

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re AgFeed USA, LLC, et al.

Case No. 13-11761 (BLS)

Reporting Period: \_\_\_\_\_ Period 3 (March) \_\_\_\_\_

**MONTHLY OPERATING REPORT**

File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

<b>REQUIRED DOCUMENTS</b>	<b>Form No.</b>	<b>Document Attached</b>	<b>Explanation Attached</b>	<b>Affidavit/Supplement Attached</b>
Schedule of Cash Receipts and Disbursements	MOR-1	X		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a	X		
Schedule of Professional Fees Paid	MOR-1b	X		
Copies of bank statements				
Cash disbursements journals				
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3	X		
Status of Postpetition Taxes	MOR-4	X		
Copies of IRS Form 6123 or payment receipt				
Copies of tax returns filed during reporting period				
Summary of Unpaid Postpetition Debts	MOR-4	X		
Listing of aged accounts payable	MOR-4	X		
Accounts Receivable Reconciliation and Aging	MOR-5	X		
Debtor Questionnaire	MOR-5	X		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

/s/ Keith A. Maib  
Signature of Authorized Individual\*

4/30/2014  
Date

Keith A. Maib  
Printed Name of Authorized Individual

Chief Restructuring Officer  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF DELAWARE**

**In re: AgFeed USA, LLC, et al.  
Case No. 13-11761 thru 13-11776**

**Reporting Period: March 1, 2014 – March 31, 2014**

**MONTHLY OPERATING REPORT**

Enclosed herein is the ninth Monthly Operating Report ("MOR") for the abovementioned Debtors. As further explained below, two separate MOR's are included in this filing – AgFeed USA, LLC ("AgFeed USA") consolidated with its subsidiaries and AgFeed Industries, Inc. ("Industries"). Please note:

- Sixteen related entities filed for Chapter 11 bankruptcy protection on July 15, 2013 ("Petition Date"). The Debtors maintain two separate sets of books and records – one for AgFeed USA and its fourteen subsidiaries and one for Industries, the parent of AgFeed USA and other non-Debtor foreign entities. Consistent with past practices, including financial reporting and tax preparation, this MOR depicts results for AgFeed USA (consolidated) and Industries separately.
- While the Debtors' management and advisors have exercised reasonable best efforts to ensure that the MOR is accurate and complete based on information that was available at the time of preparation, these reports are a product of the Company's financial reporting system and are unaudited and subject to change.
- In 2013, The Debtors reported on a 5-4-4 accounting calendar. After January 1, 2014, however, the Debtors will begin reporting financials based on calendar month end in an effort to align cash flow statements more closely with bank reconciliations included in the MOR's. The Petition Date of July 15, 2013 falls in the middle of the July reporting period. Except as described in various notes on MOR pages directly, the cumulative results reflected in this MOR reflect the time period spanning from Petition Date through the period end close.
- The Company's cash management system underwent a transition in October 2013. AgFeed USA previously utilized two primary operating accounts (Cobank XXX1887, Wachovia XXX0740), which were migrated into one new primary operating account (Bank of the West XXX2187). Industries continues to manage one primary operating account (SunTrust XXX3958). AgFeed USA and Industries share two health benefits accounts (Wells Fargo XXX0315, XXX0570). Additionally, the Debtors maintain a restricted cash deposit account (Bank of the West XXX8154). The former accounts are no longer active and were closed in January 2014.
- The presentation methodology reflected herein provides the complete MOR for AgFeed USA followed by the complete MOR for Industries.
- These global notes along with statements which are included as footnotes on certain MOR submissions, are incorporated by reference in, and comprise an integral part of, the MOR, and should be referred to and reviewed in connection with any review of the MOR.

Case No. 13-11761 (BLS)  
Reporting Period: \_\_\_\_\_ Period 3 (March)

**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**

Amounts reported should be net of deposits, loans, and the bank statement. The beginning cash should be the ending cash from the prior month. If this is the first report, the amount should be the balance on the date the business began. The ending cash should be the ending cash from the prior month. The amount reported in the "PROJECTED" column should be taken from the SMALL BUSINESS FINANCIAL REPORT (FORM 990). The amount reported in the "ACTUAL" column should be taken from the cash disbursement journal. The total disbursements listed in the disbursement journal must equal the total disbursements reported on the 990. A bank reconciliation must be attached for each account (see page 10 of the 990).

	BANK ACCOUNTS		CURRENT MONTH		CUMULATIVE YTD TO DATE	
	OVER	OTHER	ACTUAL	PROJECTED	ACTUAL	PROJECTED
Cash beginning of Month	\$ 1,067,355		\$ 1,042,355		\$ 531,911	
<b>RECEIPTS</b>						
Personal Money In/Share						
Cash Sales/Financing						
Gift Sales/Returns						
Net Sales Proceeds						
Miscellaneous						
Errors/Total Sales						
<b>Total Receipts</b>						
<b>DISBURSEMENTS</b>						
Payroll						
AD VALS A/Insurance						
Purchased Water Pkg (CHAMP 3rd Party)						
Best Purchase						
Feed Costs/Financing						
Feeding/Feed Costs/Financing						
Produce/Fees						
Yield/Feed						
Rent/Offices						
CEO & Other Executive Management						
AP Payroll Overhead						
Traveling						
Utilities						
Repairs & Maintenance						
Insurance						
Vehicle/Travel Costs						
Travel/Travel						
Phone/Mail/Travel						
Miscellaneous						
<b>Total Operating Disbursements</b>						
Net Operating Cash Flow						
<b>Non-Operating Disbursements</b>						
Principal Payment/CCA Monthly						
Interest Payment/CCA Monthly						
Capital Payment/Other Debt (Net of 916)						
Manufacturing/Professional Fees						
<b>Total Non-Operating Disbursements</b>						
<b>Net Cash Flow</b>						
Cash End of Month						
<b>Disbursement for Calculating U.S. Trustee Quarterly Fee</b>						
Total Disbursement						
Less: Transfer to Debtor in Possession Accounts						
Plus: Estate Disbursements Made by Outside Service						
<b>Total Disbursements for Calculating U.S. Trustee Quarterly Fee</b>						

**Notes:**  
 (1) The debitor has exchanged projects to its secured lender and this Court of records when filing cash collateral motions. These orders are incorporated by reference herein.  
 (2) The net cash balance (cumulative filed to date) has been reduced to reflect cash out of \$2,000.00 and is consistent with bank balances.  
 (3) Beginning cash balance beginning balances in each cash account (3 Company), Primary DOTY, Secured Account, DOTY Restricted Cash Account, and Beneficial Accounts, which is listed with AgriLand Industries, Inc.

In re AgFeed USA, LLC, et al.  
Debtors

Case No. 13-11761 (BLS)  
Reporting Period: \_\_\_\_\_ Period 3 (March) \_\_\_\_\_

**BANK RECONCILIATIONS**  
Continuation Sheet for MOR-1

A bank reconciliation must be included for each bank account. The Debtor's bank reconciliation may be substituted for this page.

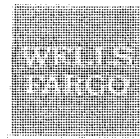
The following accounts are included in the enclosed bank reconciliations:

Bank Account Name	Bank Account Number
Wells Fargo Benefits I Account	XXX0315
Bank of The West Restricted Cash Accounts	XXX8154
Bank of The West Operating Account	XXX2187
Bank of the West Credit Card Deposit Account.	XXX9251

# Wells Fargo Benefits | Account

# Analyzed Business Checking

Account number: 9839570315 ■ March 1, 2014 - March 31, 2014 ■ Page 1 of 2



AGFEED USA, LLC  
 1920 PHILADELPHIA ST STE 107  
 AMES IA 50010-8786

### Questions?

Available by phone 24 hours a day, 7 days a week:  
 1-800-CALL-WELLS (1-800-225-5935)

Online: [wellsfargo.com](http://wellsfargo.com)

Write: Wells Fargo Bank, N.A. (163)  
 Grand Junction Downtown Business Banking  
 PO Box 5247  
 Denver, CO 80274

## Account summary

### Analyzed Business Checking

Account number	Beginning balance	Total credits	Total debits	Ending balance
9839570315	\$14,170.04	\$0.00	-\$622.04	\$13,548.00

### Debits

#### Electronic debits/bank debits

Effective date	Posted date	Amount	Transaction detail
	03/11	15.64	Client Analysis Srvc Chrg 140310 Svc Chge 0214 000009839570315
		<b>\$15.64</b>	<b>Total electronic debits/bank debits</b>

#### Checks paid

Number	Amount	Date	Number	Amount	Date	Number	Amount	Date
	70.00	03/05	4235249	115.00	03/17	4235251	100.00	03/25
4235248	171.00	03/17	4235250	150.40	03/17			
		<b>\$606.40</b>	<b>Total checks paid</b>					
		<b>\$622.04</b>	<b>Total debits</b>					

### Daily ledger balance summary

Date	Balance	Date	Balance	Date	Balance
02/28	14,170.04	03/11	14,084.40	03/25	13,548.00
03/05	14,100.04	03/17	13,648.00		
<b>Average daily ledger balance</b>		<b>\$13,864.73</b>			



## IMPORTANT ACCOUNT INFORMATION

We want to let you know of the following fee change effective April 1, 2014:

Bank of the West  
Restricted Cash  
Account

**BANK OF THE WEST**  
 P.O. Box 2830, Omaha, NE 68103-2830

**Account Statement**

March 1, 2014 - March 31, 2014

Page 1 of 4



>001688 4057185 0001 008230 10Z  
 AG FEED USA LLC  
 RESTRICTED DEPOSIT ACCOUNT  
 1920 PHILADELPHIA ST, STE 197  
 AMES IA 50010-8197

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1-800-488-2265



Thank you for banking with Bank of the West. We appreciate your business and look forward to continuing to serve your banking needs.

**MONEY MARKET PLUS - BUS 032-238154**

AG FEED USA LLC  
 RESTRICTED DEPOSIT ACCOUNT

**ACCOUNT SUMMARY**

<b>Beginning Balance</b>	<b>\$526,733.62</b>
1 Credits	62.63
0 Deposits	0.00
0 Withdrawals	0.00
0 Checks	0.00
<b>Ending Balance</b>	<b>\$526,796.25</b>

**EARNINGS SUMMARY**

Interest this statement period	\$62.63
Interest credited year-to-date	\$185.55
Interest credited prior year	\$456.21
Annual percentage yield earned	0.14%
Average monthly balance	\$526,733.62

**For your protection:**

Examine this statement promptly. Any discrepancy must be reported within 30 days. Consumer customers: A discrepancy regarding an electronic payment or line of credit must be reported within 60 days.

In South Dakota, Bank of the West operates under the name of Bank of the West California.







## Account Statement

March 1, 2014 - March 31, 2014

Page 2 of 4

### MONEY MARKET PLUS - BUS xxx-xx8154 (continued)

#### ACCOUNT DETAIL

##### Credits

<i>Date</i>	<i>Amount</i>	<i>Description</i>
03/31	\$62.63	INTEREST PAID

1 credit for a total of \$62.63



## Account Statement

March 1, 2014 - March 31, 2014

Page 3 of 4

### IMPORTANT INFORMATION

#### IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

(For accounts that are maintained primarily for personal, family or household purposes.)


Telephone us at (800) 488-2265, or write us at Bank of the West\*, Branch Service Center, P.O. Box 2573, Omaha, NE 68103-2573 as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared. We will need to know the following:

1. Tell us your name and account number (if any).
2. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell us the dollar amount of the suspected error.

We will investigate your complaint and will correct any error promptly. If we take more than 10 business days (20 business days for transactions involving new accounts) to do this, we will credit your account for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation.

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 [bankofthewest.com](http://bankofthewest.com)

 1-800-488-2265

# Bank of the West Operating Account

AGFEED USA BOTW OPERATING ACCOUNT  
Bank of the West Account 032-432187 Analyzed Checking

Bank balance 3/31/14 \$ 8,444,235

Deposits in Transit

Outstanding checks

Check	2,266	
20010	2,341	
<u>Total o/s checks</u>		<u>4,607</u>

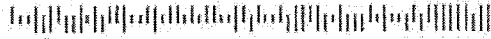
Register balance as of 3/31/2014 \$ 8,439,629

**BANK OF THE WEST**  
 P.O. Box 2830, Omaha, NE 68103-2830

**Account Statement**

March 1, 2014 - March 31, 2014

Page 1 of 4



>001350 4057185 0001 008230 102  
 AGFEED USA LLC  
 OPERATING ACCOUNT  
 1920 PHILADELPHIA ST, SUITE 107  
 AMES IA 50010-8197

**At your service**

bankofthewest.com

1-800-488-2265

Thank you for banking with Bank of the West. We appreciate your business and look forward to continuing to serve your banking needs.

**ANALYZED CHECKING 032-432187**

AGFEED USA LLC  
 OPERATING ACCOUNT

**ACCOUNT SUMMARY**

<b>Beginning Balance</b>	<b>\$10,506,451.75</b>
0 Credits	0.00
1 Deposits	2,070.00
25 Withdrawals	-2,056,827.41
11 Checks	-7,458.80
<b>Ending Balance</b>	<b>\$8,444,235.54</b>

**EARNINGS SUMMARY**

Interest this statement period	\$0.00
Interest credited year-to-date	\$0.00
Interest credited prior year	\$0.00
Annual percentage yield earned	0.00%
Average monthly balance	\$9,507,251.42

**For your protection:**

Examine this statement promptly. Any discrepancy must be reported within 90 days. Consumer customers: A discrepancy regarding an electronic payment or line of credit must be reported within 60 days.

In South Dakota, Bank of the West operates under the name of Bank of the West California.





# Account Statement

March 1, 2014 - March 31, 2014

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## ANALYZED CHECKING xxx-xx2187 (continued)

### ACCOUNT DETAIL

#### Deposits

Date	Amount
03/14	\$2,070.00

1 deposit for a total of \$2,070.00

#### Withdrawals

Date	Amount	Description
03/07	22,334.49	ACH SETTLEMENT AG FEED USA MISC 030714
03/10	21,325.79	OUTGOING WIRE REFERENCE # 140310003985 WIRE DEBIT SENDING BANK REFERENCE # WT14031003452425
03/10	5,568.00	ACH SETTLEMENT AG FEED USA MISC 031014
03/10	27,885.00	ACH SETTLEMENT AG FEED USA MISC 031014
03/10	31,562.41	ACH SETTLEMENT AG FEED USA MISC 031014
03/11	5,999.52	OUTGOING WIRE REFERENCE # 140311006289 WIRE DEBIT SENDING BANK REFERENCE # WT14031103454171
03/11	7,848.32	OUTGOING WIRE REFERENCE # 140311006292 WIRE DEBIT SENDING BANK REFERENCE # WT14031103454169
03/11	10,637.86	OUTGOING WIRE REFERENCE # 140311006291 WIRE DEBIT SENDING BANK REFERENCE # WT14031103454170
03/11	694,990.82	ACH SETTLEMENT AG FEED USA MISC 031114
03/17	75.00	OUTGOING WIRE REFERENCE # 140317001685 WIRE DEBIT SENDING BANK REFERENCE # WT14031703458985
03/20	326.37	CASH MANAGEMENT CHG -ACCOUNT ANALYSIS CHARGES
03/20	39,561.51	ACH SETTLEMENT AG FEED USA MISC 032014
03/21	765.60	OUTGOING WIRE REFERENCE # 140321001256 WIRE DEBIT SENDING BANK REFERENCE # WT14032103464412
03/21	5,674.00	OUTGOING WIRE REFERENCE # 140321001263 WIRE DEBIT SENDING BANK REFERENCE # WT14032103464418
03/21	7,849.50	OUTGOING WIRE REFERENCE # 140321001258 WIRE DEBIT SENDING BANK REFERENCE # WT14032103464413
03/21	27,929.74	OUTGOING WIRE REFERENCE # 140321001257 WIRE DEBIT SENDING BANK REFERENCE # WT14032103464414
03/21	32,991.97	OUTGOING WIRE REFERENCE # 140321001259 WIRE DEBIT SENDING BANK REFERENCE # WT14032103464411
03/21	74,583.65	OUTGOING WIRE REFERENCE # 140321001260 WIRE DEBIT SENDING BANK REFERENCE # WT14032103464410



# Account Statement

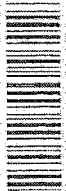
March 1, 2014 - March 31, 2014

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## ANALYZED CHECKING xxx-xx2187 (continued)

### ACCOUNT DETAIL

#### Withdrawals



Date	Amount	Description
03/21	\$937,560.00	OUTGOING WIRE REFERENCE # 140321001275 WIRE DEBIT SENDING BANK REFERENCE # WT14032103464415
03/21	41,810.01	ACH SETTLEMENT AG FEED USA MISC 032114
03/26	8,169.06	OUTGOING WIRE REFERENCE # 140326001953 WIRE DEBIT SENDING BANK REFERENCE # WT14032603468748 <i>WIRE</i>
03/26	14,839.52	OUTGOING WIRE REFERENCE # 140326001929 WIRE DEBIT SENDING BANK REFERENCE # WT14032603468748 <i>ADP</i>
03/26	2,975.00	ACH SETTLEMENT AG FEED USA MISC 032614
03/26	9,380.74	ACH SETTLEMENT AG FEED USA MISC 032614
03/26	24,043.50	ACH SETTLEMENT AG FEED USA MISC 032614

25 withdrawals for a total of \$2,056,827.41

#### Checks Paid

Number	Date paid	Amount	Number	Date paid	Amount	Number	Date paid	Amount
10346	03/06	472.80	20004	03/05	1,200.00	20009	03/28	89.08
20001*	03/03	76.99	20005	03/03	1,960.00	20012*	03/26	731.00
20002	03/03	1,960.00	20006	03/03	8.89	20015*	03/31	123.44
20003	03/06	33.02	20008*	03/06	803.58			

11 checks paid for a total of \$7,458.80

\* Break in check number sequence.



## Account Statement

March 1, 2014 - March 31, 2014

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### IMPORTANT INFORMATION

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We will investigate your complaint and will correct any error promptly. If we take more than 10 business days (20 business days for transactions involving new accounts) to do this, we will credit your account for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation.

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Bank of the West  
Credit Card Deposit  
Account

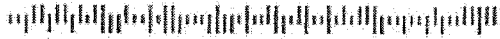


P.O. Box 2830, Omaha, NE 68103-2830

# Account Statement

February 1, 2014 - February 28, 2014

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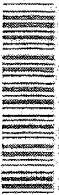
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AG FEED USA LLC  
1920 PHILADELPHIA ST, STE 107  
AMES IA 50010-8197

## At your service

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03054 3972686 0001 008230 10Z

Thank you for banking with Bank of the West. We appreciate your business and look forward to continuing to serve your banking needs.

## MONEY MARKET SELECT BUSINESS 032-159251

AG FEED USA LLC

### ACCOUNT SUMMARY

<b>Beginning Balance</b>	<b>\$50,061.25</b>
1 Credits	11.52
0 Deposits	0.00
0 Withdrawals	0.00
0 Checks	0.00
<b>Ending Balance</b>	<b>\$50,072.77</b>

### EARNINGS SUMMARY

Interest this statement period	\$11.52
Interest credited year-to-date	\$24.27
Interest credited prior year	\$48.50
Annual percentage yield earned	0.30%
Average monthly balance	\$50,061.25

### For your protection:

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In South Dakota, Bank of the West operates under the name of Bank of the West California.





## Account Statement

March 1, 2014 - March 31, 2014

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### MONEY MARKET SELECT BUSINESS XXX-XX9251 (continued)

#### ACCOUNT DETAIL

##### Credits

<i>Date</i>	<i>Amount</i>	<i>Description</i>
03/31	\$12.76	INTEREST PAID
1 credit for a total of \$12.76		





## Account Statement

March 1, 2014 - March 31, 2014

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### IMPORTANT INFORMATION

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1-800-488-2265



in re AgFeed USA, LLC, et al.  
Debtors

Case No. 13-11761 (BLS)  
Reporting Period: Period 3 (March)

**STATEMENT OF OPERATIONS**  
(Consolidated Statements of Income)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

Revenue	Month	Cumulative Filing to Date (1)
Net Market Hog Sales (1)	\$ -	\$ 73,542,483
Other Hog Sales (2)	-	77,355
External Feed Sales & Misc.	-	-
<b>Net Revenue</b>	<b>\$ -</b>	<b>\$ 73,619,838</b>
Cost of sales	\$ -	69,527,782
<b>Gross profit</b>	<b>\$ -</b>	<b>4,097,056</b>
<b>Other (expense)</b>		
General and Administrative	\$ 481,015	\$ 6,635,444
Interest Expense	-	1,092,584
Extraordinary Items	-	27,653
<b>Total Other Expenses</b>	<b>\$ 481,015</b>	<b>\$ 7,755,681</b>
<b>Net Income (loss) Before Reorganization Items</b>	<b>\$ (481,015)</b>	<b>\$ (3,658,625)</b>
<b>Reorganization items</b>		
Restructuring Professional Fees	\$ 43,604	\$ 2,787,435
CRO and Other Restructuring Management Expense	-	888,448
U. S. Trustee Quarterly Fees	11,517	103,651
Interest Earned on Accumulated Cash from Chapter 11	-	-
Loss (Gain) from Sale of Assets (4)	-	11,198,899
Other Reorganization Expenses	-	-
<b>Total Reorganization Expenses</b>	<b>\$ 55,121</b>	<b>\$ 14,973,433</b>
Income Taxes	-	-
<b>Net Profit (Loss)</b>	<b>\$ (536,136)</b>	<b>\$ (18,632,058)</b>

**Notes:**

- (1) Consistent with GAAP and historical accounting practices, sow and finishing cull sales are recognized as offsets to Cost of Goods Sold.
- (2) Consistent with GAAP and historical accounting practices, gilt cull sales are recognized as revenue.
- (3) Reflects postpetition time period from July 15, 2013 through period end.
- (4) Effective September 12, 2013, AgFeed USA, LLC completed their sale of the Sellers' farming and feed operations in Colorado, Oklahoma and North Carolina, the Sellers' finishing operations in Iowa and approximately 41% of the Sellers' finishing herd to Murphy-Brown LLC and entities owned by TriOak Foods, Inc. (Coburn Pork, LLC and High Plains Pork, LLC). On October 12, 2013, the Debtors concluded a bulk sale of 64,000 additional pigs to the same Buyers for approximately \$5.9 million in gross proceeds.

In re AgFeed USA, LLC, et al.

Debtor

Case No. 13-11761 (BLS)  
Reporting Period: Period 3 (March)

**BALANCE SHEET**

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations

	Book Value on Current Report	Book Value on Petition Date (1)
<b>Current Assets</b>		
Unrestricted Cash (2)	8,453,177	298,952
Restricted Cash	526,796	-
<b>Total Cash (3)</b>	<b>8,979,973</b>	<b>298,952</b>
Accounts Receivable	-	2,462,280
Intercompany Receivables	-	176,047
Finishing Inventories	-	57,664,348
Farrowing Inventories	-	9,429,898
Feed & Grain Inventories	-	547,339
Other Inventories	-	163,299
Prepaid Expenses (4)	731,394	2,960,603
Other Current Assets	69,280	14,200
<b>Total Other Current Assets</b>	<b>800,674</b>	<b>73,418,014</b>
<b>Total Current Assets</b>	<b>9,780,647</b>	<b>73,716,966</b>
<b>Fixed Assets</b>		
Fixed Assets	-	20,164,082
Less Accumulated Depreciation	-	(5,451,395)
Breeding Stock	-	7,934,190
<b>Net Fixed Assets</b>	<b>-</b>	<b>22,646,877</b>
<b>Other Non-Current Assets</b>		
Intangible Assets, Net of Amortization	2,840,434	6,597,203
Deferred Loan Origination Fees, Net of Amortization	-	41,833
Other Assets	-	246,110
<b>Net Other Non-Current Assets</b>	<b>2,840,434</b>	<b>6,885,146</b>
<b>Total Assets</b>	<b>\$ 12,621,081</b>	<b>\$ 103,248,989</b>
<b>Liabilities Not Subject to Compromise (Post-petition)</b>		
Drafts Outstanding	-	\$ -
Accounts Payable	6,077	-
Accrued Payroll & Benefits	-	-
Accrued Interest Payable	-	-
Other Accrued Liabilities	-	-
Intercompany Payables	390,382	-
CRO and Other Restructuring Management Expense	-	-
Restructuring Professional Fees	179,779	-
<b>Total Post-Petition Liabilities</b>	<b>576,238</b>	<b>-</b>

In re AgFeed USA, LLC, et al.

Debtor:

Case No. 13-11761 (BLS)

Reporting Period: \_\_\_\_\_ Period 3 (March)

BALANCE SHEET

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from post-petition obligations.

	Book Value on Current Report	Book Value on Petition Date (1)
<b>Liabilities Subject to Compromise (Pre-petition)</b>		
Drafts Outstanding		3,587,945
Accounts Payable	541,840	2,869,532
Accrued Payroll & Benefits		953,257
Accrued Interest Payable		115,199
Other Accrued Liabilities		297,332
Intercompany Payables		437,466
Line of Credit Balance Outstanding		55,394,132
Short Term Loan Payable		495,902
Current Portion of Long Term Debt		1,861,845
Note Payable- Hormel Finance	2,840,434	2,840,434
Farm Credit Term Loan, Less Current Portion		6,561,424
<b>Total Pre-petition Liabilities</b>	<b>3,382,274</b>	<b>75,414,468</b>
<b>Total Liabilities</b>	<b>\$ 3,958,512</b>	<b>\$ 75,414,468</b>
<b>Equity</b>		
Retained Earnings	(10,262,221)	2,093,284
Common Stock	24,250,301	24,250,301
Member Distributions	(3,300,000)	(3,300,000)
Current month income (loss)	(536,136)	4,790,937
Prior months' income (loss) - current year	(1,489,378)	
<b>Total Equity</b>	<b>8,662,566</b>	<b>27,834,522</b>
<b>Total Liabilities and Equity</b>	<b>\$ 12,621,078</b>	<b>\$ 103,248,990</b>

Notes:

- (1) The most recent month end closing prior to the Petition Date was July 6, 2013. The books and records of the Debtors from that closing are used as a proxy for the Petition Date for purposes of this MDR submission.
- (2) Includes primary BOTW operating account and Benefits account.
- (3) The balance sheet above reflects book balance cash; the cash receipts and disbursements submitted in MDR 1 reflects bank balance cash.
- (4) Primarily consists of professional fee retainers.



In re AgFeed USA, LLC, et al.  
Debtor

Case No. 13-11761 (BLS)  
Reporting Period: \_\_\_\_\_ Period 3 (March)

**STATUS OF POSTPETITION TAXES**

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero. Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes. Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
<b>Federal</b>						
Withholding	-					-
FICA-Employee	-					-
FICA-Employer	-					-
Social Security - Employee	-					-
Social Security - Employer	-					-
Medicare - Employee	-					-
Medicare - Employer	-					-
Unemployment	-					-
Income	-					-
Other:	-					-
Total Federal Taxes	-					-
<b>State and Local</b>						
Withholding	-					-
Sales	-					-
Excise	-					-
Unemployment Insurance	-					-
Unemployment Disability	-					-
Real Property	-					-
Personal Property	-					-
Other:	-					-
Total State and Local	-					-
<b>Total Taxes</b>	-					-

In re AgFeed USA, LLC, et al.  
Debtor

Case No. 13-11761 (BLS)  
Reporting Period: Period 3 (March)

STATUS OF POSTPETITION TAXES

SUMMARY OF UNPAID POSTPETITION DEBTS

Attached listing of accounts payable.

	Number of Days Past Due				Total
	Current	0-30	31-60	61-90	
Accounts Payable	\$ 3,672				
Wages Payable					
Taxes Payable					
Rent/Leases-Building					
Rent/Leases-Equipment					
Secured Debt/Adequate Protection Payments					
Professional Fees	2,405				
Amounts Due to Insiders*					
Other:					
Other:					
<b>Total Postpetition Debts</b>	<b>\$ 6,077</b>				

Explain how and when the Debtor intends to pay any past-due postpetition debts.

\*"Insider" is defined in 11 U.S.C. Section 101(31).

In re AgFeed USA, LLC, et al.  
Debtor

Case No. 13-11761 (BLS)  
Reporting Period: Period 3 (March)

SUMMARY OF UNPAID POSTPETITION DEBTS

Vendor ID	Vendor Name	Amount
<b>Accounts Payable</b>		
	Ace Tire Center	2,922
	Bankcard Center	60
	Lightedge	276
	Triok Foods West	414
		<u>3,672</u>
<b>Professional fees payable</b>		
	Poyner Spruill	445
	Robert Half Management Resources	1,960
		<u>2,405</u>
	<b>Total Postpetition Debts</b>	<u><u>6,077</u></u>

Notes:

- All postpetition debts are current excepting certain professional fees which remain subject to court approval

In re AgFeed USA, LLC, et al.  
Debtors

Case No. 13-11761 (BLS)  
Reporting Period: Period 3 (March)

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	\$ 5,390
Amounts billed during the period	-
Amounts collected during the period	-
Adjustments (Write-offs of uncollectible receivables)	(5,390)
<b>Total Accounts Receivable at the end of the reporting period</b>	<b>\$ -</b>

Accounts Receivable Aging	Amount
0 - 30 days old	-
31 - 60 days old	-
61 - 90 days old	-
91+ days old	-
<b>Total Accounts Receivable</b>	<b>\$ -</b>

Amount considered uncollectible (Bad Debt)

Accounts Receivable (Net) \$0

In re AgFeed USA, LLC, et al.  
 Debtors

Case No. 13-11761 (BLS)  
 Reporting Period: \_\_\_ P

**DEBTOR QUESTIONNAIRE**

	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		X
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re AgFeed Industries, Inc, et al.

Case No. 13-11762 (BLS)

Reporting Period: \_\_\_\_\_ Period 3 (March) \_\_\_\_\_

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a	X		
Schedule of Professional Fees Paid	MOR-1b	X		
Copies of bank statements				
Cash disbursements journals				
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3	X		
Status of Postpetition Taxes	MOR-4	X		
Copies of IRS Form 6123 or payment receipt				
Copies of tax returns filed during reporting period				
Summary of Unpaid Postpetition Debts	MOR-4	X		
Listing of aged accounts payable	MOR-4	X		
Accounts Receivable Reconciliation and Aging	MOR-5	X		
Debtor Questionnaire	MOR-5	X		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

/s/ Keith A. Maib  
Signature of Authorized Individual\*

4/30/2014  
Date

Keith A. Maib  
Printed Name of Authorized Individual

Chief Restructuring Officer  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

In re AgFeed Industries, Inc.  
Debtors

Case No. 13-11762 (BLS)  
Reporting Period: \_\_\_\_\_ Period 3 (March) \_\_\_\_\_

**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

	OPER (1)		PAYROLL	TAX	OTHER	CURRENT MONTH		CUMULATIVE FILING TO DATE	
	ACTUAL	PROJECTED				ACTUAL	PROJECTED	ACTUAL (2)	PROJECTED
Cash beginning of period	\$	44,235,820				\$	44,235,820	\$	69,178
<b>RECEIPTS</b>									
Technical Services Fee	\$	-						\$	234,260
Management Services Fee		937,500					937,500		4,084,685
Miscellaneous		-					-		4,178
China Sale Transaction		-					-		45,804,503
<b>Total Receipts</b>		<b>937,500</b>					<b>937,500</b>		<b>50,127,626</b>
<b>DISBURSEMENTS</b>									
Payroll and Related		-					-		227,967
Temporary Accounting Services		8,261					8,261		146,186
Rent		-					-		34,698
IT / Technology		-					-		10,710
Other		36,668					36,668		665,29
Board of Directors		-					-		168,750
D&O Installments		-					-		91,211
SunTrust Bank Fees		-					-		1,019
Insurance		-					-		468,074
Business Meals/Travel		-					-		18,454
CRO and Restructuring Management		234,677					234,677		892,358
Bankruptcy / Transaction		4,875					4,875		155,662
Tax returns		51,950					51,950		101,950
Bankruptcy Professional Fees		2,106,801					2,106,801		5,073,393
Cash settlement to satisfy long-term debt		4,300,000					4,300,000		4,300,000
<b>Total Disbursements</b>		<b>6,733,432</b>					<b>6,733,432</b>		<b>11,756,917</b>
<b>Net Cash Flow</b>		<b>\$ (5,795,932)</b>					<b>\$ (5,795,932)</b>		<b>\$ 38,370,709</b>
Cash End of Month	\$	38,439,888					\$ 38,439,888		\$ 38,439,888
<b>Disbursement for Calculating U.S. Trustee Quarterly Fees</b>									
Total Disbursements	\$	6,733,432					\$ 6,733,432		
Less: Transfers to Debtor in Possession Accounts		-					-		
Plus: Estate Disbursements Made by Outside Sources		-					-		
<b>Total Disbursements for Calculating U.S. Trustee Quarterly Fees</b>		<b>\$ 6,733,432</b>					<b>\$ 6,733,432</b>		

**Notes:**  
 (1) All of the Debtors' accounts are considered operating accounts. Because of its employment of ADP, the Debtors do not maintain payroll accounts. The Debtors share one benefits accounts with AgFeed USA, LLC, and the current balance is approximately \$10,000.  
 (2) Petition Date through period end.

In re AgFeed Industries, Inc.  
Debtors

Case No. 13-11762 (BLS)  
Reporting Period: \_\_\_\_\_ Period 3 (March) \_\_\_\_\_

**BANK RECONCILIATIONS**

**Continuation Sheet for MOR-1**

A bank reconciliation must be included for each bank account. The Debtor's bank reconciliation may be substituted for this page.

The following account is included in the enclosed bank reconciliation:

<b>Bank Account Name</b>	<b>Bank Account Number</b>
SunTrust	XXX3958
Wells Fargo Benefits Account <sup>(1)</sup>	XXX0315

**Notes:**

(1) AgFeed Industries, Inc. utilizes the same health benefits accounts at Wells Fargo as AgFeed USA, LLC. Please reference the AgFeed USA, LLC MOR for bank reconciliation associated with this account.



SUNTRUST BANK - OPERATING ACCOUNT  
ANALYZED BUSINESS CHECKING ACCOUNT 1000103433958

Bank balance 3/31/14		\$ 38,439,889
Deposits in Transit		-
Outstanding checks		
Pony Mailbox center	1,209	
Bass Berry& Sims	327	
Michael Buck	455	
Don Tesh	492	
Andrew Ferencz	783	
Mario Grech	740	
	<u>          </u>	<u>(4,006)</u>
Register balance 3/31/14		<u>\$ 38,435,883</u>

SUNTRUST BANK  
 PO BOX 305183  
 NASHVILLE TN 37230-5183

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 1000103433958  
 03/31/2014  
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Account Statement

AGFEED INDUSTRIES INC -DIP-  
 US CHECKING ACCOUNT  
 CASE NO 13-11761  
 816 CONGRESS AVE STE 1280  
 AUSTIN TX 78701

Questions? Please call  
 1-800-786-8787

EFFECTIVE 5/1/2014: FOR CLIENTS USING NON-SUNTRUST ATMS LOCATED IN THE U.S.  
 THE FEE IS CHANGING FROM \$2.00 TO \$2.50 PER WITHDRAWAL, BALANCE INQUIRY  
 OR TRANSFER. THIS FEE DOES NOT APPLY TO SIGNATURE ADVANTAGE ACCOUNTS.  
 FOR MORE INFORMATION CALL 800.SUNTRUST.

Account Summary	Account Type	Account Number	Statement Period
	ANALYZED BUSINESS CHECKING	1000103433958	03/01/2014 - 03/31/2014

Description	Amount	Description	Amount
Beginning Balance	\$44,235,820.31	Average Balance	\$41,178,610.99
Deposits/Credits	\$952,049.00	Average Collected Balance	\$41,178,610.99
Checks	\$39,818.82	Number of Days in Statement Period	31
Withdrawals/Debits	\$6,708,161.77		
Ending Balance	\$38,439,888.72		

Deposits/Credits	Date	Amount	Serial #	Description
	03/13	14,549.00		ELECTRONIC/ACH CREDIT
	03/21	937,500.00		RETURN SETTLE ACH RETURN -SETT-A.CHARGE INCOMING FEDWIRE CR TRN #003369
Deposits/Credits: 2		Total Items Deposited: 0		

Checks	Check Number	Amount	Date Paid	Check Number	Amount	Date Paid	Check Number	Amount	Date Paid
	10678	4,875.00	03/06	*10686	3,515.50	03/25	10692	246.97	03/05
	*10680	125.00	03/24	*10688	895.39	03/28	10693	4,745.00	03/04
	10681	946.14	03/24	*10690	100.68	03/04	10694	18,000.00	03/24
	10682	5,000.00	03/20	10691	1,369.14	03/05			
Checks: 11		*Break in check sequence							

Withdrawals/Debits	Date Paid	Amount	Serial #	Description
	03/07	114,782.08		ACH PREFUNDING SETTLEMENT AGFEED IND ACH PRFUND -SETT-A.OTMCORP
	03/10	125,679.00		ACH PREFUNDING SETTLEMENT AGFEED IND ACH PRFUND -SETT-A.OTMCORP
	03/10	6,402.94		OUTGOING FEDWIRE DR TRN #012883
	03/10	12,600.00		OUTGOING FEDWIRE DR TRN #012882
	03/10	17,959.60		OUTGOING FEDWIRE DR TRN #012892
	03/10	18,820.57		OUTGOING FEDWIRE DR TRN #012884
	03/10	120,391.96		OUTGOING FEDWIRE DR TRN #012897
	03/10	130,187.07		OUTGOING FEDWIRE DR TRN #012893
	03/11	789,113.47		ACH PREFUNDING SETTLEMENT AGFEED IND ACH PRFUND -SETT-A.OTMCORP
	03/17	14,549.00		ACH PREFUNDING SETTLEMENT AGFEED IND ACH PRFUND -SETT-A.OTMCORP
	03/17	4,300,000.00		OUTGOING FEDWIRE DR TRN #003126
	03/21	160,805.71		ACH PREFUNDING SETTLEMENT AGFEED IND ACH PRFUND -SETT-A.OTMCORP
	03/21	41,285.69		OUTGOING FEDWIRE DR TRN #003654
	03/21	41,625.50		OUTGOING FEDWIRE DR TRN #003656

SUNTRUST BANK  
 PO BOX 305183  
 NASHVILLE TN 37230-5183

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Account Statement

Withdrawals/Debits	Date Paid	Amount	Serial #	Description
	03/21	51,949.78 ✓		OUTGOING FEDWIRE DR TRN #003666
	03/21	62,519.53 ✓		OUTGOING FEDWIRE DR TRN #003661
	03/21	65,886.47 ✓		OUTGOING FEDWIRE DR TRN #003658
	03/21	83,530.94 ✓		OUTGOING FEDWIRE DR TRN #003655
	03/21	94,388.67 ✓		OUTGOING FEDWIRE DR TRN #003657
	03/21	164,625.05 ✓		OUTGOING FEDWIRE DR TRN #003659
	03/21	194,475.68 ✓		OUTGOING FEDWIRE DR TRN #003660
	03/26	96,398.06 <i>Madame C</i>		ACH PREFUNDING SETTLEMENT
				AGFEED IND ACH PRFUND -SETT-A.OTM CORP
	03/26	185.00 <i>Vinkey</i>		OUTGOING FEDWIRE DR TRN #005412

Withdrawals/Debits: 23

Balance Activity History	Date	Balance	Collected Balance	Date	Balance	Collected Balance
	03/01	44,235,820.31	44,235,820.31	03/17	38,588,546.83	38,588,546.83
	03/04	44,230,974.63	44,230,974.63	03/20	38,583,546.83	38,583,546.83
	03/05	44,229,358.52	44,229,358.52	03/21	38,559,953.81	38,559,953.81
	03/06	44,224,483.52	44,224,483.52	03/24	38,540,882.67	38,540,882.67
	03/07	44,109,701.44	44,109,701.44	03/25	38,537,367.17	38,537,367.17
	03/10	43,677,660.30	43,677,660.30	03/26	38,440,784.11	38,440,784.11
	03/11	42,888,546.83	42,888,546.83	03/28	38,439,888.72	38,439,888.72
	03/13	42,903,095.83	42,903,095.83			

SUNTRUST BANK  
 PO BOX 305183  
 NASHVILLE TN 37230-5183

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 03/31/2014



Account Statement

AgFeed Industries, Inc. 10678  
 3/27/2014 \$4,875.00  
 Four Thousand Eight Hundred Seventy Five  
 Office of the U.S. Trustee  
 MEMO: AgFeed Industries, Inc.

Ck # 10678 03/06 \$4,875.00

AgFeed Industries, Inc. 10688  
 3/27/2014 \$895.39  
 Eight Hundred Ninety Five and 39/100  
 Jim Walker  
 MEMO: AgFeed Court-Approved Reimbursable Expenses

Ck # 10688 03/28 \$895.39

AgFeed Industries, Inc. 10680  
 3/12/2014 \$125.00  
 One Hundred Twenty Five and 0/100  
 Oklahoma Tax Commission  
 MEMO: F0316 - Return Extension

Ck # 10680 03/24 \$125.00

10690  
 03/04/2014 \$100.68  
 One Hundred and 68/100  
 R.J. Young  
 P.O. BOX 40223  
 Nashville, TN 37204  
 A/C # 104994

Ck # 10690 03/04 \$100.68

AgFeed Industries, Inc. 10681  
 3/12/2014 \$946.14  
 Nine Hundred Forty Six and 14/100  
 Minnesota Department of Revenue  
 MEMO: F0316 - Return Extension

Ck # 10681 03/24 \$946.14

10691  
 03/05/2014 \$1,369.14  
 One Thousand Three Hundred Sixty Nine and 14/100  
 Vito LLC  
 5110 Maryland Way  
 Suite 400  
 Brentwood, TN 37027  
 INV 315952

Ck # 10691 03/05 \$1,369.14

AgFeed Industries, Inc. 10682  
 3/12/2014 \$5,000.00  
 Five Thousand and 00/100  
 Minnesota Department of Revenue  
 MEMO: F0316 - Extension for AgFeed Industries, Inc.

Ck # 10682 03/20 \$5,000.00

10692  
 03/05/2014 \$246.97  
 Two hundred forty six and 97/100  
 AT&T MOBILITY  
 AT&T MOBILITY  
 P.O. BOX 8493  
 CANTON, MISSISSIPPI 39043  
 A/C 289231309415

Ck # 10692 03/05 \$246.97

AgFeed Industries, Inc. 10686  
 3/7/2014 \$3,515.50  
 Three Thousand Five Hundred Fifteen and 50/100  
 Anne Clumens CPA  
 MEMO: AgFeed Accounting Services

Ck # 10686 03/25 \$3,515.50

10693  
 03/04/2014 \$4,745.00  
 Four Thousand seven hundred forty five and 00/100  
 ANNE H. CLUMENS CPA  
 2904 OLIVER DRIVE  
 AUSTIN, TEXAS 78703

Ck # 10693 03/04 \$4,745.00



In re AgFeed Industries, Inc.  
Debtors

Case No. 13-11762 (BLS)  
Reporting Period: \_\_\_\_\_ Period 3 (March)

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID**

This schedule is to include all retained professional payments from case inception to current month.

Payee	Period Covered	Amount Approved	Payor	Check Number	Date	Amount Paid		Applied to Date	
						Fees	Expenses	Fees	Expenses
BDA Adv	12/7/13-1/31/14	789,113	AgFeed Industries, Inc.	Wire	3/11/2014	789,113	-	1,024,412	-
Cohn Reznick LLP	12/1/13-12/31/13	68,923	AgFeed Industries, Inc.	Wire	3/10/14 & 3/21/14	68,285	638	163,811	638
Elliott Greenleaf	12/1/13-12/31/13	194,476	AgFeed Industries, Inc.	Wire	3/21/2014	193,930	546	488,735	8,547
Foley & Lardner LLP	12/1/13-12/31/13	183,446	AgFeed Industries, Inc.	Wire	3/10/14 & 3/21/14	179,863	3,583	745,853	13,882
Gavin/Solimonese LLC	12/1/13-12/31/13	83,531	AgFeed Industries, Inc.	Wire	3/21/2014	81,028	2,503	211,442	5,829
Greenberg Traurig LLP	11/1/13-12/31/13	83,846	AgFeed Industries, Inc.	Wire	3/10/14 & 3/21/14	81,580	2,266	330,227	2,266
Latham & Watkins LLP	10/1/13-12/31/13	171,807	AgFeed Industries, Inc.	Wire	3/10/14 & 3/21/14	165,957	5,850	364,673	5,850
Lowenstein Sandler LLP	11/1-11/30	41,286	AgFeed Industries, Inc.	Wire	3/21/2014	41,596	(310)	220,310	7,400
Sugar Felsenthal Grasis & Hammer LLP	12/1/13-1/31/14	214,781	AgFeed Industries, Inc.	Wire	3/10/14 & 3/21/14	206,541	8,240	568,961	21,748
Young Conaway Stargatt & Taylor, LLP	12/1/13-12/31/13	275,592	AgFeed Industries, Inc.	Wire	3/7/14 & 3/21/14	268,881	6,711	688,447	13,879
<b>Total</b>		<b>\$ 2,106,801</b>				<b>\$ 2,076,774</b>	<b>\$ 30,027</b>	<b>\$ 4,806,871</b>	<b>\$ 80,039</b>

In re AgFeed Industries, Inc.  
Debtors

Case No. 13-11762 (BLS)  
Reporting Period: \_\_\_\_\_ Period 3 (March) \_\_\_\_\_

**STATEMENT OF OPERATIONS**  
(Consolidated Statements of Income)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

Revenue	Month	Cumulative Filing to Date <sup>(1)</sup>
Management Services Revenue	\$ 468,750	\$ 3,750,169
Technical Services Revenue <sup>(2)</sup>	-	134,343
<b>Gross profit</b>	<b>468,750</b>	<b>3,884,512</b>
<b>General and administrative</b>		
Payroll	-	231,125
Contract Labor/Service	4,461	167,657
Travel & Entertainment	-	7,429
Facility	-	48,795
Insurance	38,546	675,439
Depreciation & Amortization	-	42,771
Professional Fees	-	525,784
Board & Director Expenses	-	240,585
Other	28,667	50,716
Bank Charges	-	1,667
<b>Total general and administrative expenses</b>	<b>71,674</b>	<b>1,991,968</b>
<b>Income from Operations</b>	<b>\$ 397,076</b>	<b>\$ 1,892,544</b>
<b>Non-operating</b>		
Interest Income	-	-
Interest Expense	-	275,114
Financing Costs	-	-
Foreign Currency	-	-
Other : reserve for Board indemnification	-	(742,939)
<b>Total non-operating income (expense)</b>	<b>-</b>	<b>(467,825)</b>
<b>Income before income taxes</b>	<b>\$ 397,076</b>	<b>\$ 2,360,369</b>
Provision for taxes	-	-
<b>Net income (Before Reorganization Items)</b>	<b>\$ 397,076</b>	<b>\$ 2,360,369</b>
Minority Interest	-	-
<b>Reorganization Items</b>		
Restructuring Professional Fees	635,999	\$ 4,906,671
CRO and Other Restructuring Management Expense	134,584	887,854
U. S. Trustee Quarterly Fees	7,041	49,500
Settlement of Long-term debt and accrued interest below book value	(4,597,858)	(4,597,858)
Interest Earned on Accumulated Cash from Chapter 11	-	-
Write down on Assets / Stock Held for Sale <sup>(3)(4)</sup>	378,396	24,844,218
Other Reorganization Expenses	-	-
<b>Total Reorganization Expenses</b>	<b>\$ (3,441,838)</b>	<b>\$ 26,090,385</b>
<b>Net Profit (Loss)</b>	<b>\$ 3,838,914</b>	<b>\$ (23,730,016)</b>

**Notes:**

(1) Reflects postpetition time period from July 15, 2013 through March 31, 2014

(2) Management Services Revenue was errantly misclassified in the July MOR as Technical Services Revenue. Cash received from China (Technical Services Revenue) is booked at the time of invoicing (last activity occurred prepetition) and receipt of the cash reduces the Intercompany Accounts Receivable. In September, cash was received that exceed the previously booked receivable, thus the recordation of revenue.

(3) See separate schedule provided in Aug MOR which reconciles the Write Down on Assets Held for Sale in August. September write down is to account for the loss on sale of AgFeed USA's assets. October write down is to reflect AgFeed USA's October change in equity.

4) Write down in March related to recognizing change in net equity of AgFeed USA, LLC.

In re AgFeed Industries, Inc.  
DebtorsCase No. 13-11762 (BLS)  
Reporting Period: \_\_\_\_\_ Period 3 (March) \_\_\_\_\_

## BALANCE SHEET

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

	Book Value on Current Report <sup>(1)</sup>		Book Value on Petition Date <sup>(1),(9)</sup>	
<b>Current Assets</b>				
Cash and Cash Equivalents <sup>(2)</sup>	\$	38,435,883	\$	77,766
Other receivables		558,432		(4,894)
Prepaid expense		303,750		327,617
<b>Total Current Assets</b>		<b>39,298,065</b>		<b>400,489</b>
<b>Long-Term Assets</b>				
Intercompany Receivable <sup>(4)</sup>		390,381		9,964,228
Property & Equipment		7,433		7,433
Accumulated depreciation		(7,433)		(6,132)
Intangible assets		-		119,783
Deferred Tax Asset		8,517,314		9,141,688
Investment in Subsidiaries <sup>(4)</sup>		8,632,566		136,510,577
<b>Total Long-Term Assets</b>		<b>17,540,261</b>		<b>155,737,578</b>
<b>Total Assets</b>	<b>\$</b>	<b>56,838,326</b>	<b>\$</b>	<b>156,138,067</b>
<b>Liabilities Not Subject to Compromise (Post-petition)</b>				
Accounts payable		22,560		-
Accrued expenses		-		-
Reserve for Indemnification of Board members <sup>(5)</sup>		741,939		-
CRO and Other Restructuring Management Expense		134,584		-
Restructuring Professional Fees		2,230,048		-
<b>Total Post Petition Liabilities</b>		<b>3,129,131</b>		<b>-</b>
<b>Liabilities Subject to Compromise (Pre-petition)</b>				
Accounts payable		14,272,451		4,915,853
Accrued Expenses <sup>(6)</sup>		-		10,199,602
Accrued Payroll		200,000		553,606
Hypor loan		-		-
Tax and Welfare Payable		2,040,221		1,575,669
Acquisition payable <sup>(7)</sup>		-		2,179,424
Intercompany Payable		-		4,117,036
Convertible Debenture <sup>(7)</sup>		-		(1,377,677)
LT Debt <sup>(7)</sup>		-		7,622,010
<b>Total Pre-petition Liabilities</b>		<b>16,512,672</b>		<b>29,785,522</b>
<b>Total Liabilities</b>	<b>\$</b>	<b>19,641,803</b>	<b>\$</b>	<b>29,785,522</b>
<b>Shareholder's Equity</b>				
Common stock	\$	70,139	\$	69,118
Additional paid-in capital		164,960,167		164,960,593
Treasury stock		(1,893,028)		(1,893,028)
Retained Earnings		(126,434,296)		(33,535,993)
Prior period adjustment: Insurance		131,915		-
Current Month's Income (Loss)		3,838,914		-
Prior Months' Income (Loss) - current year <sup>(8)</sup>		(3,477,288)		(3,248,147)
<b>Total Shareholder's Equity</b>		<b>37,196,523</b>		<b>126,352,543</b>
<b>Total Liabilities and Shareholder's Equity</b>	<b>\$</b>	<b>56,838,326</b>	<b>\$</b>	<b>156,138,066</b>

## Notes:

- (1) The most recent month end closing prior to the Petition Date was June 30, 2013. The books and records of the Debtors from that closing are used as a proxy for the Petition Date for purposes of this MOR submission.
- (2) The balance sheet above reflects book balance cash, the cash receipts and disbursements submitted in MOR 1 reflects bank balance cash flows.
- (3) Represents management services fees owed from USA to Industries.
- (4) Represents investment in AgFeed USA. In current month, adjusted to reflect AgFeed USA equity.
- (5) Reserve for indemnification of former Directors & Officers related to defense of individuals claims brought by SEC.
- (6) Pre-petition accrued expenses were recategorized to pre-petition accounts payable after filing.
- (7) AF Sellico Secured Promissory Note was reclassified into LT Debt (previously recorded in Acquisition Payable, Convertible Debenture and LT Debt).
- (8) Significant accounting adjustments have occurred since filing.
- (9) Difference in prior period Income (Loss) per Feb MOR due to write down in Investment Subsidiary.



In re AgFeed Industries, Inc.  
Debtors

Case No. 13-11762 (BLS)  
Reporting Period: \_\_\_\_\_ Period 3 (March) \_\_\_\_\_

**STATUS OF POSTPETITION TAXES**

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.  
Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.  
Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
<b>Federal</b>						
Withholding	-					-
FICA-Employee	-					-
FICA-Employer	-					-
Social Security - Employee	-					-
Social Security - Employer	-					-
Medicare - Employee	-					-
Medicare - Employer	-					-
Medicare Surtax - Employee	-					-
Income	-					-
Other:	-					-
<b>Total Federal Taxes</b>	-	-	-		-	-
<b>State and Local</b>						
Withholding	-	-	-			-
Sales	-					-
Excise	-					-
Unemployment Insurance	-	-	-			-
Unemployment Disability	-	-	-			-
Real Property	-					-
Personal Property	-					-
Other:	-					-
<b>Total State and Local</b>	-	-	-		-	-
<b>Total Taxes</b>	-	-	-		-	-

**SUMMARY OF UNPAID POSTPETITION DEBTS**

Attach aged listing of accounts payable

	Current	Number of Days Past Due				Total
		0-30	31-60	61-90	Over 90	
Accounts Payable	1,236					
Wages Payable	-					
Taxes Payable	-					
Rent/Leases-Building	-					
Rent/Leases-Equipment	-					
Secured Debt/Adequate Protection Payments:	-					
Professional Fees	21,324					
Amounts Due to Insiders*	-					
Other:						
Other:						
<b>Total Postpetition Debts</b>	<b>22,560</b>					

Explain how and when the Debtor intends to pay any past-due postpetition debts.

In re AgFeed Industries, Inc.  
Debtors

Case No. 13-11762 (BLS)  
Reporting Period: \_\_\_\_\_ Period 3 (March) \_\_\_\_\_

Vendor ID	Vendor Name	Amount
	Anne H Clemons CPA	945
	Bank of the West	89
	Bruch Hanna LLP	19,723
	Intertrust	990
	Mintz Levin	656
	Xerox	157
<b>Total</b>		<b>22,560</b>

**Notes:**

- All postpetition debts are current, except certain professional fees not yet authorized by the Courts to be paid.

In re AgFeed Industries, Inc.  
Debtors

Case No. 13-11762 (BLS)  
Reporting Period: \_\_\_\_\_ Period 3 (March) \_\_\_\_\_

**ACCOUNTS RECEIVABLE RECONCILIATION AND AGING**

<b>Accounts Receivable Reconciliation</b>	<b>Amount</b>
Total Accounts Receivable at the beginning of the reporting period	\$ -
Amounts billed during the period	-
Amounts collected during the period	-
Adjustments (write down of workers' compensation receivable)	-
<b>Total Accounts Receivable at the end of the reporting period</b>	<b>\$ -</b>

<b>Accounts Receivable Aging</b>	<b>Amount</b>
0 - 30 days old	\$ -
31 - 60 days old	-
61 - 90 days old	-
91+ days old	-
<b>Total Accounts Receivable</b>	<b>\$ -</b>
<b>Amount considered uncollectible (Bad Debt)</b>	<b>-</b>

**Accounts Receivable (Net)**  
\$ -

**Notes:**

- AgFeed Industries, Inc.'s only source of recurring revenue is a Management Services Fee from AgFeed USA, LLC. No Accounts Receivable is recorded and AgFeed USA is current in its payment of the Management Services Fee.

In re AgFeed Industries, Inc.  
Debtors

Case No. 13-11762 (BLS)  
Reporting Period: \_\_\_\_\_ Period 2 (March) \_\_\_\_\_

**DEBTOR QUESTIONNAIRE**

	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		X
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X