



General Managers Report

July 5, 2007

We have posted some aerial photos taken by our board member, Mick Gutttau, on our website in the Gallery Section. They show our progress and look great. (www.SIREethanol.com)

Plant Update - Total number of on-site workers = 100

- Todd & Sargent will begin slip forming for our 1 million bushel silo on July 23rd. Foundation work for grain storage and handling is progressing.
- Adams Construction has mobilized and will construct the 80' X 120' DDG building start to finish. Concrete work started.
- ICS started foundation work on the out buildings: water treatment, cooling tower, energy center, and storage tank area.
- Midwest Underground is 50% complete on the fire water loop, potable water, and sanitary sewers. Completion expected in late August.
- Kriefels has completed 30% of the south rail loop excavation.
- Peterson Construction is 15% complete on the excavation of the north rail line that will connect to the BN.
- Dixon was awarded the contract for the 290' rail bridge that will span over Pony Creek adjacent to Mid Am. Council Bluffs is experiencing a highly competitive atmosphere in construction contracting due to the heavy amount of local development. SIRE sends out multiple bid requests for each piece of the project attempting to get the best pricing possible.
- Main electrical substation excavation has started with borings tested by Thiele. Mid Am will supply the power and maintain this 13,400V station.
- Safety – ICM will appoint a site safety director in July. All site workers are required to check in with ICM before working to ensure they are qualified to on-site.
- Security – Fencing the east and south sides of our property are complete. The north and west sides will be staged depending on the construction schedule. ICM has a security guard posted 7 nights/week.

Management

- Fuel Ethanol Workshop Conference was attended by Karol King, Max Harris, and Laura Schultz. This is our industry's premier conference covering topics such as fractionation, maintenance, fermentation efficiencies, and new technologies.
- Our search for a CFO/Controller continues. We started with over 20 qualified candidates and are down to two. We expect to have the position filled by late August.

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

Mark Drake

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