



Big River The Value Adder Resources

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Inside This Issue

Annual Meeting Review
10th Annual RFA Conference
Welcome Aboard
"Corny" Times
Expansion Plans
Scale House Reminders

Board of Directors

Name	Affiliation
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LLC Executive Committee

Raymond E. Defenbaugh, President, CEO, Chairman	LLC, Co-op
Andy Brader, V. Pres ident	LLC, Co-op
Les Allen, Treasurer	LLC, Co-op
Gene Youngquist, LLC Secretary	LLC, Co-op

Managers / Directors

Jeffrey Coale	LLC
Steve Core	LLC
Terry Davis	Co-op
Dr. John Dooley	LLC
Pay Edmonds (Coop Secretary)	LLC, Co-op
Steve Giertz	LLC, Co-op
Jim Gunter	LLC, Co-op
Johnny Johnson	LLC
Larry Lagowski	LLC
Steve Mallams	Co-op
Brian Thome	LLC
Jeff Roskam	LLC
Gary Sanberg	Co-op
Chris Schwarck	LLC
Kirk Siegle	LLC, Co-op
Rich Siegle	Co-op
Larry Unkrich	LLC, Co-op

Annual Meeting Review...

The second annual meeting of the Big River Resources Co-op was held on Saturday, February 26, 2005 at the Memorial Auditorium in Burlington, Iowa. There were over 250 people in attendance.

Raymond Defenbaugh called the meeting to order and Jim Gunter gave the invocation.

Pat Edmonds, Co-op Secretary, gave the call of the meeting and read the minutes of the 1st annual meeting. It was noted that the meeting had sufficient representation via proxy and those present to conduct the business at hand.

Rick Brehm, our interim manager, reported on the activities of the plant since startup, as well as other current plant developments.

Larry Brees, the controller, gave an update on the fiscal year end as of August, 2004, and also our more current position as of the end of January, 2005. Both of these reports were well received. Les Allen, the Co-op Treasurer, followed up with an audit report as well as the benefit to the community that the plant provides. It was noted that an "early" dividend was declared by the board and the checks would be mailed on Monday, February 28. This was ahead of our previous schedule, as it had been said we could not pay dividends until we had operated for at least a year. The dividend was approximately 10% of the amount invested. It must be realized that these funds were from current profit conditions generated through our first months of operation and not reflective of the plants future performance.

The BRR Co-op Directors were introduced and this was followed by President Defenbaugh's report, which centered on the past year's activities as well as our current expansion opportunities.

Our speaker for this years meeting was Larry Schafer from the National Renewable Fuels Association in Washington. Larry gave an excellent review of the ethanol industry and where the national organization projects are headed towards in the future. He also provided insightful information on the happenings of this congressional session and legislation that will impact the industry.

Terry Davis, Chair of the Nominating Committee, gave the results of the election of directors, with the previously announced directors being re-elected.

After a question/answer period, the meeting was adjourned.

-Larry Unkrich

10th Annual Renewable Fuels Association Conference

BRR was represented at The 10th Annual Renewable Fuels Association Conference by three co-op members in addition to BRR LLC members who were representing other entities in addition to BRR LLC. The co-op members were Ray Defenbaugh, Andy Brader, and Larry Unkrich. Additional LLC members included Chris Schwarck, Jeff Roskam, Steve Core, and Rick Brehm.

The conference started on Monday, Feb. 7 and concluded on Wednesday, Feb. 9. There were over 1,000 people in attendance and it was held at the Camelback Inn in Scottsdale, Arizona. RFA is very well organized and hosted a wide variety of participants including producers, suppliers, contractors, lenders, government agencies, utility/energy providers, trade organizations, engineering/legal/financial professionals, politicians, major manufacturing (i.e. GM & GE), etc.

On Tuesday, some of the interesting topics included...

- Shell Oil sees us headed towards more diesel and gas to liquid fuel over the next 20 years
- Industry growth/supply/demand outlook
 - ...growing at 17.7%
 - ...fear of oversupply in the short term
 - ...supply exceeds demand in '05 (until '08)
- The future of RFS and the Energy Bill in this session
 - ...2 RFS bills were introduced...we got the weak one...keep it!
 - ...the ethanol industry is building refineries
- Presentation on ethanol's favorable effect on gas prices and adequate supplies across the country

Some of the breakout sessions included; programs to assist current/future plants, future markets for bio-fuels, ethanol promotion programs in various states, cellulose ethanol, ethanol's energy equation, tax code changes to benefit ethanol, the need for a consistent DDGS and how we get there, and futures trading and ethanol.

- Minn. Gov...Tim Pawlenty...promotes E20 and 2% soy diesel in his state
- Super panel moderated by Bob Dinneen on Washington Insider Topics...what's coming up in the current session and how will it play out
- Reliability/Availability of energy in the future

Excellent discussion on gas, electricity, and coal production presently and in the future...leaders in the field here gave their opinions on many aspects of the energy industry!

In review, this was my first RFA meeting and I was extremely impressed with the content and organization. I would recommend attending these sessions to anyone who has an interest in the energy/ethanol equation. -Larry Unkrich

Welcome Aboard ...

We would like to introduce you to the new General Manager. Jim Leiting began March 28. Mr. Leiting brings with him a world of agriculture experience and knowledge. Jim's previous employment was with Farmers Cooperative Company in Farnhamville, IA. There he managed an 8.5M bushel grain and full service hub agronomy plant. Jim's experiences and accomplishments fill up multiple pages. A few of his accomplishments are coaching skills, environmental management, loss control and safety management, and working for quality facilitator training. When you are in the office, take the opportunity to introduce yourself, as Jim is eager to get to know the members and customers of Big River Resources.

Big River has another employee to introduce you to. Sara Hecox began full time with Big River on February 28 as an administrative assistant. She has been with the plant for a month now, and she is learning the different aspects of the plant very quickly. Sara will be the main contact individual for all cooperative members. She will also be learning to keep the cooperative books. If you have any questions, feel free to contact Sara at 319-768-5871.

Welcome aboard Jim Leiting and Sara Hecox!!



"Corny" Times

First of all, thanks for all your business and patience. March was a difficult month with storage space and limited hours. Although it came with a little bit of logistics difficulty, the amount of spot business was a pleasant surprise. However, customers seem to enjoy the Big River facility and the service they are receiving. Big River investors deserve credit for making sure the plant's corn unloading facility is top of the line. The scale staff has done a great job and Lanette has been tremendous in accuracy and getting checks out daily.

We would like to ask for some help from you. Please inform us when you are selling or delivering committed corn bushels. There is a lot of extra paper work involved with these bushels, and we would like to get your account credited correctly the first time.

We are using Northstar Commodities to add more pricing options for your corn. They have three pricing tools for your use. You can use an averaging program, price bushels using the relative strength index, or let Northstar price your bushels. You can choose one or all three. The cost is five cents. Included in this cost is a one year subscription to Northstar Commodities marketing service, daily market updates, newsletters and you can see daily where your corn is being priced. If you have any further questions please call the office.

-Ty Weisendanger

Big River Resources

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Mission Statement

To improve and stabilize the agricultural economic resources of the multi-state region by establishing corn based ethanol as the premier renewable fuel.

Join us on the Web!

www.bigriverresources.com

*We must not act on ignorance
because that would be stupidity.*

Everyone's perception is their own truth, their reality.

Expansion Plans...BRR,LLC

There have been several questions crop up relative to the plans of our plant and whether or not the board is discussing expansion. The following will hopefully help to define the position of the board at this time.

When we were soliciting investment in the plant, it was noted that the physical layout was such that expansion was very much taken into account by strategically placing buildings, tanks, piping, roadways, etc., in order that a doubling of the plant could be accomplished without disrupting the current operation by more than a couple of weeks. That is still the case, and is certainly being considered as one of the favorite options at this time.

That being said, other considerations are deserving of some merit as we go along. The industry is growing by leaps and bounds and there are some schools of thought that we are examining. One of those being that "territory should be staked out" so that future areas of corn production, and thus ethanol production, are spoken for! Given that possibility, we are having second thoughts about expanding our current plant at this time; or should we be looking at different geographical locations that are strategic for future production? After all, we will always be able to expand at the current location...but are we overlooking opportunities in other communities where we recognize potential and no local interest presently exists? We are only looking at possible sites that are within a realistic distance of our plant and would not leave the "safe haven" of IA/IL. Another consideration is to join with other plant(s) in some form of venture that would reduce the risk to all involved, but still provide some element of control. Finally, it must be emphasized that any undertaking will not jeopardize that which we have accomplished to date and the earnings of this plant will stay with our current shareholders. In other words, the future must stand on its own merit and raise its own capital!

Larry Unkrich

Scale House Reminders...

When delivering corn to the plant, please remember to give the following information to the scale operator for each load.

- Whose account the grain should be credited to.
- If the corn is spot or contract.
- If contract, what type of contract (DP, basis, minimum price, average price, etc.)
- If corn is member committed bushels.

By providing the above information to the scale operator before probing each load, it helps us avoid any mistakes and allows us to make prompt payment for the delivered bushels. The proper information also helps keep your plant running efficiently, reducing labor costs and adding more money back to you the member. If you are delivering committed bushels and have not given BRR the mileage from your closest bin site to the plant, please do this at the same time. This information is only needed one time to calculate any freight allowance you as a member are entitled to. Again, please make sure that whoever is delivering the corn to the plant knows the above information, and if you have any questions we would encourage you to call.

-Kirk Siegle

