

The mission of Rebuild Resources is to help addicts and alcoholics be sober, self-sufficient and of service by providing meaningful, transitional employment in business enterprises we own and operate. These enterprises provide a safe, sober, secure, supportive, but non-enabling environment for recovery, AND serve as the economic engines which sustain our work.

PRESIDENT'S LETTER

Hello Beautiful People:

I'm writing this edition of the President's Letter on an absolutely beautiful spring morning where everywhere I look things are sprouting and growing. What an apt metaphor for what is happening at Rebuild with your support

Even in the midst of historic recession we achieved record placement levels in 2010. Through April of 2010 our results are even higher. And all around us we are seeing indicators of new life in the economy and in the prospects of the men and women we serve at Rebuild. In this issue, we report on a robust Spring at Rebuild:



- We're sprouting a major new Digital Printing initiative in our Custom Apparel and Promotions Business
- We're literally getting into the gardening business with our Garden Box project (read all about it and buy a couple of our boxes).
- We're fertilizing the capacity of our graduates through our LeanGreen partnership with Minneapolis Community and Technical College.
- We're improving our long-term yield with our Network For Success project.
- And most importantly, we're enjoying a bumper crop of program successes, as you'll read in the stories of Jerry and Lonnie, a current student and an alum, and recent graduates Kelly and Chris who were recently promoted to new roles within Rebuild.

continued on next page

THE STUDENT VOICE: JERRY'S STORY

Perhaps the most valuable information we can share with our stakeholders are the stories of our student-employees. Their success is the reason Rebuild exists. Jerry is a great example of that success!

"My name is Jerry J., and I've been doing drugs and alcohol most of my adult life. I am now 55 years old. I have nineteen months of sobriety.

"I was born and raised in East St. Louis. Our family moved to MN in 1968. Through the years, I lost my mom, my dad, a younger sister and a younger brother. That was pretty devastating to me. I can't say I used that as an excuse to use, but that was the only way I knew how to medicate the pain. Since then, I have learned how to basically deal with the pain and the ups and downs of life through my support group, treatment, and going to AA.

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PRESIDENT'S LETTER (CONTINUED)

None of this happens without all of you supporters who provide the rich soil, seeds and water. Without you, our amazing staff could not tend this garden and grow human potential. May you have a verdant Summer. Thanks for all you do!

Peace and love,



Kevin

P.S. Here are three great ways to watch your garden grow:

- Make a new or increased gift, and have it matched through a matching grant from the Otto Bremer Foundation.
- Go to our website to view the Annual Report
- Join us for the 2010 Open House and Graduation – September 20th, 2010

THE STUDENT VOICE (CONTINUED)

“I came to Rebuild on Feb 5th, and Rebuild has been a big help to me in getting back into the work force. Not only that, they’ve been a big part of my sobriety. I work with a group of people that are very friendly, easy to talk to, and willing to help in any situation. My last three weeks, I’ve been looking for full time permanent employment and Lori, the Program Director, has been a big help to me. She has given me some resources, and the company has given me paid time to look, for going to job interviews, filling out applications.

“Rebuild Resources has been a big help to me. I like the people I’m working with here. This is the type of job that I wish was more permanent than just six months. Things have been going really good for me here. I started in reclaiming, and now I’m being trained in as a screen-print operator. I’m hoping with that experience, that I can get into that field.

“Life is different now. I feel more confident. I feel that the goals I have set within the last six months, I have achieved. I’m working on bigger goals now, like getting full time permanent employment and giving back to the community. I plan to do some speaking to youth, letting them see that you can beat this addiction. That you can fight it if you want sobriety. There are people here to help you if you want the help.

“I have a fiancé, and one of the next steps for us is getting married. I hope that things continue to get better. I know that as long as I continue to stay sober, things will get better. One thing I can say is that my worst day sober is better than any day I was using.”

2010 GALA BRUNCH - An afternoon of inspiration



Rebuild’s 7th Annual Gala Brunch was held Sunday, March 14th at the Dakota Jazz Club in Downtown Minneapolis. This inspiring and heartwarming event was experienced by a full house of Rebuild friends and supporters! A special thank you to our Presenting Sponsor Hazelden, and Media Sponsor Metro Magazine. Thank you to all other sponsors, presenters and supporters for making this event a success.

2010 Gala Sponsors:

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The Network for Success project is an exciting addition to our program in 2010. Most notably, this project includes activities that will expand our program to serve our student graduates!

Maintaining relationships with these alumni will help prevent recidivism and relapse for graduates and improve success rates for current student-employees. We hope to build a two-way support network that meets the needs of alumni and is designed with their input. At present we are planning the following activities:

- Focus groups to determine alumni interest and needs.
- 2-3 large group activities related to a wide array of concepts: Recovery support, employment, networking, socializing, volunteer service, re-entry, collaboration, community resources.
- Job search, reentry and recovery coaching, offered to alumni on an individual, as needed basis.

Through this project, we also hope to capture the long-term data and feedback of those who have left our program. Utilizing a new survey tool created in 2009, we will collect alumni survey data on an ongoing, and long-term basis. This will help us understand more about the needs of those we serve, especially as they transition back into the community.

If you are a Rebuild alumni, we would love to keep you updated about Alumni events. Please contact Lori Stee, Program Director at lstee@rebuildresources.com or (651) 255- 5657

A special thank you to The Saint Paul Foundation and F.R. Bigelow Foundation for funding this program!

ALUMNI PERSPECTIVE - LONNIE'S STORY

“My name is Lonnie E. I grew up in Colorado, and my addiction blasted off at a very early age. I did not realize how quickly it got out of hand. In high school I didn't think anything was wrong. I stopped doing drugs like acid and mushroom, and I started drinking more alcohol. By the time I was a sophomore in high school, I was a full blown alcoholic.

“Only later did I realize that it would take me to the depths of humanity in which I never imagined I would see myself in. I would end up friendless, homeless, with three hundred bucks in a city called Minneapolis, where I knew absolutely no one. I still continued drinking. I made some homeless friends, and survived a Minnesota winter on the street. It seemed like a big accomplishment at the time, because my life turned to nothing, until one frozen day the reflection of myself through a window made me realize I was in a place that I never should have been, and that I was put on this planet to do more than what I was doing.

“After losing every single thing, and person, including my children, my family, my home, and my job, I thought I would end my drinking career with one last bang. When I finally came to, I found I had been in a black-out for over 15 hours, and I was in the ambulance on my way to detox. After three days of hard core withdrawals and DT's, I spoke to an alcohol and drug counselor there and asked to be placed in treatment. Treatment was approved, and I headed up to Brainerd, to the Native-based

treatment center Four Winds. There, I started serious soul searching to find my Native spirituality, which came back to me like a snowstorm in Minnesota. I discovered that defeating my, at the time, huge alcohol problem, was not very hard at all, due to the simple fact that I found a higher power through the help of A.A. and my Native customs.

“After successfully completing a 90 day In-Patient program I went to Juel Fairbanks Halfway House where I started learning everyday life stuff, such as chores, fixing my bed, waking up on time, doing my laundry. Then I set out to search for employment which led me to a place called Rebuild Resources. There I found a huge piece of the puzzle in my life.

“Rebuild Resources taught me to be on time, and got me back in the role of being an employee. Even though I only lived five blocks away, I was still late from time to time. They...pushed me to be on time, and prepared me for the job that was to be in my future.

“After completing the 6 month program at Rebuild Resources, I continue to help as much as I can as an alumni, by speaking at meetings and spreading the word for others in Recovery to seek employment training with them. Thanks to their patience and training, I am now a full time employee at Juel Fairbanks chemical dependency service, where I continue to carry the message of new beginnings.

Rebuild is excited to announce a new training partnership with the Minnesota Community and Technical College (MCTC) called the Lean Green Manufacturing Program. This program will help our student succeeds, improve our businesses and be good for the environment. It will have a substantial impact on the success of our student-employees, our business efficiencies, and the environment.

The Lean Green Manufacturing Program is an intensive training program that will prepare participants for jobs in the green manufacturing economy. It is part of the RENEW Project, a partnership of service and training providers, Ramsey County, and the City of Minneapolis.

Classes, provided by the MCTC, will be offered to Rebuild Student-employees and held onsite at Rebuild. These classes will include six hours of classroom instruction each week, with curriculum focused on eliminating all forms of waste from production processes.. In addition, student-employees will receive six on-the-job hours each week of "lab" time with an instructor, applying classroom learnings directly on our production floors.

At the end of six weeks of training, participants will receive an Excellence in Manufacturing Certificate from MCTC. This certificate will help student-employees in their job search process. They will be able to show potential employers concrete examples of improvements they made at Rebuild. In turn, these employers can become more productive and environmentally efficient.

Student-employees who participate in this program will also receive Rebuild's other program services, including transition-to-work classes, sobriety support and job search coaching. They will also continue to be employed in one of Rebuild's two businesses, gaining valuable work experience. Our first Lean-Green cohort began in mid-May, and the program will continue through 2010 and 2011.

If you would like more information about this program, please contact Lori Stee, Program Director at lstee@rebuildresources.com or 651-255-5657.

CUSTOM APPAREL AND PROMOTIONS NEWS



Spotlight on a Customer

Everyone is excited about the new Target Field, and the big Minnesota Twins relocation, and nobody more than us! Rebuild has participated in this big move by producing the apparel for Marsden Holding's Target Field staff. Rebuild embroidered and screen printed over 126 articles in time for the opening of the new stadium, with additional orders already in the works.

Coming this Summer – Digital Printing!

Rebuild is making the leap into digital apparel printing, and we anticipate significant business growth as a result. Our current screen printing business is advantageous for large orders, but not cost efficient for orders of 50 items or less. Digital printing will allow us to compete for smaller orders at a competitive price. More business equals more jobs for student-employees, so please help spread the word about Rebuild's Custom Apparel and Promotions business! To check out our products and get online quotes, visit our online store: www.rebuildstore.com.

A New Addition to the Team

Shelly Harris, Account Manager

For the last 9 years, Shelly has been the part-time executive director of the Highland Business Association, proud producers of Highland Fest. Her other part-time work involves owning her own accounting business and repping for a print company in Lakeville. She volunteers as treasurer of the St. Paul Festival Association, and for the Minnesota Festival & Events Association and the Highland Friendship Club which serves young adults/adults with special needs.

NEW PROJECTS IN OUR ENTERPRISES

Contract Manufacturing

Rebuild's Contract Manufacturing enterprise serves as a vital link in the supply chain of companies that need to bring their products to market on time, on budget and on specification. The Contract Manufacturing division handles a wide variety of assembly, sewing and woodworking projects as an extension of plant operations of many businesses. Our partnership model allows companies to utilize skilled labor more effectively, optimize valuable floor space and gain control over quality.

Spotlight on a Customer

This year, the Contract Manufacturing enterprise has been taking on new projects, with special emphasis on our woodworking and sewing departments.



Our woodworking department recently completed a project for the Minnesota State Horticultural Society (MSHS), creating wooden garden boxes. Through the Garden-in-a-Box program, MSHS will get the boxes into use throughout the community, helping low income individuals and families enjoy the benefits of gardening, become more knowledgeable and successful in gardening and have access to healthy food. The 3' by 3' garden boxes can be assembled without using any tools. MSHS recently featured the Garden-in-a-Box program on KARE 11's Grow With Kare news segment.

You can now buy a Garden-in-a-Box directly from Rebuild Resources! Boxes are \$49.99 with free shipping anywhere in the continental United States. To order, or get more information, visit the web page at http://www.rebuildresources.com/businesses/garden_box.html

Quality, Service and Value

We are continuously seeking new Contract Manufacturing projects. As you look for ways to lean your own business, please consider partnering with us. We can take on as much of your production, or as little as necessary. Whether it's a single-stage subassembly or the entire supply chain, Rebuild can manage any project – and manage it well.

For information about Contract Manufacturing, please contact Kevin Lynch at 651-255-5661 or klynch@rebuildresources.com

NEW FACES



Chris S., Contract Manufacturing Apprentice

If you attended our 2010 Gala Brunch, you had the fortune to hear Chris share his story. Chris came to Rebuild as a student-employee in 2010, and was recently invited to participate in our Apprenticeship Program. Apprentices spend up to 18 months at Rebuild, providing leadership and strengthening their work skills. Bringing strong woodworking skills to his job, Chris has been devoting his time primarily to our J.B. O'Meara project, and will continue his Apprenticeship in the Contract Manufacturing Division.

Kelly Mason,
Contract Manufacturing
Production Supervisor

You may remember Kelly from our 2009 Fall Newsletter Student Perspective story. Since that newsletter, Kelly joined our Apprenticeship Program in the Contract Manufacturing division. Kelly excelled as an apprentice, and stepped into a permanent staff position of Production Supervisor in April. We are pleased to welcome Kelly as a staff member, as she provides management of the Contract Manufacturing businesses and mentorship to the student-employees.

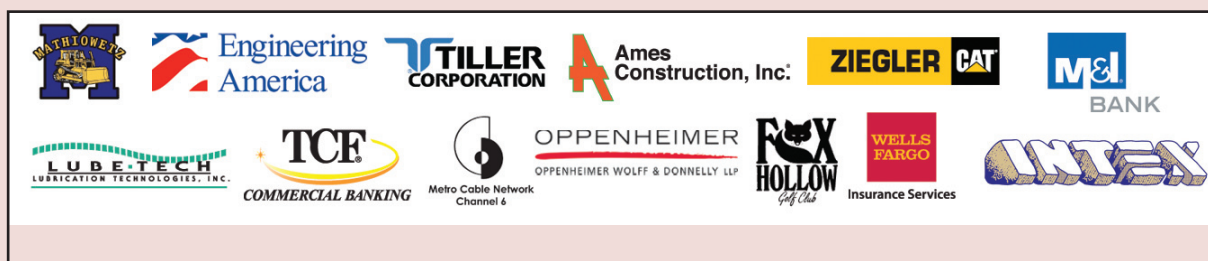


REBUILD RESOURCES 21ST ANNUAL GOLF BENEFIT



Our annual Golf Tournament will be held on July 15th, 2010 at the Fox Hollow Golf Course in St. Michael. For more information and sponsorship opportunities, please contact us at (651) 255-5668 or golf@rebuildresources.com Sponsorships are still available!

Thank you to our 2010 Major Sponsors:



INTERNS AT REBUILD

This fall, Rebuild Resources had two interns, Amanda Nelson and Bimbola Akinbola, from Macalester College. Here are some of their thoughts on the semester:

“This semester, as a part of our course at Macalester College titled, “Schools and Prisons,” we interned at Rebuild Resources. Schools and Prisons is a semester long course dedicated to the investigation of the school to prison pipeline, that is, the various policies designed to remove “problem children” from mainstream educational systems and instead put them on a one way path to prison.

At the beginning of the semester we spent time on the production floor in order to get a better idea of the work the students did and the role workspaces play in community building. Later we began helping with job search. Helping with job search has shed light on just how difficult it is to find a job, especially with a felony. Regardless, the students are optimistic as well as dedicated to finding employment, and since we’ve been at Rebuild Resources many of them have been successful.

While at Rebuild, we also had the opportunity to conduct a voluntary Schools and Prisons survey. The survey was an initiative to connect the personal stories of some of the students to the theories we were engaging with in our course.

“From what we’ve observed, at Rebuild students take full responsibility for their drug, alcohol and prison pasts and know they are held fully accountable by the staff and each other. In order for them to make amends with their histories of substance abuse and move forward towards a better life and employment opportunities, they have to make the necessary emotional transition from defeat to optimism. In one survey, a student said, “My biggest obstacle is the lack of motivation to change. Giving up isn’t easy and it takes a lot of effort to change.”

“Regardless of this obstacle, students at Rebuild begin changing once they step through the door, slowly gaining the confidence and skills they need to show the rest of the world that anyone can turn their life around and communities have the power to heal.”



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We always have ways in which you can become involved with our programs. Here are a few suggestions:

Invest in Rebuild - There are lots of ways you can show your support! If you would like to make a pledge for multiple year gifts, donate stock, or make your gift in honor/memorial of someone, please let us know on the attached envelope.

Become a Customer – By becoming our customer you are creating work that consequently creates jobs for those we serve. Visit www.rebuildstore.com or www.letrebuild-makeit.com.

Hire our Student-Employees – Please send your job postings to Lori Stee at lste@rebuildresources.com, who will share them with the student-employees involved in our job search program.

Tell a Friend – Share the story and need for Rebuild Resources with your friends and family. Please spread the word about the work we are doing in the community!

Let Us Share the Rebuild Story – We would love to visit your faith community, civic group or social club to share the story of how our program works and the students it serves.

Gift Card Incentive Program – As part of our Student Incentive Program, student-employees have an opportunity to win gift cards. We are always seeking new gift cards for places like Target, Wal-Mart, or grocery stores. Increments of \$10 or \$20 are recommended.

Our Wish List – Currently on the wish list for donations are a deep freezer, conference room chairs, industrial carpet, and refrigerators. Help us leverage our dollars to better serve our students by donating one of these items. Please contact us prior to making in-kind donations.

For more information, or to become involved in one of the ways listed above, please contact Joanna Schmolke, Development Leader at jschmolke@rebuildresources.com or (651) 255-5658.

2010 Board Officers

We are pleased to announce new officer assignments for the 2010 Board of Directors.

Nate Hughes, Chair
Janet Ludden, Vice Chair
Thomas Luukkonen, Treasurer
Sarah Walker, Secretary

A special thank you to the officers who completed their offices this year: Dick Smith, Chair, and Don Eubanks, Secretary.

Welcome to our newest Board Member!

Patrice Kloss is a partner at Oppenheimer Wolff & Donnelly LLP and practices in its corporate finance practice group. Ms. Kloss is also the co-chair of Oppenheimer's Medical Technology practice group. Ms. Kloss focuses on advising venture capital investors, medical technology companies and other emerging businesses with equity and debt financing matters. Ms. Kloss also has experience with mergers and acquisitions, securities and general corporate law. Ms. Kloss is the current chair of Oppenheimer's Community Service committee, the past coordinator of a reading program at St. Joseph's Home for Children and a past board of director member of Ballet Minnesota. Ms. Kloss is a graduate of the University of Minnesota and a magna cum laude graduate of William Mitchell College of Law.



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SUMMER NEWS 2010

Match Gift Program – Summer of 2010

We have received a generous gift of \$20,000 from the Otto Bremer Foundation to match new and increased gifts. That means any new or increased gift or pledge you make from now until we reach \$20,000 will be matched 1:1. This is a great way to help Rebuild by doubling your impact! Please share this opportunity with your friends and family, and help increase the new gifts to our organization.

Save the Date – Open House and Student-employee Graduation

Each year, we enjoy holding an Open House for our stakeholders in an afternoon of food, tours, fellowship and information. This year we're adding a Celebration of Rebuild Graduates for 2010! Please join us on September 20th to honor the men and women who have successfully completed our program this year. Be on the lookout for an invitation later in the summer. For more information, contact Joanna Schmolke, Development Leader at jschmolke@rebuildresources.com or (651)255-5658.

Annual Report Now Available!

Our 2009 Annual Report is available now! Please visit www.rebuildresources.com/invest to view a downloadable PDF. If you would like a copy mailed to you, please contact us at (651) 645-7055 or invest@rebuildresources.com.