



June 30, 2005

Kip Feldman
Letterkenny Industrial Development Authority
5121A Coffey Avenue
Chambersburg, PA 17201

RE: Second Deposit for Agreement of Sale for Parcel 29.

Dear Mr. Feldman:

As you are aware, the Agreement of Sale between LIDA and Penn-Mar Ethanol, LLC for Parcel 29, dated February 7, 2005, allows us to extend the Initial Review Period for an additional 90 day Extended Review Period (section 4(b)) by making a Second Deposit of \$20,000.00 (section 2(b)). It is our intention to exercise this option, and I have therefore enclosed a check for \$20,000.00 as our Second Deposit.

Based on review of the Agreement and prior communication with you, it is my understanding that the Initial Review Period runs through July 22, 2005 (150 days as referenced in section 4(a) plus 15 day extension as referenced in section 12(k)). The 90 day Extended Review Period would therefore run until October 20, 2005.

Please confirm your receipt of the enclosed Second Deposit, as well as your concurrence with the expiration date of the Extended Review Period that I have indicated.

Regards,

Scott W. Welsh, Project Manager

Cc: Paul M. Browning, Esquire, Barley Snyder LLC
D. Reed Anderson, Esquire, Stock and Leader
David Keech, Rock Commercial Real Estate