



March 29, 2012

FOR IMMEDIATE RELEASE

Thyfault to speak at 2012 Advanced Biofuels Leadership Conference; Upcoming REAP Deadlines; 2012 VAPG Funding to Open Soon; USDA Business & Industry Loan Guarantees

Thyfault to speak at 2012 Advanced Biofuels Leadership Conference

Cindy Thyfault, Founder and CEO of Westar Trade Resources, will be speaking on "Financing Approaches" in the Aligning Business Fundamentals - From Feedstock to Flight Panel at the 2012 Advanced Biofuels Leadership Conference in Washington, DC on April 5th, 2012.

Each year the Advanced Biofuels Leadership Conference brings together the leaders guiding the development of advanced biofuels - including cellulosic ethanol, renewable diesel, renewable gasoline, renewable jet fuel, biobutanol, as well as emerging feedstocks including algae, jatropha, camelina and more. Other speakers include prominent biofuels CEOs, leadership from the USDA, DOE, and EPA, as well as financial markets and key-end users.



With the theme "Go Big, Stay Strong," ABLC 2012 will focus on key drivers for biofuels commercialization with a key emphasis on navigating the path to expansion and balancing large commercial scale projects with the need to stay strong in an uncertain policy and finance environment.

Upcoming REAP Deadlines

The Rural Energy for America Program (REAP) issued a Notice of Funding Availability in the Federal Register on January 20, 2012, which also announced acceptance of applications for the program.

REAP is a core program under the USDA Rural Development Energy Programs intended to increase U.S. energy independence and develop greater energy efficiency. The REAP program provides financial assistance to agricultural producers and rural small businesses to finance a variety of energy production and conservation projects, including renewable energy systems, energy efficiency improvements, feasibility studies, energy audits, and renewable energy development assistance.

This year, funding for the REAP program is just over \$60 million with approximately \$12.5 million in

allocations to the grant program and \$48.5 million to the guaranteed loan program. REAP grants cover up to 25% of eligible project costs up to \$500,000 for energy systems and \$250,000 for energy efficiency projects. The maximum REAP loan amount is 75% of the total project cost up to \$25 million.

All applications must be submitted to USDA Rural Development State offices. The deadline for energy audits and renewable energy development assistance applications passed on February 21, 2012. Deadlines for renewable energy system, feasibility study, and energy efficiency improvement grant applications (including combined grant and guaranteed loan applications) is this Friday, March 30, 2012.

It is not too late to apply for renewable energy system and energy efficiency improvement guaranteed loan only applications. These applications will be accepted on a continuous basis up to June 29, 2012. It is important to note that projects over \$200,000 require a feasibility study with the application package, and Westar has the skills and qualifications to help your company complete these studies.

Westar has helped clients receive over \$2.1 million in REAP grants, loans and combined applications. Westar client Southwest Energy & Feed (Seminole, Texas) was successful in obtaining a \$500,000 grant and a \$1.1 million loan guarantee for a 1.6 million gallon per year biodiesel plant. In 2008, Westar client Zurix Biodiesel (Thomaston, GA) also received a \$500,000 grant for a \$5 million biodiesel project through this program. Last year, Westar client Mississippi Moonshine (Clarksville, MO) also received a \$20,000 grant for an ethanol fueling station.

2012 VAPG Funding Cycle to Open Soon

The USDA's Rural Business-Cooperative Service (RBS) will announce the availability of competitive grant funds for Fiscal Year (FY) 2012 to help independent agricultural producers enter into value-added activities.

VAPG grants may be used for planning activities and for working capital for marketing value-added agricultural products and for farm-based renewable energy. Eligible applicants include: independent producers, farmer and rancher cooperatives, agricultural producer groups, and majority-controlled producer-based business ventures.

Awards may be made for planning activities or for working capital expenses, but not for both. Historically, the maximum grant amount for a planning grant has been \$100,000 and \$300,000 for a working capital grant.

In the last 7 years Westar Trade Resources has assisted 21 companies to submit proposals to the USDA VAPG program, and 19 companies were awarded grants for a total of \$3,085,305. Westar client, Holder Brothers Beef was recently awarded \$300,000 to develop for natural beef retail outlets.

USDA Business & Industry Loan Guarantees

USDA State offices are currently accepting applications for the Business and Industry (B &I) Loan Guarantee Program. Funding availability varies by state; however, applications are accepted on a rolling basis.

The B &I Loan Guarantee Program is a lender-driven program that provides a loan guarantee to the bank or other approved lender to finance private businesses. Of great benefit to the lender, the guaranteed

portion of the loan does not count against a financial institution's lending limit and all or part of the guaranteed portion of the loan may be sold on the secondary market. B&I loans are normally available in rural areas, which include all areas other than cities or towns of more than 50,000 people.

The maximum guarantee provided to the lender is generally 80% for loans up to \$5 million and 70% for \$5 to \$10 million. Eligible loan uses include: construction, acquisition, working capital, equipment purchase, startup costs, expansion costs, and, in some cases, debt refinancing. Ineligible uses include: lines of credit, businesses involved in gambling, golf courses, or agriculture production (some exceptions apply for Vertically-Integrated Agricultural Operations).

Below are additional program details:

* Interest rates are negotiated between the lender and business. They may be fixed or variable and often have more competitive rates than traditional loans.

* The term is typically up to 30 years for real estate, 15 years for machinery and equipment (depends on useful life), and 7 years for working capital.

* The lender will ensure collateral is sufficient. All collateral must secure the entire loan. Personal and corporate guarantees are required. Recent client awards under this program include:

* Coil Tubing Intervention Services - A subsidiary of Hardy Energy Services, awarded \$5 million Business & Industry Loan for a coil tubing unit and equipment.

* Tri-W Construction - Awarded a \$1.5 million Business & Industry guaranteed line of credit for oil fields manufacturing company.

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For more information, please contact Westar Trade Resources for a free consultation:

Cindy Thyfault, Founder and CEO
Westar Trade Resources
2030 Main Street, Suite 410
Dallas, TX 75252
214-320-0900
www.westartrade.com