

HIGHWATER ETHANOL, LLC
2011 Annual Meeting – Friday, March 4, 2011
For Unit Holders as of February 1, 2011
Proxy Solicited on Behalf of the Board of Governors

Vote by Mail or Facsimile:
1) Read the Proxy Statement
2) Check the appropriate boxes on the proxy card below
3) Sign and date the proxy card
4) Return the proxy card by mail to P.O. Box 96, 24500 US Highway 14, Lamberton, MN 56152 or via fax to (507) 752-6162.

To be certain that your membership units will be represented at the 2011 Annual Meeting, please return your proxy card by 5:00 p.m. on Wednesday, March 2, 2011. However, proxy cards may still be accepted by the Company at any time prior to the polls officially closing.

PROPOSAL ONE: APPROVAL OF THE AMENDMENT TO SECTION 1.9 OF THE COMPANY'S MEMBER CONTROL AGREEMENT AS DESCRIBED IN THE COMPANY'S PROXY STATEMENT STARTING ON PAGE 7:

For **Against** **Abstain**

PROPOSAL TWO: APPROVAL OF THE AMENDMENT TO SECTION 5.3 OF THE COMPANY'S MEMBER CONTROL AGREEMENT AS DESCRIBED IN THE COMPANY'S PROXY STATEMENT STARTING ON PAGE 8:

For **Against** **Abstain**

PROPOSAL THREE: APPROVAL OF THE AMENDMENT TO SECTION 6.14 OF THE COMPANY'S MEMBER CONTROL AGREEMENT AS DESCRIBED IN THE COMPANY'S PROXY STATEMENT STARTING ON PAGE 9:

For **Against** **Abstain**

PROPOSAL FOUR: ELECTION OF THREE GOVERNORS

You may vote for **three (3) nominees**

	For	Abstain/Withhold
Tim VanDerWal , Incumbent ----->>>>	<input type="checkbox"/>	<input type="checkbox"/>
Rex Roehl , Incumbent ----->>>>	<input type="checkbox"/>	<input type="checkbox"/>
David Moldan , Incumbent ----->>>>	<input type="checkbox"/>	<input type="checkbox"/>

PLEASE INDICATE YOUR SELECTION BY FIRMLY PLACING AN "X" IN THE APPROPRIATE BOX WITH BLUE OR BLACK INK

By signing this proxy card, you appoint Luke Spalj and Warren Pankonin, jointly and severally, each with full power of substitution, as proxies to represent you at the 2011 Annual Meeting of the Members to be held on Friday, March 4, 2011, at the American Legion, 106 1st Avenue West, Lamberton, MN 56152, and at any adjournment thereof, on any matters coming before the meeting. Registration for the meeting will begin at 8:30 a.m. The 2011 Annual Meeting will commence at approximately 9:30 a.m. Please specify your choice by marking the appropriate box above. The proxies cannot vote your units unless you sign and return this card. To be certain that your membership units will be represented at the 2011 Annual Meeting, please return your proxy card by 5:00 p.m. on Wednesday, March 2, 2011. However, proxy cards may still be accepted by the Company at any time prior to the polls officially closing.

This proxy, when properly executed, will be voted in the manner directed herein and authorizes the proxies to take action in their discretion upon other matters that may properly come before the 2011 Annual Meeting. If you do not mark any boxes, your units will be voted for the amendments to the Member Control Agreement, for the incumbents David Moldan, Tim VanDerWal and Rex Roehl. If you chose less than three (3) nominees, then the proxies will vote your units only for the nominees you chose. If you mark contradicting choices on the proxy card, such as both for and against a proposal or for and withhold for a candidate, your votes will not be counted with respect to the governor nominee or the proposal for which you marked contradicting choices. However, each fully executed proxy card will be counted for purposes of determining whether a quorum is present at the 2011 Annual Meeting.

Signature: _____
 Print Name: _____
 Date: _____

Joint Owner Signature: _____
 Print Joint Owner Name: _____
 Date: _____

Number of Units Held: _____

Please sign exactly as your name appears above. **Joint owners must both sign.** When signing as attorney, executor, administrator, trustee or guardian, please note that fact.