



## President's Report

May 1, 2008

Plant Update - Total number of on-site workers = 200

**Estimated Grind = 12-15-08**

- Grain handling: Todd and Sargent's work on the silos is complete. Work to complete the electrical (by Caco Services) and conveying equipment (by Tramco) will be ongoing.
- Tank progress: Ethanol storage tanks complete. Floating roofs being installed.
- Process building: Structural steel progress continues - 80% complete. Piping is being installed. Installation of heat exchangers and pumps continue. Electrical cable tray work continues. Masonry walls are being constructed for the control room.
- North and South Rail line: Loop tracks are 60% complete. Rail connections to the north end of the bridge have started. Installing switches on the loop. Approval pending from CBEC (property owners of the far north part of our track) on a track agreement.
- Wells: Step setting of the wells will start later this month – this is the process of developing the wells.
- Weather: There have been no weather related delays this past month.
- Steam Pipeline: Foundations poured- 50% complete. The 6.5 megawatt turbine and generator were delivered and are in place. Brick work on the turbine building to begin this month. Installation of the actual steam pipe to begin in June.
- DDG Dryers: 4 on site, 2 more by the end of the month.
- Energy center: Structural steel construction continues. The dryers are located inside the energy center.
- Wet cake pads: Mechanical installation of the conveyor system to begin this month.
- Cooling Tower: Piping from the pumps to the tower to begin this month.
- We contracted with InfraSource Services to install a natural gas pipe line from Northern's main line tap. They will also install a pressure reduction station at the edge of our property which will feed the individual locations inside the plant.

## Management

- Dan Wych is our new Plant Manager. Dan has been in the ethanol industry for several years working for plants such as Quad County, Hawkeye Renewables, and US BioEnergy (now Verasun). Dan has hands-on ICM plant experience that will add great value to our team. We're very excited to have him.
- We will also hire a Plant Engineer within the month to handle various engineering tasks. This will save us from having to outsource this work as well as help build relations with MidAmerican Energy.
- 1<sup>st</sup> National Investment Bank continues to work toward finding us an additional investor partner. As we get closer to executing an agreement, our Series A investor community will be notified requesting additional participation.
- We are looking to improve the efficiency of our rail design to provide greater logistical flexibility. St. Louis based, Design 9, is the rail design company we have contracted with to assist us with this task. These changes will not have a negative impact on our construction budget.

As always, please contact me directly at (712) 366-0392 if you have any issues or concerns regarding the project.

Mark Drake

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