



President's Report

June 3, 2008

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

Estimated Grind = 12-15-08

- Weather: Work on the plant continues despite several wet periods this month.
- Grain handling: MCC building construction began this month. We anticipate silo completion by early fall. Filling of the silos for settling will need to begin at that time.
- Storage tank progress: Complete.
- Process building: Structural steel progress - 90% complete. Piping is being installed. Installation of heat exchangers and pumps and electrical cable tray work continue.
- North and South Rail line: Loop tracks 60% complete – some ballast delivered last month. Rail across Pony Creek bridge completed. Continue installing switches on the loop. Began earth work on modifications for added efficiency on the rail loop. Contract with CBEC (property owners of the far north part of our track) on a track agreement pending.
- Wells: Wet weather conditions causing delay in this process. Step testing of the wells to be started this month.
- Steam Pipeline: Foundations under the steam line continue to be poured. Pipe installers are mobilized on site.
- DDG Dryers: All 6 dryers in place.
- Energy center: Structural steel construction continues. Conveyer work to begin shortly. ICM's dryer group mobilized on site.
- Wet cake pads: Conveyor group mobilized and equipment being delivered. Completion expected later this summer.
- Cooling Tower: Additional progress in this area will commence when connections to the process building are completed.
- Natural gas pipeline: 4" piping is on-site. Construction to begin by July 1st.
- Scales: Construction to begin this week by Scales Sales and Service.
- Administration building: Framing complete; exterior walls being installed and roof to be completed this month. Estimated occupancy in September.

Management

- Ed Milner was hired as Plant Engineer in May. Ed has a BS in Engineering and worked for ICM specifically on the SIRE steam line – he actually designed the line. Ed has sugar mill experience prior to joining ICM. Ed will oversee the construction of the steam line, establish technical relations with MidAmerican, interface with the Bunge/ICM engineering team, and reduce our need to outsource engineering projects. We're fortunate to add Ed to our staff.
- First National Investment Bank continues to work toward finding us an additional investor partner. We will keep you notified of any additional progress in this area.
- Regarding organizational structure, we will begin the process of hiring the remainder of the staff. Our plan includes having 52 SIRE employees and 5 outsourced employees. The five include two grain merchandisers from Bunge and three from NQI, the grain testing company responsible for analyzing our incoming grain. We will post job openings and directions for applying on our website later this month.
- Investigating additional working capital with the lending group. We will provide additional information as we progress.

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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