IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
AgFeed USA, LLC, *et al.*,[1]	Case No. 13-11761 (BLS)
Debtors.	Jointly Administered
	Ref. Docket Nos. 12 & 34

NOTICE OF ENTRY OF INTERIM ORDER AND FINAL HEARING ON THE DEBTORS' MOTION PURSUANT TO SECTIONS 105(a), 361, 362, 363, 507 AND 552 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULES 2002, 4001 AND 9014 FOR ENTRY OF INTERIM AND FINAL ORDERS (A) AUTHORIZING USE OF CASH COLLATERAL (B) GRANTING ADEQUATE PROTECTION; AND (C) SCHEDULING A FINAL HEARING ON THE MOTION

TO: (I) OFFICE OF THE UNITED STATES TRUSTEE FOR THE DISTRICT OF DELAWARE; (II) UNITED STATES SECURITIES AND EXCHANGE COMMISSION; (III) OFFICE OF THE UNITED STATES ATTORNEY FOR THE DISTRICT OF DELAWARE; (IV) INTERNAL REVENUE SERVICE; (V) DEBTORS' THIRTY (30) LARGEST UNSECURED CREDITORS; (VI) COUNSEL TO THE DEBTORS' PREPETITION SECURED LENDERS; AND (VII) ANY PARTY REQUESTING NOTICE PURSUANT TO BANKRUPTCY RULE 2002.

PLEASE TAKE NOTICE that on July 15, 2013, the above-captioned debtor and debtor in possession (the "Debtor") filed the ***Debtor's Motion Pursuant to Section 105(a), 361, 362, 363, 507 and 552 of the Bankruptcy Code and Bankruptcy Rules 2002, 4001 and 9014 for Entry of Interim and Final Orders (A) Authorizing Use of Cash Collateral (B) Granting Adequate Protection; and (C) Scheduling a Final Hearing on the Motion*** [Docket No. 12] (the "Motion"), copies of which are available on the website of the United States Bankruptcy Court for

[1] The Debtors and the last four digits of their federal tax identification number are: AgFeed USA, LLC (8748), AgFeed Industries, Inc. (7168); TS Finishing, LLC (8748); New York Finishing, LLC (8748); Pork Technologies, LC (2076); New Colony Farms, LLC (9246); Heritage Farms, LLC (8141); Heritage Land, LLC (8129); Genetics Operating, LLC (1921); M2P2 Facilities, LLC (8748); MGM, LLC (8748); M2P2 General Operations, LLC (8748); New Colony Land Company, LLC(5834); M2P2 AF JV, LLC (8748); Midwest Finishing, LLC (8748); and Genetic Land, LLC (1921). The location of the corporate headquarters for AgFeed Industries, Inc. is 100 Bluegrass Commons Blvd., Suite 310, Hendersonville, Tennessee 37075. The location of the corporate headquarters for the remaining Debtors is 510 South 17th Street, Suite 104, Ames, Iowa 50010.

the District of Delaware (the "Court") (www.deb.uscourts.gov), the website for the Debtor's noticing, claims and solicitation agent, BMC Group, Inc., (www.bmcgroup.com/agfeed) and by contacting Chad Corazza, Paralegal, at (302) 576-2604 or ccorazza@ycst.com. On July 16, 2013, the Court entered an interim order [Docket No. 34] (the "Interim Order") granting the relief requested in the Motion on an interim basis. A copy of the Interim Order is annexed hereto as **Exhibit A**.

PLEASE TAKE FURTHER NOTICE that objections to the entry of a final order approving the Motion, on a final basis, must be filed on or before **July 29, 2013 at 4:00 p.m. (ET)** (the "Objection Deadline") with the United States Bankruptcy Court for the District of Delaware, 5th Floor, 824 Market Street, Wilmington, Delaware 19801. At the same time, you must serve a copy of the response upon the undersigned counsel to the Debtors so as to be received on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE that a final hearing on the Motion will be held on **August 1, 2013 at 9:00 a.m. (ET)** before the Honorable Brendan L. Shannon at the United States Bankruptcy Court for the District of Delaware, 824 Market Street, 6th Floor, Courtroom No. 1, Wilmington, Delaware 19801.

IF NO OBJECTIONS ARE TIMELY FILED, SERVED AND RECEIVED IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED WITHOUT FURTHER NOTICE OR HEARING.

Dated: Wilmington, Delaware
July 16, 2013

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Donald J. Bowman, Jr.

Robert S. Brady (No. 2847)
Donald J. Bowman, Jr. (No. 4383)
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Proposed Counsel for the Debtors and Debtors in Possession

EXHIBIT A

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
AgFeed USA, LLC, et al.,[1]	Case No. 13-11761 (BLS)
Debtors.	Jointly Administered

INTERIM ORDER PURSUANT TO SECTIONS 105(a), 362, AND 363 OF THE BANKRUPTCY CODE AUTHORIZING USE OF CASH COLLATERAL AND GRANTING RELATED RELIEF

Upon consideration of the *Debtors' Motion Pursuant to Sections 105(a), 361, 362, 363, 507 and 552 of title 11 of the United States Code ("the Bankruptcy Code) and rules 2002, 4001 and 9014 of the Federal Rules of Bankruptcy Procedure and Rules 2002-1(b), 4001-2, 9006-1 and 9013-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware ("Local Rules") for Entry of Interim and Final Orders (a) Authorizing Use of Cash Collateral, (b) Granting Adequate Protection; (c) Granting Stay Relief, (c) Scheduling a Final Hearing; and (e) granting other relief* (the "Motion"), of AgFeed USA, LLC ("AgFeed USA") and its above-captioned affiliated debtors and debtors in possession (each a "Debtor" and collectively, the "Debtors") seeking, *inter alia*: (i) authorization to use Cash Collateral (as defined below) of the Lenders (as defined below) and grant adequate protection, including Replacement Liens and the Superpriority Claim (as defined below), to and for the benefit of the Lenders for (a) the use of Cash Collateral and (b) diminution in value of

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Cash Collateral and the Prepetition Collateral (as defined below); and (ii) requesting that an interim hearing (the "Interim Hearing"), pursuant to Rules 2001 and 4001 of the Federal Rules of Bankruptcy Procedure, and Rule 4001-2 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware (the "Local Rules") be held before the Court on an emergency basis to consider entry of this Interim Order, and further requesting that a final hearing (the "Final Hearing") thereafter be held before the Court to consider entry of a final order (the "Final Order") authorizing the use of Cash Collateral pursuant to the notice and other provisions set forth in the Motion.

The Interim Hearing having been held on July 16, 2013, and upon all of the pleadings filed with the Court and upon the record of the Interim Hearing, notice of the Motion and the Interim Hearing having been given pursuant to Bankruptcy Rules 4001(b) and (d); and it appearing that approval of the interim relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors pending the Final Hearing and otherwise is fair and reasonable and in the best interests of the Debtors, their creditors, their estates and all parties in interest, is a sound and prudent exercise of the Debtors' business judgment and is essential for the continued operation of the Debtors' business; after due deliberation and consideration, and sufficient cause appearing therefor;

THE COURT HEREBY MAKES THE FOLLOWING FINDINGS:

A. Commencement of Cases. On July 15, 2013 (the "Petition Date"), the Debtors filed petitions for relief (collectively, the "Petitions") under Chapter 11 of the Bankruptcy Code commencing the above-captioned chapter 11 cases (the "Chapter 11 Cases"). The Debtors continue to operate their businesses and manage their assets as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

B. No Creditors' Committee. No creditors' committee has yet been appointed in the

Chapter 11 Cases pursuant to section 1102 of the Bankruptcy Code. Any creditors' committee subsequently appointed shall hereinafter be referred to as the "Committee."

C. Jurisdiction and Venue. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and the Court may enter a final order consistent with Article III of the United States Constitution. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

D. Notice. The Debtors gave notice of the Interim Hearing by facsimile or overnight courier to (i) the Office of the United States Trustee, (ii) the United States Security and Exchange Commission, (iii) the Office of the United States Attorney for the District of Delaware, (iv) the Internal Revenue Service, (v) the Debtors' thirty (30) largest unsecured creditors on a consolidated basis and (vi) counsel to Debtors' prepetition secured lenders. Notice has been given pursuant to Bankruptcy Rule 4001(b) and (d).

E. Prepetition Indebtedness to the Lenders and Security Therefor. The Debtors stipulate, subject to paragraph 4 of this Order, as follows: Prior to the Petition Date, AgFeed USA and certain of its Debtor affiliates, as borrowers (the "Borrowers"), and Farm Credit Services of America, PCA and Farm Credit Services of America, FLCA, as the lenders (the "Lenders" or "Farm Credit"), were parties to that certain Credit Agreement, dated June 7, 2006, as amended, supplemented or otherwise modified from time to time (the "Farm Credit Loan Agreement"), pursuant to which Farm Credit made available to the Borrowers certain credit facilities (collectively, the "Farm Credit Facility"). The Debtors acknowledge that (a) in connection with the Farm Credit Loan Agreement and ancillary agreements evidencing, guaranteeing, securing, and modifying the Farm Credit Facility including, without limitation, the

Forbearance Agreement amongst the Debtors and Lenders dated as of April 18, 2013 (collectively, the "Farm Credit Loan Documents"), the Debtors granted Lenders liens, mortgages, deeds of trust and security interests (the "Prepetition Liens") on all the Debtors' assets and property (and all proceeds, products, offspring, accessions, rents and profits thereof) existing as of the commencement of these cases (all assets of the Debtors existing as of the commencement of these cases, shall hereinafter be referred to as the "Prepetition Collateral"); (b) The Prepetition Liens (i) are legal, valid, binding, enforceable, non-avoidable and perfected liens, (ii) were granted to, or for the benefit of, Lenders for fair consideration and reasonably equivalent value and (iii) are not subject to avoidance, recharacterization, disallowance, reduction, impairment, challenge or subordination pursuant to the Bankruptcy Code or applicable non-bankruptcy law; and (iv) are first and paramount in priority to all other liens and security interests on the Prepetition Collateral (other than permitted liens that are senior to the Prepetition Liens by operation of law). All of the Debtors' cash, negotiable instruments, documents of title, securities, deposit accounts or other cash equivalents and all cash proceeds of the Prepetition Collateral received after the commencement of these cases, is encumbered by the Pre-Petition Liens and constitutes the cash collateral of Lenders and shall be referred to hereinafter as the "Cash Collateral". The Debtors acknowledge that as of the Petition Date the Borrowers were indebted to the Lenders in an amount of not less than $60.1 million on account of the Farm Credit Revolving Loan and $8.4 million on account of the Farm Credit Term Loan (together with accrued, unpaid interest, fees (including any attorneys', accountants', appraisers', and financial advisors') fees and costs provided for in the Farm Credit Loan Documents and applicable law, the "Prepetition Indebtedness") pursuant to the Farm Credit Loan Agreement.[2] The Prepetition Indebtedness is due and payable. The Debtors' acknowledge that (a) the

[2] This amount may not include all principal, interest, fees and expenses owed to the Lender.

Prepetition Indebtedness constitutes legal, valid and binding obligations of the applicable Debtors, enforceable in accordance with the terms of the applicable Farm Credit Loan Documents (other than in respect of the stay of enforcement arising from section 362 of the Bankruptcy Code); and (b) no setoffs, recoupments, offsets, defenses, challenges, objections to allowance or otherwise or counterclaims to any of the Pre-Petition Indebtedness exist and no portion of the Pre-Petition Indebtedness or any payments made to Lenders are subject to avoidance, recharacterization, disallowance, challenge, reduction, recovery, subordination, attack, offset, counterclaim, defense or "claim" (as defined in the Bankruptcy Code) of any kind pursuant to the Bankruptcy Code or applicable non-bankruptcy law.

Subject to paragraph 4 of this Order, as to the rights of the Committee or any party in interest that achieves standing, the Debtors waive any challenge right against the Lenders with respect to the Farm Credit Loan Documents, the Prepetition Indebtedness, and the Prepetition Liens.

F. Necessity of Financing and Use of Cash Collateral. The ability of the Debtors to finance their operations requires immediate access to the Cash Collateral, the absence of which would immediately and irreparably harm the Debtors, the Estates, and their creditors. The ability to use the Cash Collateral will allow the Debtors to continue the operation of their businesses and administer and preserve the value of the Estates for the benefit of the Estates and creditors. All of the Debtors' cash, on hand and cash flow from operations consists of proceeds of prepetition accounts or inventory that is subject to the Prepetition Liens. If the Debtors are not able to use Cash Collateral as provided herein they will be unable to fund payroll and other operating expenses that are necessary to maintain the value of the Debtors' estates and to enable Debtors to maximize recoveries for all parties in interest. The Lenders have agreed to allow the Debtors to use their Cash Collateral subject to the terms and conditions hereof after arms-length

negotiations over the terms of the usage of Cash Collateral and adequate protection, including the protection afforded an entity acting in "good faith" under Section 363(m) of the Bankruptcy Code.

G. Property of the Estate. Each item of Cash Collateral constitutes property of the estate of at least one of the Debtors.

H. Cause. The entry of this order will minimize disruption of the Debtors' businesses and will preserve and maintain the assets of each Debtor's estate, will avoid immediate and irreparable harm to, and is in the best interest of, the Debtors, their creditors and their estates.

I. Adequate Protection. The Lenders are entitled to receive adequate protection for any diminution in the value of their interest in the Prepetition Collateral resulting from (a) the use, sale, lease, or depreciation or other diminution in value of the Prepetition Collateral, or (b) as a result of the imposition of the automatic stay under section 362(a) of the Bankruptcy Code.

THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED. Any objections to the Motion with respect to entry of this Interim Order that have not been withdrawn, waived, or settled are hereby denied and overruled.

AUTHORIZING USE OF CASH COLLATERAL

2. The Debtors are authorized to use Cash Collateral until the Termination Date (as defined below) solely to fund the itemized expenditures (subject to permitted variances) contained in the budget attached hereto as Exhibit A (the "Budget"). For each rolling four week period set forth in the Budget (on a cumulative basis), the Debtors' actual cash disbursements for such period shall not exceed the total cumulative amount for such periods as set forth in the Budget by more than 4% (expenditures of the Debtors under any line item of the Budget for any

period may exceed the expenditure amount budgeted for such line item so long as aggregate total expenditures during the term of this order do not exceed the total cumulative amount budgeted for such periods by more than 4%. Through the Termination Date, the Lenders and Debtors may, in their sole discretion, agree to increase cash disbursements and operating expenditures in the Budget, and upon written agreement by the Lenders to so modify the Budget, Debtors will be authorized to use Cash Collateral in such amount without the need for any further order of the Court. It is understood that the Lenders may assume that the Debtors will comply with this requirement and Lenders shall have no duty to monitor such compliance.

On the first Wednesday of each week beginning on the date hereof, through the Termination Date, the Debtors shall provide the Lenders with a written accounting for (i) all Cash Collateral in their possession, custody or control, including the sources thereof and (ii) any Cash Collateral expended and the purposes for which it was expended pursuant to this Order through Friday of the prior week; (iii) the actual results for the subject week as compared to the budgeted amounts for that week . Debtors shall track and identify the proceeds of any Cash Collateral that are created after the Petition Date that is derived from proceeds of Cash Collateral and, therefore, subject to the Replacement Lien. The Debtors shall not (i) compromise, adjust or modify the amount of any of Debtors' accounts receivable (by way of discount, offset or otherwise) other than in the ordinary course of business or (ii) sell, transfer or convey any item of Cash Collateral outside the ordinary course of business according to ordinary business terms without Lenders' written permission or Court approval issued after notice to the Lenders and an opportunity for a hearing.

3. The Debtors' authority to use Cash Collateral without further order of the Court issued after notice and hearing or the written consent of Lenders shall automatically expire upon the earlier of (i) August 31, 2013 at 11:59 p.m. (Eastern time), (ii) thirty (30) calendar days

from the date of this Interim Order (the "Interim Period") unless the Final Order has been entered by the Court, or (iii) regardless of whether the Debtors have expended the entire amount set forth in the Budget, the failure by the Debtors to comply with any provision of this Interim Order or the Final Order or the occurrence of any of the events set forth in clauses (a) through (n) below (unless waived by the Lenders) (each such failure, breach, act or omission being an "Event of Default")(the earlier of such dates, the "Termination Date").

(a) Failure of the Debtors to make any payment under this Interim Order to the Lenders or the Lenders' professionals within three (3) Business Days after written notice that such payment is due (subject to compliance with paragraph 8 hereof with respect to the Lenders' professional fees and expenses only);

(b) Other than with respect to clauses (a), (c), (d), (e), (f), (k), (m) or (n) of this paragraph 3, failure of the Applicable Debtors to: (i) comply with any material provision of this Interim Order; or (ii) comply with any other covenant or agreement specified in this Interim Order (other than those described in clause (i) above) in any material respect and such failure to comply with any such other covenant or agreement shall continue unremedied for three (3) Business Days following notice by the Lenders of such failure;

(c) An order shall be entered reversing, amending, supplementing, staying, vacating or otherwise modifying this Interim Order without the Lenders' written consent;

(d) The failure of the Debtors to comply with any of the Sale Milestones (as defined below), including the failure of the Court to conduct the Sale Hearing (as defined in the Sale Milestones) on August 31, 2013, without Lenders' consent;

(e) Any change to the APA or the Modified APA (each as defined in that certain to be filed Debtors' Motion for Entry of (A) An Order (I) Scheduling a Hearing on the Approval of the Sale of All or Substantially All of the Sellers' Assets, and the Assumption and

Assignment of Certain Executory Contracts and Unexpired Leases, (II) Approving Certain Bidding Procedures, Certain Assumption and Assignment Procedures, the Break-Up Fee, and the Expense Reimbursement, and the Form and Manner of Notice Thereof, and (III) Granting Related Relief; and (B) An Order (I) Approving a Certain Asset Purchase Agreement, (II) Authorizing the Sale of All or Substantially All of the Sellers' Assets Free and Clear of All Encumbrances, (III) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief, which has been reviewed and approved by the Lenders) at any time after the execution thereof that Lenders reasonably believes will result in insufficient funds to satisfy Lender's Prepetition Indebtedness (and any amounts due under this Order) claims against the Debtors in full;

(f) The Debtors shall modify the Bidding Procedures Order (as defined in the Sale Milestones), including, without limitation, any modification to any rule, requirement or date stated therein, without Lenders' consent;

(g) The Debtors shall create, incur or suffer to exist any post- petition liens or security interests other than: (i) those granted pursuant to this Interim Order; (ii) carriers', mechanics', warehousemen's, repairmen's or other similar liens arising in the ordinary course of business; (iii) pledges or deposits in connection with workers' compensation, unemployment insurance, utilities and other social security legislation; (iv) deposits to secure the payment of any post-petition statutory obligations, performance bonds and other obligations of a like nature incurred in the ordinary course of business; and (v) any other Permitted Liens that the Debtors are permitted to incur under the Farm Credit Loan Documents;

(h) The Debtors shall compromise, adjust or modify the amount of any of Debtors' accounts receivable (by way of discount, offset or otherwise) other than in the ordinary course of

business);

(i) The Debtors shall sell, transfer or convey any item of Cash Collateral outside the ordinary course of business according to ordinary business terms without Lenders' written permission;

(j) The Debtors shall create, incur or suffer any other claim which is *pari passu* with or senior to the 507(b) Claim of the Lenders;

(k) A filing by the Debtors of any motion, pleading, application or adversary proceeding challenging the validity, enforceability, perfection or priority of the Prepetition Indebtedness, Prepetition Liens, the Adequate Protection Obligations, or the Replacement Liens (or if the Debtors support any such motion, pleading, application or adversary proceeding commenced by any third party);

(l) the filing of a plan of reorganization or liquidation without the prior written consent of Lenders unless the plan provides for the payment of Lenders' claims in full in cash no later than the effective date of such plan;

(m) the conversion or dismissal of any of the Debtors' bankruptcy cases; or

(n) the failure of a Final Order to be entered prior to the expiration of the Interim Period.

Upon the Termination Date, the Debtors' authority to use or spend any further Cash Collateral shall automatically terminate unless and until the Debtors obtain the written consent of Lenders or a further order of this Court issued after notice and an opportunity for a hearing, provided, however, that notwithstanding the occurrence of the Termination Date, the Debtors shall be authorized to use Cash Collateral to pay those budgeted amounts that have been incurred prior to the Termination Date.

4. The stipulations and acknowledgements of the Debtors contained in paragraph E hereof shall be without prejudice to the right of the Committee or any party in interest to seek to disallow the Lenders' claims, avoid any security or collateral interest of the Lenders in the Prepetition Collateral or Cash Collateral and to seek the disgorgement of all or any part of any payment made by the Debtors to the Lenders prior to the Petition Date. A Committee or any other party in interest shall have the later of (i) seventy-five (75) calendar days from the date of this Interim Order or (ii) sixty (60) calendar days from the date of the Committee's appointment within which to file an objection or commence an adversary proceeding (as may be appropriate) with respect to the Lenders' prepetition claims or security interest arising under the Farm Credit Loan Agreement, payments made to the Lenders on account of Prepetition Indebtedness, or any other claims or causes of action as to the Lenders.* In the event that no objection or complaint, as applicable, is timely filed, (i) the stipulations and acknowledgements of the Debtors set forth in Paragraph E hereof shall become final and binding on all parties (including the Committee, the Estate, and all creditors, and any subsequently appointed trustee) and (ii) the Lenders' Prepetition Claims and the Lenders Prepetition Liens in the Prepetition Collateral shall be allowed, valid, perfected, nonavoidable, and in full force and effect, not subject to any claims, disallowance, avoidance, reduction, impairment, challenge, counterclaims, setoffs, or defenses.

Notwithstanding anything in the foregoing paragraphs or elsewhere in this Interim Order, any party, including the Committee or other party in interest, that seeks to take any of the actions enumerated in this paragraph 4 must comply with all requirements of the Bankruptcy Code, including, without limitation, seeking and obtaining approval of the Court with respect to proper standing.

*Provided, however, for the avoidance of doubt, if no Committee forms, then the aforementioned stipulations and acknowledgements shall be effective 75 calendar days from the date of this Interim Order.

5. The Cash Collateral may not be used for the payment of any fees for services rendered by professionals retained by the Debtors or the Committee in connection with any challenges: (i) in connection with or to finance any action, arbitration, investigation, contest, application, proceeding or other litigation of any type against the Lenders to seek relief that would impair the rights and remedies of the Lenders under the Farm Credit Loan Agreement, the Farm Credit Documents, or this Interim Order or the claims of the Lenders in any way, including, without limitation, in respect of the Prepetition Indebtedness and the Prepetition Liens, under applicable bankruptcy or non-bankruptcy law or in equity, or (ii) to object to or challenge any claims, liens or interests of the Lenders, including, without limitation, the Prepetition Indebtedness or the Prepetition Liens, whether by avoidance, disallowance, disgorgement or subordination. Notwithstanding the foregoing, Cash Collateral in an amount not to exceed $10,000 may be used for the payment of any fees for services rendered by professionals retained by the Committee in connection with the Committee's investigation of the Lenders' claims. Such use is limited solely to the Committee's investigation and is otherwise limited as set forth herein.

ADEQUATE PROTECTION

6. As adequate protection for any diminution in the value of Lenders' Prepetition Collateral through the Debtors' use or possession of the Prepetition Collateral or the operation of the automatic stay, Lenders are hereby granted, pursuant to Sections 361(1) and 363(e) of the Bankruptcy Code, additional and replacement security interests and liens (the "Replacement Lien"). The Replacement Lien will secure an amount of Lenders' Prepetition Indebtedness equal to the aggregate diminution in the value of Prepetition Collateral resulting from the Debtors' use or possession of the Cash Collateral and Prepetition Collateral (whether as a result

of physical deterioration, loss, consumption, use, shrinkage, decline in market value or otherwise). The Replacement Lien shall be subject only to nonavoidable, valid, enforceable and perfected liens and security interests in the assets of Debtors, as prepetition debtors, that existed on the Petition Date and that are not subject to avoidance pursuant to the Bankruptcy Code, in favor of third parties, that are superior in priority, after giving effect to any existing subordination or intercreditor arrangements, to the Prepetition Liens. The Replacement Lien shall attach to all property and assets of the Debtors, of any kind or nature whatsoever, whether now owned or hereafter acquired by any Debtor, and all proceeds, rents or profits thereof that were either subject to the Prepetition Liens or acquired as a result of the Debtors' use and/or expenditure of Cash Collateral. For the avoidance of doubt, until after entry of the Final Order, the Replacement Lien shall not attach to causes of action arising under Chapter 5 of the Bankruptcy Code or the proceeds thereof, other than recoveries under Section 549 of the Bankruptcy Code. Lenders' Replacement Lien hereunder shall at all times be senior to the rights of the Debtors and any successor trustee or estate representative in these cases or any subsequent cases or proceedings under the Bankruptcy Code. Any security interest or lien upon the Prepetition Collateral or Cash Collateral that is avoided or otherwise preserved for the benefit of any Debtor's estate under Section 551 or any other provision of the Bankruptcy Code shall be subordinate to the Replacement Lien in such asset.

7. The Replacement Lien granted to the Lenders by this Interim Order shall be perfected by operation of law upon execution and entry of this Interim Order by the Court. The Lenders shall not be required to take any action, including, without limitation, the filing of financing statements, mortgages, deeds of trust or other documents, in order to validate or perfect such Replacement Lien. If the Lenders, in their sole discretion, nonetheless choose to file financing statements, mortgages, deeds of trust or other documents or otherwise confirm

perfection of such security interests and liens, the Lenders are authorized to effect such filings and recordations, and all such financing statements, deeds of trust or similar documents shall be deemed to have been filed or recorded as of the Petition Date.

8. As further adequate protection, the Debtors are authorized and directed to make the payments (the "Adequate Protection Payments") to the Lenders as follows: (a) within two (2) business days of entry of this Interim Order, all accrued and unpaid pre-petition interest and fees as of the date thereof, and other amounts (excluding principal) due and payable under the Farm Credit Loan Agreement, in the case of pre-petition interest, calculated based on the applicable default rate as defined and set forth in the Farm Credit Loan Agreement; (b) on the last business day of each calendar month after entry of this Interim Order, all accrued and unpaid post-petition interest and fees as of the date thereof, and other amounts (excluding principal) due and payable under Farm Credit Loan Agreement, in the case of post-petition interest, calculated based on the applicable default rate as defined and set forth in the Farm Credit Loan Agreement; and (c) ongoing payment of the reasonable fees, costs and expenses of the Lenders, including, without limitation, the reasonable fees and expenses of legal and other professionals retained by the Lenders whether accruing before or after the Petition Date. None of the fees, costs, expenses or other amounts payable pursuant to this paragraph 8 shall be subject to separate approval by this Court (but this Court shall resolve any dispute as to the reasonableness of any such fees, costs and expenses), and no recipient of any such payment shall be required to file any interim or final fee application with respect thereto or comply with the U.S. Trustee fee guidelines for the payment of fees and expenses; provided, however, that copies of invoices for such fees, costs and expenses shall be submitted to counsel for the Debtors and the Debtors shall submit such invoices to counsel for the U.S. Trustee and counsel for the statutory committee (if any), and such parties shall have ten (10) calendar days following their receipt of such invoices to object to

the reasonableness of the fees and expenses included in any such invoice. All invoices provided pursuant to this paragraph 8 shall be redacted as necessary to preserve attorney-client privileged information and may include a billing summary where appropriate to protect such privilege. Any such objection must describe with particularity the items or categories of fees and expenses that are the subject of the objection and provide the specific basis for the objection to each such item or category. If any such objection is not resolved within ten (10) calendar days after such objection is made, then a hearing with respect thereto shall be conducted at the next regularly-scheduled omnibus hearing in these Chapter 11 Cases or such other date and time as mutually agreed upon, provided that, the Debtors shall pay any undisputed portion of such fees, costs and expenses within ten (10) business days of the initial presentment of such invoice.

9. In addition to the Replacement Lien and the Adequate Protection Payments, each as described above, the Lenders shall have a priority claim to the fullest extent permitted under Section 507(b) of the Bankruptcy Code (the "Superpriority Claim"), and such claim shall have priority over, and be senior to, all other administrative claims subject only to the Carve Out.

10. The Debtors shall comply with the sale milestones (the "Sale Milestones") as set forth in Exhibit B, attached hereto; provided, that the Lenders have not consented to any amendment or modification in accordance with the Sale Milestones. In addition, the Debtors shall provide the Lenders with drafts of any motions in connection with the sale process as described in the Sale Milestones prior to filing and with sufficient time to provide comments, if any. Any motions and orders entered by this Court with respect to the sale related motions shall be in a form acceptable to the Lenders. The proceeds of the sale, up to an amount sufficient to pay the Lenders' claims, shall be immediately distributed to the Lenders upon the closing of the sale.

CARVE OUT

11. Notwithstanding the foregoing provisions of this Interim Order, the following amounts shall be payable from the Prepetition Collateral and Cash Collateral and, with respect to the U.S. Trustee Fees and professional fees and expenses authorized to be paid after the Termination Date, prior to the liens and superpriority claims granted to the Lenders herein (the "Carve Out"): (a) amounts payable pursuant to 28 U.S.C. § 1930(a)(6) and any fees payable to the clerk of the Court (collectively, the "U.S. Trustee Fees"); (b) allowed fees and expenses of attorneys, accountants, and other professionals retained in the Chapter 11 Cases pursuant to sections 327 and 1103 of the Bankruptcy Code for services rendered on or prior to the Termination Date, after application of any prepetition retainers paid to such attorneys, accountants, and other professionals, but in all cases, only to the extent that such fees and expenses are provided for, and up to the aggregate amount set forth in the Budget and except to the extent such fees and expenses are incurred for services rendered in connection with the prosecution of or to finance or support in any way actions, objections, claims, or causes of action against the Lenders, Lenders' Pre-Petition Indebtedness or the Pre-Petition Collateral or in improperly or unreasonably delaying, whether directly or indirectly, the Lenders' assertion or enforcement of its liens or realization upon Cash Collateral (the "Priority Professional Expenses") plus, for services rendered after the occurrence of the Termination Date $50,000 with respect to the professionals retained by the Debtors in these Chapter 11 Cases and $10,000 with respect to the professionals retained by any Committee in these Chapter 11 cases (the "Carve Out Amount"). After the Lenders have provided notice to the Debtors pursuant to the terms of this Interim Order of the occurrence of an Event of Default by the Debtors in any of their obligations under this Interim Order or the Final Order, any payments actually made to such professionals after the occurrence of such Event of Default under sections 330 and 331 of the Bankruptcy Code or otherwise, to the extent allowed by final order of the Court, shall reduce the Carve Out

Amount on a dollar for dollar basis. Nothing contained herein shall be construed as consent to the allowance of any fees and expenses referred to above and shall not affect any right of the Lenders to object to the reasonableness of such amounts.

12. So long as no Event of Default shall have occurred, the Debtors shall be permitted to pay the Priority Professional Expenses of the kind specified in section 503(b) of the Bankruptcy Code allowed under sections 330 and 331 of the Bankruptcy Code, as the same may be due and payable, within the parameters of this Interim Order and the available Cash Collateral, without reduction of the Carve Out Amount. The Debtors shall not be permitted under any circumstance to pay, from the Carve Out Amount or otherwise, any fees or expenses incurred by any party, including the Debtors or the Committee, in connection with the filing and prosecution or defense of any claims, causes of action, adversary proceedings, or other litigation against the Lenders, including, without limitation, challenging the amount, validity, priority or enforceability of, or asserting any defense, counterclaim, or offset to, the Prepetition Indebtedness, the Prepetition Liens, the Adequate Protection Obligations, the Replacement Liens or such other rights and interests granted to the Lenders in respect thereof and under this Interim Order.

13. Notwithstanding anything to the contrary in the foregoing paragraphs, upon payment in full, in cash, of an amount sufficient to satisfy all Obligations and any other amounts then outstanding under the Farm Credit Loan Documents and all other amounts owing under that the Interim Cash Collateral Order and Final Cash Collateral Order to the Prepetition Lenders by Federal Reserve wire transfer (i) the Prepetition Lenders' consent in connection with the Carve Out with respect to fees and expenses accrued from and after such date shall terminate and the Prepetition Lenders shall have no obligations with respect thereto; and (ii) with respect to fees and expenses both (x) accrued and unpaid prior to the date thereof and (y) within the Budget , the

Prepetition Lenders' consent in connection with the Carve Out shall continue.

REMEDIES

14. Notwithstanding the provisions of section 362 of the Bankruptcy Code and without any further order of, or application or motion to, the Court, in the event of the occurrence of an Event of Default, and at all times thereafter, and without any restriction or restraint by any stay under section 362 of the Bankruptcy Code against the enforcement of the liens and security interests or any other rights granted to the Lenders pursuant to the Interim Order, the Lenders may, by written notice to the Debtors as provided in this Interim Order to : (i) terminate forthwith Lenders' agreement to allow the Debtors to use all or any portion of the Cash Collateral, (b) declare the Prepetition Indebtedness to be immediately due and payable, and (c) take any and all actions and exercise any and all rights and remedies allowed under the Prepetition Credit Agreements, which the Lenders may deem appropriate. Notwithstanding the foregoing, but without limiting any of the Lenders' rights or remedies, the Lenders shall not consummate foreclosure on Cash Collateral or otherwise seize control of any Prepetition Collateral or assets subject to the Replacement Lien absent three (3) business days' prior written notice of an Event of Default to the (i) Debtors, (ii) counsel to the Debtors, (iii) counsel to the Committee, and (iv) the United States Trustee. To the extent that Lenders' right to exercise its rights or remedies is challenged under this Order and an expedited hearing is obtained within such three (3) business day period, the only issue that will be entertained by the Court is whether an Event of Default or Termination Date has occurred. For the avoidance of doubt, the Debtors' use of any Cash Collateral shall terminate immediately upon Lenders' written notice to the Debtors that an Event of Default has occurred, even if such date is prior to the aforementioned expedited hearing.

15. The automatic stay imposed under section 362(a) of the Bankruptcy Code is hereby lifted to grant the Replacement Liens and security interests in Cash Collateral to the Lenders contemplated by this Interim Order, and is further lifted to the extent of the exercise by the Lenders of any rights or remedies under this Interim Order, subject only to the notice requirement set forth in the foregoing paragraph.

MISCELLANEOUS PROVISIONS

16. The Debtors and the Lenders may amend or waive any provisions of this Interim Order, provided that such amendment or waiver, in the judgment of the Debtors and the Lenders is nonprejudicial to the rights of third parties and is not material. Except as otherwise provided herein, no waiver, modification, or amendment of any of the provisions hereof shall be effective unless set forth in writing, signed by the Debtors and the Lenders and approved by the Court.

17. Subject to the earlier of (i) the entry of a Final Order or (ii) the expiration of the Interim Period unless otherwise ordered by the Court, no costs or expenses of administration or other charge, lien, assessment or claim incurred between the Petition Date and the Termination Date of any person or entity shall be imposed against the Lenders, its claims or its collateral under section 506(c) of the Bankruptcy Code or otherwise, unless, prior to incurring such costs or expenses: (i) the party proposing to incur such costs or expense shall obtain the written consent of the Lenders allowing such charge to be imposed, or (ii) this Court enters an order allowing such charge to be imposed under section 506(c) of the Bankruptcy Code. Nothing in this Order shall constitute consent by the Lenders under the preceding sentence. Subject to the entry of a Final Order, the Lenders: (i) shall not be subject to the equitable doctrine of marshaling or any similar doctrine with respect to the Prepetition Collateral; and (ii) the Lenders shall be entitled to all of the rights and benefits of Section 552(b) of the Bankruptcy Code and, upon entry of the Final Order, the equities exception to Bankruptcy Code Section 552(b) is

waived by the Debtors.

18. This Interim Order shall not be construed in any way as a waiver or relinquishment of any rights that the Lenders may have to bring or be heard on any matter brought before this Court. Without limitation, nothing herein shall be deemed a finding by the Court or an acknowledgement by the Lenders that the adequate protection granted herein does in fact adequately protect Lenders against any diminution in value of their respective interests in the Prepetition Collateral (including the Cash Collateral). Further, nothing herein shall preclude the Lenders from seeking additional adequate protection of their interests in the Prepetition Collateral or to seek to terminate the Debtors' usage of Cash Collateral or to oppose any Debtor request to use Cash Collateral.

19. The terms of this Interim Order and any actions pursuant thereto, including but not limited to liens granted thereunder and the adequate protection granted hereby, shall survive the entry of any order: (i) confirming a plan of reorganization in the Chapter 11 Cases; (ii) dismissing the Chapter 11 Cases; (iii) converting these Chapter 11 Cases to any other Chapter under the Bankruptcy Code; (iv) withdrawing the reference of these Chapter 11 Cases from this Court; and (v) abstention from handling or retaining jurisdiction over these Chapter 11 Cases in this Court.

20. The Debtors are authorized to do and perform all acts, to make, execute and deliver all instruments and documents (including, without limitation, the execution of additional security agreements, mortgages and financing statements) and to pay costs and expenses which may be required or necessary for the Debtors' performance hereunder.

21. The Debtors shall, on or before July 17, 2013, serve by U.S. mail copies of the notice of entry of this Interim Order, together with a copy of this Interim Order to: (i) parties having been given notice of the Interim Hearing; (ii) any other party that has filed a request for

special notice with this Court and served such request upon the Debtors' counsel Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 N. King Street, Wilmington, Delaware 19801, attn. Robert S. Brady, Esq. and Donald J. Bowman, Jr.,Esq.; (iii) counsel to the Lenders, Kutak Rock, LLP, The Omaha Building, 1650 Farnam Street, Omaha, Nebraska 68102, attn. Jeff Wegner, Esq. and Blank Rome LLP, 1201 Market Street, Suite 800, Wilmington, DE 19801, attn. Regina Stango Kelbon (iv) counsel for the Committee; (v) all creditors who have recorded a UCC-1 Financing Statement on the Debtors' personal property or a lien on any of the Debtors' property; and (vi) the United States Trustee. The notice of the entry of this Interim Order shall state that any party in interest objecting to the entry of a Final Order on the Motion shall file written objections with the United States Bankruptcy Court Clerk for the District of Delaware no later than July 29, 2013, which objections shall be served so that the same are received by no later than 4:00pm (Eastern Time) on such date by the United States Trustee, counsel for the Debtors, and counsel for the Lenders.

22. Notwithstanding anything to the contrary required by Bankruptcy Rule 4001(a)(3) or any similar Bankruptcy Rule, this Order will be effective immediately from entry and will not be subject to stays.

23. The Motion is set for a final hearing on August 1, 2013 at 9:00a.m.

Dated: July 16, 2013
Wilmington, Delaware

BRENDAN L. SHANNON
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

Budget

AgFeed USA, LLC
PROJECTED CASH COLLATERAL BUDGET - EXHIBIT A

	File Ch 11						Transaction / Exit
Cash Inflows:	7/19/13	7/26/13	8/2/13	8/9/13	8/16/13	8/23/13	8/30/13
Hormel Market Sales	$ 4,163,358	$ 4,163,155	$ 4,164,197	$ 3,865,535	$ 4,022,868	$ 4,198,750	$ 4,160,580
Cull Sales- Finishing	105,642	102,308	104,521	113,543	102,312	103,383	102,713
Cull Sales- Sows	64,980	64,980	64,980	64,980	64,980	64,980	64,980
Net Sales Proceeds	-	-	-	-	-	-	-
Misc Income	11,000	-	-	-	16,800	-	-
Total Inflows	$ 4,344,981	$ 4,330,443	$ 4,333,698	$ 4,044,058	$ 4,206,960	$ 4,367,113	$ 4,328,273
Cash Outflows							
Payroll	-	308,230	-	350,284	-	308,230	-
401k/H.S.A./Insurance	67,986	-	67,986	-	67,986	-	67,986
Purchased Wean Pigs (CH/MP/3rd Party)	-	60,000	60,000	60,000	60,000	60,000	60,000
Boar Purchases	-	-	-	-	-	22,500	-
Feed Costs- Finishing	-	2,249,039	2,329,838	2,217,806	2,195,695	2,178,782	2,140,335
Feed Ingredient Costs- Farrowing	-	268,720	297,670	303,460	372,179	303,460	303,460
Producer Fees	-	21,000	1,714,554	21,000	121,353	21,000	21,000
Vet/Meds	-	40,612	119,003	117,402	115,794	114,545	112,869
Rent- Offices	-	-	13,750	-	-	-	13,750
Lease Pmts (TriOak/Bridenstine(OK)/RV(CO))	-	-	75,361	-	-	-	75,361
AF Parent Overhead	-	234,375	234,375	-	234,375	-	234,375
Trucking	-	138,717	138,729	138,700	127,866	140,824	138,547
Utilities	-	75,500	-	30,016	30,016	30,016	30,016
Repairs & Maintenance	-	-	-	19,466	19,466	19,466	19,466
Insurance	-	18,000	-	-	184,749	-	-
Vehicle/Fleet Costs	-	22,500	17,500	-	-	22,500	17,500
Truck Wash	-	5,000	5,000	5,000	5,000	5,000	5,000
Business Meals/Travel	-	500	500	500	500	50,000	500
Misc/Supplies	250,000	-	-	25,000	125,000	25,000	25,000
Total Operating Outflows	317,986	$ 3,442,192	$ 5,074,265	$ 3,288,633	$ 3,659,980	$ 3,301,323	$ 3,265,165
Net Operating Cash Inflow (Outflow)	$ 4,026,994	$ 888,250	$ (740,567)	$ 755,425	$ 546,980	$ 1,065,790	$ 1,063,109
Non Operating Outflows							
Principal Payment Other Debt (NC + DIP)	-	-	-	-	-	-	-
P&I Payment - FCSA Revolver & DIP	165,516	-	-	258,867	-	-	-
Interest Payment Other Debt (NC + HM)	11,906	-	-	17,858	-	-	-
Capital Expenditures	-	-	-	10,600	10,600	10,600	10,600
Professional Fees	-	-	-	-	-	-	-
Total Non Operating Outflows	$ 177,422	$ -	$ -	$ 287,325	$ 10,600	$ 10,600	$ 10,600
Total Cash Outflows	$ 495,408	$ 3,442,192	$ 5,074,265	$ 3,575,958	$ 3,670,580	$ 3,311,923	$ 3,275,765
Net Cash Inflow (Outflow)	$ 3,849,572	$ 888,250	$ (740,567)	$ 468,100	$ 536,380	$ 1,055,190	$ 1,052,509
Cumulative Post-Petition Cash Flow	$ 3,849,572	$ 4,737,823	$ 3,997,256	$ 4,465,356	$ 5,001,736	$ 6,056,926	$ 7,109,434
Total Outstanding FCSA LOC	$ 60,131,436	$ 60,131,436	$ 60,131,436	$ 60,131,436	$ 60,131,436	$ 60,131,436	$ 60,131,436

Note: Budget is operating cash flows only and does not take into account projected proceeds from sale of assets currently estimated to close on or before 8/30/13.

Exhibit B

Sale Milestones

(a) Within two (2) business days following the Petition Date, the Debtors shall serve and file a motion pursuant to section 363 of the Bankruptcy Code (the "Sale Motion"), in the Chapter 11 Cases, in a form acceptable to the Lenders, requesting that the Bankruptcy Court (i) conduct a hearing to consider bidding procedures as set forth in the Sale Motion (the "Bidding Procedures") and (ii) enter an order approving the Bidding Procedures substantially in the form attached to the Sale Motion (the "Bidding Procedures Order") on a date no later than seventeen (17) days following the Petition Date. The Sale Motion and Bidding Procedures Order shall include a "stalking horse" bid in form and substance acceptable to the Lenders;

(b) The Debtors shall conduct an auction on or before three days before the Sale Hearing (as defined below) in accordance with the Bidding Procedures Order at the conclusion of which, the Debtors' will select the highest and best bid (the "Successful Bid") in the Debtors' business judgment and in consultation with the Lenders;

(c) A final hearing on the Sale Motion (the "Sale Hearing") shall be on a date no later than forty-one (41) days following the Petition Date at which time the Bankruptcy Court shall have entered an order (the "Sale Order"), substantially in the form attached to the Sale Motion and approved by Lenders, granting the relief requested in the Sale Motion; and

(d) On or before August 31, 2013, the Debtors shall have closed the sale transaction pursuant to the Successful Bid and shall cause the sale proceeds in an amount sufficient to pay the Lenders' claims in full, subject to paragraph 4 of the Interim Cash Collateral Order.

These Sale Milestones may be amended or modified by written agreement between the Debtors and the Lenders without further order of the Bankruptcy Court, provided, that any amendment or

modification shortening the dates on which the Sale Milestones must be achieved shall require prior written notice to the Committee and the United States Trustee. The proposed amendment shall become effective upon three (3) business days from the date of such notification.