

Exhibit A

Approved Budget

Financial Covenants

Hawkeye Renewables Cash Collateral Budget

Filing	Week Ending													Cumulative
	WK 1 12/27/09	WK 2 1/9/10	WK 3 1/20/10	WK 4 1/31/10	WK 5 1/24/10	WK 6 1/31/10	WK 7 2/7/10	WK 8 2/14/10	WK 9 2/21/10	WK 10 2/28/10	WK 11 3/7/10	WK 12 3/14/10	WK 13 3/21/10	
Operating Cash Receipts														
Ethanol	\$ 8,342	\$ 8,616	\$ 8,962	\$ 8,962	\$ 8,962	\$ 8,962	\$ 8,449	\$ 8,449	\$ 8,449	\$ 8,449	\$ 8,236	\$ 8,236	\$ 8,236	\$ 11,312
Distillers Grains	1,309	1,300	1,303	1,321	1,321	1,321	1,357	1,298	1,298	1,298	1,270	1,317	1,317	17,029
Total Operating Receipts	\$ 9,651	\$ 9,917	\$ 10,265	\$ 10,284	\$ 10,284	\$ 10,284	\$ 9,806	\$ 9,747	\$ 9,747	\$ 9,747	\$ 9,505	\$ 9,552	\$ 9,552	\$ 128,341
Operating Cash Disbursements														
Commodity Disbursements														
Corn	\$ (5,891)	\$ (6,142)	\$ (5,648)	\$ (5,436)	\$ (5,436)	\$ (5,436)	\$ (5,528)	\$ (5,474)	\$ (5,474)	\$ (5,474)	\$ (5,486)	\$ (5,480)	\$ (5,480)	\$ (72,388)
Natural Gas	(561)	(649)	(649)	(649)	(649)	(649)	(591)	(591)	(591)	(591)	(653)	(653)	(653)	(8,132)
Chemicals	(253)	(258)	(258)	(258)	(258)	(258)	(258)	(258)	(258)	(258)	(258)	(258)	(258)	(3,346)
Denaturant	(147)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(150)	(1,952)
Non-Commodity Disbursements														
Rail Car Leases	-	-	(555)	-	-	-	(555)	-	-	-	(555)	-	-	(1,665)
Electricity	-	-	(550)	-	-	-	(550)	-	-	-	(550)	-	-	(1,650)
Freight Expense	(716)	(702)	(730)	(730)	(730)	(730)	(730)	(730)	(730)	(730)	(730)	(730)	(730)	(9,451)
Payroll and Bonuses	(56)	-	(57)	-	(57)	-	(57)	-	(57)	-	(57)	-	(57)	(400)
Production, Maintenance and Other	(232)	(260)	(260)	(260)	(260)	(260)	(260)	(260)	(260)	(260)	(260)	(260)	(260)	(3,351)
Management Fees	-	(980)	-	-	-	-	-	-	-	-	-	-	-	(980)
Maintenance CapEx	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(40)	(520)
Working Capital Effect of Filing ⁽¹⁾	(6,318)	(2,500)	(955)	-	-	-	-	-	-	-	-	-	-	(9,773)
Total Operating Disbursements	\$ (14,213)	\$ (11,681)	\$ (9,853)	\$ (7,524)	\$ (7,524)	\$ (7,524)	\$ (8,720)	\$ (7,504)	\$ (7,561)	\$ (7,504)	\$ (8,740)	\$ (7,572)	\$ (7,629)	\$ (113,606)
Total Operating Net Cash Flow	(4,562)	(1,765)	412	2,760	2,760	2,760	1,086	2,243	2,186	2,243	766	1,980	1,923	14,735
Non-Operating Receipts / (Disbursements)														
Restructuring and Other Professional Fees ⁽²⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50)	\$ -	\$ -	\$ (1,570)	\$ -	\$ -	\$ -	\$ (1,570)	\$ (3,190)
Hedge Funding	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest / Principal Income	6	5	5	6	6	6	7	7	8	8	8	8	8	91
Total Non-Op. Receipts / (Disbursements)	\$ 6	\$ 5	\$ 5	\$ 6	\$ 6	\$ 6	\$ 7	\$ 7	\$ (1,562)	\$ 8	\$ 8	\$ 8	\$ (1,561)	\$ (3,099)
Net Cash Flow	\$ (4,556)	\$ (1,759)	\$ 417	\$ 2,765	\$ 2,765	\$ 2,716	\$ 1,093	\$ 2,250	\$ 623	\$ 2,251	\$ 774	\$ 1,989	\$ 362	\$ 11,635
Beginning Cash	\$ 33,750	\$ 29,194	\$ 27,435	\$ 27,853	\$ 30,618	\$ 33,327	\$ 36,043	\$ 37,136	\$ 39,386	\$ 40,010	\$ 42,261	\$ 43,035	\$ 45,024	\$ 33,750
Net Cash Flow	(4,556)	(1,759)	417	2,765	2,765	2,716	1,093	2,250	623	2,251	774	1,989	362	11,635
Ending Book Cash	\$ 29,194	\$ 27,435	\$ 27,853	\$ 30,618	\$ 33,327	\$ 36,043	\$ 37,136	\$ 39,386	\$ 40,010	\$ 42,261	\$ 43,035	\$ 45,024	\$ 45,385	\$ 45,385
Assumptions:														
Ethanol Blended Price per Gallon, net ⁽¹⁾	\$ 1.81	\$ 1.92	\$ 1.92	\$ 1.92	\$ 1.92	\$ 1.92	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.75	\$ 1.75	\$ 1.75	\$ 1.75
Corn Blended Price per Bushel ⁽¹⁾	3.92	3.98	3.98	3.98	3.98	3.98	4.01	4.01	4.01	4.01	4.01	4.01	4.01	4.01

Note: Budget does not project emergence date.

- (1) Working capital effect represents working capital contraction at filing due to change in payment terms relating to suppliers and includes prepayment and customer deposits.
- (2) Does not include fees to be paid post-emergence or professional fees for unsecured creditors committee should one be appointed.
- (3) Projections reflect management's estimates of the commodity prices it could realize in the coming weeks for the entire 13 week period. Blended prices include ethanol sold forward and corn purchased forward at pre-contracted levels.

1. **Financial Covenants**

I. **Non-Commodity Disbursement Covenant:** The Debtors' may make non-commodity disbursements in excess of the amount set forth in the Approved Budget for those particular disbursement line items so long as the percentage deviation for all cumulative non-commodity disbursement line items during the applicable Calculation Period (as defined below) shall not exceed fifteen percent (15%) in the aggregate, of the amount set forth in the Approved Budget for all cumulative non-commodity disbursement line items for such Calculation Period (the "Non-Commodity Covenant"). Non-commodity disbursements include all disbursements except for the following excluded disbursements:

- a. Professional fees and expenses,
- b. Corn, natural gas, miscellaneous chemicals and denaturant (together, "Commodity Disbursements"),
- c. Posting of margin for and/or realized losses from approved Financial Hedging Transactions (as defined below),
- d. Disbursements up to \$500,000 for necessary but unplanned repairs, maintenance and capital expenditures required for plant operations that are not included in the Approved Budget, and
- e. Deposits made with a financial institution or a third party to collateralize letters of credit or guarantees issued in lieu of vendor deposits and/or prepayments, provided that financial institutions and/or third parties that will receive such deposits require the advance approval of the First Lien Agent.

II. **Minimum Cash Balance Covenant:** The Debtors' may not make Commodity Disbursements in excess of the amounts set forth in the Approved Budget for those particular line items during the applicable Calculation Period if the Debtors' actual ending cash balance is lower than the Minimum Cash Balance (as defined below) for two consecutive weeks (the "Minimum Cash Balance Covenant" and, together with the Non-Commodity Covenant, the "Covenants"). The Minimum Cash Balance is the actual cash balance at the beginning of the Calculation Period less (x) \$7.5 million and (y) the following amounts actually disbursed during the Calculation Period:

- a. Vendor deposits, vendor prepayments and critical vendor payments up to the respective amount included in the Approved Budget.
- b. Deposits made with a financial institution or a third party to collateralize letters of credit or guarantees issued in lieu of vendor deposits and/or prepayments,

provided that financial institutions and/or third parties that will receive such deposits require the advance approval of the First Lien Agent.

- c. Professional fees and expenses,
- d. Posting of margin for and/or realized losses from approved Financial Hedging Transactions (as defined below), and
- e. Disbursements up to \$500,000 for necessary but unplanned repairs, maintenance and capital expenditures required for plant operations that are not included in the Approved Budget

If the Debtors' determine that a non-budgeted disbursement(s) was for expenses incurred due to a change in business conditions brought about by the Debtors' Chapter 11 filing and such disbursement(s) would cause a default of a Covenant, the Debtors may request that the First Lien Agents and Required Lenders consent to the exclusion of such disbursement(s) from the relevant Covenant calculation, provided, however, any such exclusion from a Covenant calculation shall require the prior approval of the First Lien Agent and the Required Lenders.

2. **Financial Hedging Activities.** Financial hedging transactions, which include futures, options and swaps cleared through a broker on a commodity exchange or OTC market ("Financial Hedging Transactions"), shall not be permitted absent the prior approval of a risk management committee appointed by the First Lien Agent and the Required Lenders. Financial Hedging Transactions existing on the Petition Date shall be considered approved. For the avoidance of doubt, Financial Hedging Transactions exclude ordinary course forward physical sales of ethanol and distillers grains and forward physical purchases of corn, natural gas, denaturant and chemicals ("Forward Physical Sales and Purchases"). Forward Physical Sales and Purchases include sales and purchase agreements with counterparties in which the actual physical commodity is expected to be delivered under the contract.
3. **Non-Debtor Affiliate Distributions.** Distributions and payments to Hawkeye Energy Holdings, LLC ("HEH") and any affiliates (to include members of HEH and any affiliate, but excluding Hawkeye Grain, LLC) shall be prohibited other than payments made in the ordinary course of the Debtors' business pursuant to the following agreements:
 - i. Amended and Restated Services Agreement dated January 28, 2009 between HEH and Hawkeye Renewables LLC,
 - ii. Exclusive Ethanol Marketing Agreement dated May 30, 2008 between Hawkeye Gold, LLC ("Gold") and Hawkeye Renewables LLC (including, for the avoidance of doubt, all purchase orders entered into pursuant to such agreement), and
 - iii. Distiller's Grains Marketing Agreements dated October 19, 2007 between

Gold and Hawkeye Renewables LLC (including, for the avoidance of doubt, all purchase orders entered into pursuant to such agreement).

4. **Calculation Period.** The applicable calculation period (the "Calculation Period") will include the period commencing on the first day of the Approved Budget or Supplemental Approved Budget and ending on the last day of the then current week, provided, however, that the first Calculation Period shall end on the last day of the second week of the Approved Budget or Supplemental Approved Budget.