

ADVANCED BIOENERGY, LLC

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

I. Purpose and Authority

The Audit Committee (‘‘Committee’’) is appointed by the Board of Directors (‘‘Board’’) of Advanced BioEnergy, LLC (the ‘‘Company’’) to assist the Board in fulfilling its oversight responsibilities. The primary duties and responsibilities of the Audit Committee are to:

- Oversee the integrity of the Company’s financial statements and the Company’s financial reporting processes, systems of internal controls and the financial statement audits;
- Oversee the Company’s compliance with legal and regulatory requirements;
- Oversee the independence and qualifications of the Company’s independent auditors;
- Oversee the performance or selection of the Company’s independent auditors;
- Oversee the Company’s systems of disclosure controls and procedures, internal controls over financial reporting, and compliance with ethical standards adopted by the Company;
- Prepare an Audit Committee report as required by the Securities and Exchange Commission (‘‘SEC’’) to be included in the Company’s annual proxy statement.

Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures, and practices at all levels. The Committee should also provide for open communication among the independent auditor, financial and senior management and the Board.

The Committee has the authority to conduct investigations into any matters within its scope of responsibility and obtain advice and assistance from outside legal, accounting, or other advisers, as necessary, to perform its duties and responsibilities. In carrying out its duties and responsibilities, the Committee shall also have the authority to meet with and seek any information it requires from employees, officers, directors, or external parties.

The Company will provide appropriate funding, as determined by the Committee, for compensation to the independent auditor, to any advisers that the Committee chooses to engage, and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee will primarily fulfill its responsibilities by carrying out the activities enumerated in **Section IV** of this charter.

II. Composition

1. Committee members' qualifications shall meet the requirements as may be set by the Board from time to time, in addition to all applicable legal and regulatory requirements.
2. The audit Committee will be comprised of three directors as determined by the Board.
3. Each audit Committee member will meet the applicable standards of independence and the determination of independence will be made by the Board.
4. Committee members and a Committee chair shall be recommended and appointed by the Board.

III. Meetings

The Committee will meet at least quarterly, or more frequently as circumstances dictate. The Committee chairperson will approve the agenda for the Committee's meetings and any member may suggest items for consideration. Briefing materials will be provided to the Committee as far in advance of meetings as practicable. Each regularly scheduled meeting will conclude with an executive session of the Committee absent members of management.

As part of its responsibility to foster open communication, the Committee will meet periodically with management and the independent auditor in separate executive sessions. In addition, the Committee will meet with the independent auditor and management to discuss the annual audited financial statements and quarterly financial statements, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations".

The minutes of each meeting are to be prepared at the direction of the Audit Committee Chair and sent to Committee members and all other directors. Copies are also provided to the independent auditors and the Company's legal counsel.

IV. Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee will:

Documents/Reports/Accounting Information Review

1. Review this charter at least annually and recommend to the Board of directors any necessary amendments.
2. Meet with management and the independent auditor to review and discuss the Company's annual financial statements and quarterly financial statements (prior to the Company's Form 10-Q filing with the SEC) as well as applicable internal control reports.
3. Recommend to the Board whether the financial statements should be included in the annual report on Form 10-K.
4. Review other relevant reports or financial information submitted by the Company to any governmental body or the public, including management certifications as required in Item 601(b) (31) of Regulation S-K.

5. Review reports to management (or summaries thereof) prepared by the Company's independent auditors, as well as management's response.

Independent Auditors

1. Appoint (and recommend that the Board submit for shareholder ratification, if applicable), compensate, retain, and oversee the work performed by the independent auditor retained for the purpose of preparing or issuing an audit report or related work.
2. Review the performance and independence of the independent auditor and remove the independent auditor if circumstances warrant. The independent auditor will report directly to the Committee and the Committee will oversee the resolution of disagreements between management and the independent auditor if they arise [Rule 10A-3(b)(2) of the Exchange Act.
3. Actively discuss with the independent auditor any disclosed relationships or services that may affect the independence and objectivity of the auditor and take appropriate actions to oversee the independence of the independent auditor.
4. Review and pre-approve both audit and non-audit services to be provided by the independent auditor. The authority to grant pre-approvals may be delegated to one or more designated members of the Committee, whose decisions will be presented to the full Committee at its next regularly scheduled meeting.
5. Consider whether the auditor's provision of permissible non-audit services is compatible with the auditor's independence.
6. Discuss with the independent auditor the matters required to be discussed under the standards of the PCAOB [Item 407(d) (3) (i) (B) of Regulation S-K].
7. Review with the independent auditor any problems or difficulties and management's response.
8. Hold timely discussions with the independent auditor regarding the following:
 - a. All critical accounting policies and practices.
 - b. All alternative treatments of financial information within generally accepted accounting principles related to material items that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.
 - c. Other material written communications between the independent auditor and management, including, but not limited to, the management letter and schedule of unadjusted differences.

9. At least annually, obtain and review a report by the independent auditor describing:
 - a. The independent auditor's internal quality-control procedures.
 - b. Any material issues raised by the most recent internal quality-control review or peer review, or by any inquiry or investigation by governmental or professional authorities within the preceding five years with respect to independent audits carried out by the independent auditor, and any steps taken to deal with such issues.
 - c. All relationships between the independent auditor and the Company. This report should be used to evaluate the independent auditor's qualifications, performance, and independence. Further, the committee will review the experience and qualifications of the lead partner each year and determine that all partner rotation requirements, as promulgated by applicable rules and regulations, are executed. The committee will also consider whether there should be rotation of the independent auditor itself. The Committee should present its conclusions to the full Board.

Financial Reporting Processes, Accounting Policies, and Internal Control Structure

1. In consultation with the independent auditor, review the integrity of the Company's financial reporting processes (both internal and external).
2. Periodically review the adequacy and effectiveness of the Company's disclosure controls and procedures and the Company's internal control over financial reporting, including any significant deficiencies and significant changes in internal controls.
3. Understand the scope of the independent auditor's review of internal control over financial reporting and obtain reports on significant findings and recommendations, together with management responses.
4. Receive and review any disclosure from the Company's CEO and CFO made in connection with the certification of the Company's quarterly and annual reports filed with the SEC of:
 - a. significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize, and report financial data; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.
5. Review material issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; material issues as to the adequacy of the Company's internal controls; and any special audit steps adopted in light of material control.
6. Review analyses prepared by management and the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.
7. Review the effect of regulatory and accounting initiatives, as well as off-balance-sheet structures, on the financial statements of the Company.

8. Review and approve all related-party transactions, defined as those transactions required to be disclosed under Items 404(a) and 404(b) of Regulation S-K.
9. Establish and oversee procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters, including procedures for confidential, anonymous submissions by Company employees regarding questionable accounting or auditing matters.

Reporting Responsibilities

1. Report regularly to the Board regarding the execution of the Committee's duties and responsibilities, activities, any issues encountered, and related recommendations.
2. Recommend to the Board of directors that the audited financial statements be included in the Company's annual report on Form 10-K.
3. Review and approve the report that the SEC requires be included in the Company's annual proxy statement.

Ethical compliance, Legal Compliance, and Risk Management

1. Oversee, review, and periodically update the Company's code of business conduct and ethics and the Company's system to monitor compliance with and enforce this code.
2. Review, with the Company's counsel, legal compliance and legal matters that could have a material impact on the Company's financial statements.
3. Discuss policies with respect to risk assessment and risk management, including appropriate guidelines and policies to govern the process, as well as the Company's major financial risk exposures and the steps management has undertaken to control them.
4. Consider the risk of management's ability to override the Company's internal controls.

Other Audit Committee Responsibilities

1. Discuss, with the independent auditor and management, the extent to which changes or improvements in financial or accounting practices have been implemented.
2. Review, with management, the Company's finance function, including its budget, organization, and quality of personnel.
3. Conduct an annual performance assessment relative to the Committee's purpose, duties, and responsibilities outlined herein.
4. Perform any other activities consistent with this charter, the Company's bylaws, and governing laws that the Board or Committee determines are necessary or appropriate.
