in corn supply contracts?
  - o Should you have a tolling agreement?
  - o How long of an ethanol offtake can you get?
  - o Can you get a fixed price ethanol contract?

Moderator:

**Todd E. Alexander**, Partner, Chadbourne & Parke, LLP

**Rob Sexton**, Managing Director, CIT Energy