

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF KANSAS**

In re) **In Proceedings Under Chapter 11**
)
GATEWAY ETHANOL, L.L.C.,) **Case No. 08-22579-DLS**
)
Debtor.)

**NOTICE OF HEARING, AUCTION AND BID PROCEDURES FOR
SALE OF ASSETS OF GATEWAY ETHANOL, L.L.C, AND SALE MOTION**

NOTICE IS HEREBY GIVEN that upon Debtor’s Motion for Order Pursuant to 11 U.S.C. §§ 105(a), 363 and 365 (1) Approving Auction and Bid Procedures; (2) Approving Expense Reimbursement; (3) Approving Form and Manner of Notice; (4) Authorizing Sale of Assets Free and Clear of Liens, Claims and Encumbrances, Subject to Higher or Better Offers; and (5) Approving Assumption and Assignment of Certain Executory Contracts and Unexpired Leases (the “Sale Motion”), the United States Bankruptcy Court for the District of Kansas (the “Court”) entered an order dated October 28, 2008 (the “Bidding Procedures Order”). The Bidding Procedures Order approves certain auction and bid procedures (the “Auction and Bid Procedures”) pursuant to which Debtor will solicit bids and seek authority to sell all of Debtor’s right, title and interest in substantially all of the assets owned, leased or otherwise used by Debtor (the “Assets”), and approves a Reimbursement Expense in connection with the sale of the Assets.

The Bidding Procedures Order further approves the form and manner of notice of the Sale Motion for an order (a) authorizing the sale of the Assets, subject to higher and better offers, free and clear of any and all liens, claims, interests and encumbrances; (b) approving the assumption and assignment of certain identified executory contracts and unexpired leases in connection with such sale pursuant to Fed. R. Bankr. P. 2002 and 6006; and (c) approving the form and manner of notice of the Auction and Bid Procedures and the Sale Hearing and assumption and assignment of the identified executory contracts and unexpired leases pursuant to Fed. R. Bankr. P. 2002, 6004, 6006 and 9014. Unless otherwise defined herein, capitalized terms shall have the meanings defined in the Sale Motion.

NOTICE IS FURTHER HEREBY GIVEN that copies of the Sale Motion, Purchase Agreement and Bidding Procedures Order (and proposed Sale Order once completed) are on file with the Clerk of the Court and may be viewed online at <http://ecf.ksb.uscourts.gov> if you have PACER access.

NOTICE IS FURTHER HEREBY GIVEN that the Auction and Bid Procedures, including instructions for submission of Competing Bids, can be obtained from the website listed above or by calling the telephone number listed below.

NOTICE IS FURTHER HEREBY GIVEN that if Competing Bids are received by the Competing Bid Deadline, which is 5:00 p.m. Central Time, on December 12, 2008, Debtor will hold an Auction on December 15, 2008, at 10:00 a.m., or such other time as the parties may agree, pursuant to the Auction and Bid Procedures.

NOTICE IS FURTHER HEREBY GIVEN that a final hearing (the "Sale Hearing") to approve the highest and best bid for the Assets will be held before the Honorable Dale L. Somers, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Kansas on December 18, 2008 at 10:00 a.m. Central Time, United States Courthouse, Courtroom 144, 500 State Avenue, Kansas City, Kansas.

NOTICE IS FURTHER HEREBY GIVEN that objections, if any, to the Sale Motion shall set forth the information required by the Auction and Bid Procedures and shall be filed and served in accordance with the Bidding Procedures Order. Objections, if any, to the Sale Motion shall be in writing, shall conform to the Bankruptcy Rules and local rules and orders of the Court, shall set forth (i) the nature of the objector's claims against or interests in Seller's estate, (ii) the basis for the objection, (iii) the specific grounds therefor, and (iv) all evidence in support of said objection, and shall be filed and served so as to be received on or before 5:00 p.m. Central Time on December 16, 2008, by (a) each Person who receives electronic notice in Seller's bankruptcy proceeding and (b) counsel for Purchaser. Any Person objecting to the Sale Motion that has not complied with the requirements of this paragraph shall not be heard at the Sale Hearing. If any Qualified Bidder objects to Seller's determination of a Competing Bid as a higher and better bid for the Assets, the sole and exclusive remedy of such Qualified Bidder shall be to bid under protest at the Auction and, upon compliance with this paragraph, have standing at the Sale Hearing to contest the Seller's determination. Purchaser shall have standing for all purposes.

NOTICE IS FURTHER HEREBY GIVEN that any inquiries regarding information contained in this Notice should be directed to Laurence M. Frazen or Tammee E. McVey at (816) 374-3200.

Date: October 30, 2008
Kansas City, Kansas

BY ORDER OF THE COURT