



General Managers Report

May 3, 2007

This publication will come out monthly. It is intended to be brief and to keep you updated on the milestones of the construction. You may also view photos of the site, and progress on the construction, in the Gallery Section of the website, (www.SIREethanol.com).

- Air Permit awarded from the Iowa Department of Natural Resources the week of April 16, 2007.
- Construction phase begun:
 - Todd & Sargent began foundation work for the grain handling/Dried Distillers Grain (DDGS) structures. We should start seeing progress on the silos.
 - ICM began mobilization. Construction manager is on site and construction trailers have arrived.
 - SIRE construction manager began April 2, 2007. SIRE construction trailer is also in place.
 - Temporary utilities, including power, phone and water are complete or in process.
- Financial close with AgStar Financial completed the week of April 30, 2007.
- MidAm steam agreement reached. Agreement included the sale of 197 acres just west of SIRE plant site.
- Iowa Interstate and BNSF approved a final layout for the loop track. Iowa Interstate will service our rail line.
- SIRE received a High Quality Job Award from Iowa Department of Economic Development that allows us to request tax abatement.
 - Negotiations with the county board of supervisors continue regarding a long term tax abatement provided by achieving the above award.
- Plant start up anticipated for June 2008.

Facts about the Plant

- The plant will produce 110MMGY of denatured ethanol.
- The plant will process 39 million bushels of corn per year.
- The plant will produce 350,000 T of DDGS per year.
- Planned specs:
 - 3 million gallons of ethanol storage.
 - 1 million bushels of corn storage.
 - Loop track will accommodate unit trains. 1 unit train carries 80-100 cars.
- The plant will employ approximately 50 skilled workers.
 - Applications for employment will be available in the spring of 2008. Watch the website for further information.

As always, please contact me directly if you have any issues or concerns regarding the project.

Mark Drake

A handwritten signature in black ink, appearing to read "Mark Drake", is written over the printed name.

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"This newsletter contains forward-looking statements. We undertake no responsibility to update any forward-looking statement. When used, the words, "believe," "expect," "will," "can," "estimate," "anticipate" and similar expressions are intended to identify forward-looking statements. Readers should not place undue reliance on any forward-looking statements and recognize that the statements are not predictions of actual future results, which could and likely will differ materially from those anticipated in the forward-looking statements due to risks and uncertainties, including those described in our Securities and Exchange Commission filings."