



Board News – Kevin Roche - President

We finally have our first year (8 months) of production under our belts. Looking at the big picture, we (employees, management, investors and board members) have accomplished a great deal to end the year well into the black. Most start-up businesses end their first year in the red. Our/your employees and management are doing an excellent job of finding ways to increase production and efficiency of the plant and to improve the business. Thank you to all the member/investors for your continued confidence in our/your business. Your confidence is reflected in bids and asking prices of membership units. The matching price of the units has about doubled in price from the initial offering.

The ethanol industry in the state and country continues to gain momentum. Equity raising drives for bigger plants are occurring in record time. Wall Street investors have totally financed a couple of new plants.

On the consumer front: The highlight and buzz of the Chicago Auto show this month was the introduction of new E85 vehicles by Ford and GM. Both automakers have collaborated up with different companies to promote E85 and to expand the number of gas stations that sell E85. GM's "Live Green Go Yellow" T-shirts are the hottest selling shirts in America right now. www.livegreengoyellow.com.

Lastly on the Wisconsin political front: The support for the SB15 Bill continues to grow. The Ethanol Coalition has over 100 groups and businesses publicly supporting the Bill, including all of the Wisconsin environmental groups and Wisconsin Lung Association. Thank you to everyone who wrote or called his or her state representative. The grassroots support is making a difference in the outcome of this Bill.

Our annual meeting will be April 22, 2006 at the Cambria High School. An official notice will be mailed out.

Jeff Robertson - CEO



I'm very pleased to report that United Wisconsin Grain Producers (UWGP) had a good fourth quarter to end it's first fiscal year, (December 31, 2005). In spite of falling ethanol values during the last quarter we still enjoyed higher than average and higher than budgeted prices for our product. Average prices in the \$1.60's during the period were a pleasant surprise, given that when we started production, back in April, it was hard to sell ethanol for more than \$1.20 on a fixed price forward sale.

On the production side, we have continued to run the plant effectively, and even though we had production issues related to our boiler, we still produced and shipped 12.8 million gallons of ethanol, equivalent to an annual production rate of 51.2 million gallons. The plant consumed 49,000 bushels of corn daily and shipped approximately 36,800 tons of DDGS and 4,600 tons of modified WDGS during this time.

Our shipping and receiving staff unloaded 4,152 corn trucks, shipped 2,421 trucks of distillers, and 183 railcars of ethanol during the quarter. We loaded 2,387 trucks of ethanol. The vast majority of this ethanol was blended and consumed in Wisconsin.

In the fourth quarter the Board approved our operating budget, as presented by management, and reviewed a tentative capital spending program of about ten million dollars. Most of this amount would be used for projects to improve efficiency and/or increase production capacity. The amount will be financed with a combination of debt and equity from earnings.

The outlook for ethanol values in 2006 is very bright, and I am feeling confident that our annual production in 2006 will outperform our annual production rate of the last quarter of 2005.

Dan Wegner - Commodities Manager



Hello everyone, I thought I would spotlight our distiller's grain products this issue, for it has seen the most significant changes recently. As you may or may not know, our plant makes two different products, dry distiller's grains with solubles, also known as DDGS, and a wet version of this same product, with moisture contents between 50-55%. Both products are valuable additives in animal feed rations, with the wet distillers working into cattle, swine and poultry rations worldwide. In the past few weeks, each product has had some interesting developments.

As mentioned, DDGS a dry product, has good shelf life, and can be shipped long distances. Since plant startup, we have shipped DDGS to many part of the United States, places such as Texas, Idaho, the Carolina's, California, and Florida. We have also had product destined for overseas via barge through the gulf of Mexico. Another market, one I find most interesting, is South Asia and Japan, in which this product leaves our country in containers. Typically, we had been shipping out of the facility via hopper bottom tucks, and then the product was trans-loaded into containers in

Northern, IL and railed to the West Coast, where the containers are loaded onto a vessel. Recently, we began a program in which we will have some containers loading directly on our site. The demand for export DDGS appears to be growing yearly and we are excited to be involved in this marketplace.

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