

## Dennis Brewer

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**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Monday, August 1, 2016 3:28 AM  
**To:** [REDACTED]  
**Cc:** Mike Castro  
**Subject:** High Growing Costs  
**Attachments:** Iowa Custom Rates 2016.pdf; 2015romainehearts-finaldraft\_1-27-2016-1.pdf

Greg – Our crop costs per acre are coming in quite high. I believe there are some problems in our total costs.

Line	Description	Think it should be:
8-12	Tractor work	\$20-\$25 per acre for each of these operations. See also attached custom rate guide.
21-23	Cover crop	\$0 as the cover crop mostly ties up N in our timeframe. Great for covering the ground long term, poor for immediate N availability.
37	Hand weed	\$200 per acre
49	Seed cost	\$250 per acre
62	Liquid fish	don't know, but seems quite high
74	Sprinkler and pump rental	\$300 per acre
82	Water	\$100 per acre as we are using cheap natural gas not electricity

The attached shows direct costs of \$2874 per acre for growing romaine hearts, including sky-high costs for water pumping. We are coming out at \$6143 (\$7003-\$860 overhead) per acre. They are using 2 tons of compost, we are using 15 tons, I get that. But there should be no more than 15% to 20% difference between conventional and organic costs of production. Even if we took all my points and used my cost, we would still be at \$4967 per acre (\$6143-\$1176) so there are still unit costs that are too high which I have not identified.

We need to discuss this in a conference call at your earliest convenience. Thanks.

Regards,  
Dennis

Dennis Brewer  
Chief Executive Officer  
WinnettOrganics, Inc.  
520-745-4403 520-549-6245  
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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Monday, August 1, 2016 4:10 PM  
**To:** [REDACTED]  
**Subject:** RE: Greg's Budget

Our final document will look something like Greg's sample. We will need an overall Hyder farm overhead budget, including employees and maintenance not accounted for in our growing and harvesting budgets. We will eliminate the farm overhead (\$860) accounts in the growing budget and append the harvesting and cooling costs to the growing costs. We will also have corporate budgets for each major department – operations, finance, and sales.

Bill has already supplied the sales and marketing budget to which I will be adding some advertising and promotion expense for our consumer traceability initiative. Paul will supply the corporate finance area budget and you will supply the corporate operations budget which shows peoples' salaries, 30% fringes, and travel (same details need to be on farm overhead budget). That should do it.

Regards,  
Dennis

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---

**From:** [REDACTED] [mailto:[REDACTED]]  
**Sent:** Monday, August 1, 2016 3:52 PM  
**To:** Dennis Brewer <[REDACTED]>  
**Subject:** Greg's Budget

Dennis,

Do you think we need to create all of our own budget pages as per Greg's Sample?

Regards,

Mike

Michael Castro  
Senior Vice President Operations  
Winnett Organics Group  
5151 East Broadway Blvd.  
Suite 1600  
Tucson, AZ. 85711

Off. 520-745-4403  
Cell 619-892-2319  
Skype - verdura619  
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## Dennis Brewer

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**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Thursday, August 4, 2016 7:54 AM  
**To:** Mike Castro; [REDACTED]  
[REDACTED] Rafael Gomez;  
[REDACTED] Bruce Blitch;  
[REDACTED]  
**Subject:** Status Report

We are working to wrap up a more detailed presentation to the landlord, scheduled for next Thursday 8/12 in Phoenix. We will know our timing shortly thereafter. It could be as soon as Monday, 8/15, but more likely 8/22. I will keep you informed as developments warrant.

We are also looking at options for cooler space in Phoenix – either temporary or permanent. While I have a personal preference for Tucson, it may be that reality dictates we place our offices in the greater Phoenix area as well. One of our target sites looks to have an excellent headquarters office attached. We will have farms at Hyder, likely at Buckeye (greenhouses), and likely at Kingman, so Phoenix is most central to all locations. We will see how things develop in the next few weeks.

Regards,  
Dennis

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Friday, August 5, 2016 11:13 AM  
**To:** [REDACTED]  
**Cc:** Mike Castro  
**Subject:** Prices

Greg – Mike is ready to wrap up his portion of our budgeting but still needs contractor harvest and hydro-vac prices, as I understand it. Anything you can do to get those to him today would be appreciated. Otherwise, we will not be able to make our Monday date for distributing the information to Barry. Thanks again.

Regards,  
Dennis

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## Dennis Brewer

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**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Monday, August 8, 2016 5:01 PM  
**To:** 'Cardone, Andrew'  
**Subject:** RE: Dennis- hope you're well - I thought this article would be of interest.....

Okay. I'll be meeting with Michael and his team as well so I'll be happy to come by your office when the time comes.

Regards,  
Dennis

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**From:** Cardone, Andrew [mailto:[REDACTED]]  
**Sent:** Monday, August 8, 2016 4:59 PM  
**To:** Dennis Brewer <[REDACTED]>  
**Subject:** RE: Dennis- hope you're well - I thought this article would be of interest.....

Terrific news! Let me know when you'd like to get together – if in the city or near you in NJ.

---

**From:** Dennis Brewer [mailto:[REDACTED]]  
**Sent:** Monday, August 08, 2016 4:51 PM  
**To:** Cardone, Andrew <[REDACTED]>  
**Subject:** RE: Dennis- hope you're well - I thought this article would be of interest.....

Mike and I spoke on Friday. I am heading to Phoenix for a wrap-up session with our landlord/funder on Thursday and we hope to be in full startup mode by early September if not sooner. I will not leave the area permanently without meeting with you before I go. Thanks for thinking of me/us.

Regards,  
Dennis

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**From:** Cardone, Andrew [mailto: [REDACTED]]  
**Sent:** Monday, August 8, 2016 4:47 PM  
**To:** [REDACTED]  
**Subject:** Dennis- hope you're well - I thought this article would be of interest.....  
**Importance:** High

Dennis – how’s the deal going. Are you still in touch with Michael Callahan?

Here is something from WSJ.com that might interest you:

**U.S. government aims to limit technique for lowering estate, gift taxes.**  
<http://on.wsj.com/2aV7pN1>

To the extent that you are creating a new business which will grow in value and you (and spouse?) have not maxed out on your gifting, you will have a large taxable estate. It’s worthwhile to drill down on this with the Wealth Structuring team at Merrill Lynch/US Trust while this window is open. The IRS and possibly the next President of the USA will try to close this window by eliminating the discounts on gifts to family limited partnerships and LLCs for lack of marketability and control, as well as reduce the gift and estate tax exemptions from today’s level.

Let’s catch up on this when you have a chance. The potential for a disadvantageous change in the gift and estate tax exemptions is worth understanding.

Thanks - Andrew

**Andrew Cardone**  
Vice President  
Financial Advisor  
Bestwick Cardone Group  
NMLS ID 1395719

**Merrill Lynch**  
717 5th Avenue  
6th Floor  
New York, NY 10022  
Tel: 212.415.7712  
Fax: 646.461.1152  
[REDACTED]

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## Dennis Brewer

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**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Tuesday, August 9, 2016 12:53 PM  
**To:** [REDACTED] 'RickyIking'  
**Cc:** [REDACTED] Mike Castro  
**Subject:** FW: WO Projections & Capital Spending (with Both Attached)  
**Attachments:** aWO ProjectionsV1.xlsx; Untitled attachment 00190.htm; aaaWO Equipment List 16.08.10.xls; Untitled attachment 00193.htm; WO Field 8-08-16.xlsx

Gentlemen – Attached please find our growing/harvesting plan (WO Field 8-08-16), our equipment list (aaaWO Equipment List), and our proforma (aWO ProjectionsV1). Mike will review our growing/harvesting plan and costs, followed by the equipment list, then Paul will walk you through the proforma, including departmental budgets and staffing. Thanks for being flexible in your schedule today so we can get this done. Once reviewed with you, Paul will reduce these documents to a PowerPoint which we will provide to Barry and to you later today or tomorrow morning.

Regards,  
Dennis

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**From:** Paul Smith [mailto:[REDACTED]]  
**Sent:** Tuesday, August 9, 2016 12:46 PM  
**To:** Brewer Dennis <[REDACTED]>  
**Cc:** Castro Mike <[REDACTED]>  
**Subject:** WO Projections & Capital Spending (with Both Attached)

Dennis:

See attached.

Regards,  
Paul

Paul Smith  
Vice President - Finance & Admin  
WinnettOrganics  
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Boulder, CO 80303  
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m (303) 601-6333

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## Dennis Brewer

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**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Tuesday, August 9, 2016 6:30 PM  
**To:** 'Gregory P. Crossgrove '  
**Cc:** 'RickyIking'; [REDACTED] 'Mike Castro'  
**Subject:** RE: WO Projections & Capital Spending (with Both Attached)

Thanks, Greg. I'll be interested to learn more about their thinking. We will be moving ahead with the interest of the Japanese investors, some options in California, and our new investment bankers. The opportunity is as bright as ever.

Regards,  
Dennis

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**From:** Gregory P. Crossgrove [mailto:[REDACTED]]  
**Sent:** Tuesday, August 9, 2016 6:09 PM  
**To:** Dennis Brewer <[REDACTED]>  
**Cc:** RickyIking <[REDACTED]> Mike Castro  
<[REDACTED]>  
**Subject:** Re: WO Projections & Capital Spending (with Both Attached)

Gentlemen,

I just read a text message from Rick- Rick received a text from Barry, stating that Barry's son, Jason, is very negative in investing at this time. Barry and Jason will not be attending the meeting on Thursday. Jason feels the economy at this time, is weakening and fearful of investing. Barry is still interested in leasing the ground to Winnett or anyone that has the financial abilities to lease and carry themselves without Barry's participation in financing the operation.

I hope to be able to meet with Barry and Jason soon, to review their concerns.

Sorry for the news, Barry was ready to sign the check 3 weeks ago, before our meeting on July 19th. Winnett was not properly prepared for the presentation.

Greg

Sent from my iPhone

On Aug 9, 2016, at 9:52 AM, Dennis Brewer <[REDACTED]> wrote:



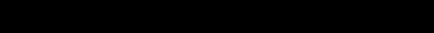
Gentlemen – Attached please find our growing/harvesting plan (WO Field 8-08-16), our equipment list (aaaWO Equipment List), and our proforma (aWO ProjectionsV1). Mike will review our growing/harvesting plan and costs, followed by the equipment list, then Paul will walk you through the proforma, including departmental budgets and staffing. Thanks for being flexible in your schedule today so we can get this done. Once reviewed with you, Paul will reduce these documents to a PowerPoint which we will provide to Barry and to you later today or tomorrow morning.

Regards,  
Dennis

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<image001.png>  
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---

**From:** Paul Smith [<mailto:>   
**Sent:** Tuesday, August 9, 2016 12:46 PM  
**To:** Brewer Dennis <  
**Cc:** Castro Mike <  
**Subject:** WO Projections & Capital Spending (with Both Attached)

Dennis:

See attached.

Regards,  
Paul

Paul Smith  
Vice President - Finance & Admin  
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<aWO ProjectionsV1.xlsx>  
<Untitled attachment 00190.htm>  
<aaaWO Equipment List 16.08.10.xls>  
<Untitled attachment 00193.htm>  
<WO Field 8-08-16.xlsx>



## Dennis Brewer

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**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Tuesday, August 9, 2016 11:11 PM  
**To:** [REDACTED]  
**Subject:** RE: Status

Dominick contract is not yet signed, waiting on \$25K retainer

Do not know Clark McKenzie

The 200 ac of solar greenhouses is not tied to the landlord deal

Regards,  
Dennis

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**From:** [REDACTED] [mailto:[REDACTED]]  
**Sent:** Tuesday, August 9, 2016 9:00 PM  
**To:** [REDACTED]  
**Subject:** Re: Status

Hi Dennis,  
Did we sign up with Dominick & Dickerman? Have you met Clark Mackenzie?

Was the landlord deal required for the 200 acres of solar Greenhouses too?

I have on my agenda tomorrow to contact C&S, keep you posted.

I'm out of my office on Thursday

Richard A Miller Consulting, LLC  
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[www.olingroup.com](http://www.olingroup.com)  
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[www.winnettorganics.com](http://www.winnettorganics.com)

[www.theentrepreneursalliance.com](http://www.theentrepreneursalliance.com)  
[www.linkedin.com/pub/richard-miller/17/825/685/](http://www.linkedin.com/pub/richard-miller/17/825/685/)

In a message dated 8/9/2016 7:09:58 P.M. Eastern Daylight Time, [REDACTED] writes:

Richard – Any word from C&S? Please provide an update on your activities when you have a chance.

Our landlord in Hyder decided against doing the \$45MM financing deal with us. We can still have the land if we want it so we are back to scrambling for financing.

Regards,

Dennis

Dennis Brewer

Chief Executive Officer

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Wednesday, August 10, 2016 6:34 PM  
**To:** Mike Castro  
**Subject:** Decision

Mike – Thanks for your candor regarding other opportunities. We are making an effort to put this deal with the landlord back together and I will certainly keep you informed about what transpires there. We will see what comes of tomorrow's conference call on the solar greenhouses and make some decisions based upon that and our funding situation by next week.

Regards,  
Dennis

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Wednesday, August 10, 2016 10:08 AM  
**To:** [REDACTED]  
**Subject:** Farming Operations - Growing and Harvesting Costs  
**Attachments:** WO Field 8-08-16 (002).xlsx

Barry - Since we did the farming operations budget detail about a month before we had planned to, I thought I would show it to you. We were able to come back with more precise costs for our farming operations. You will note these costs are almost uniformly less than the more conservative 10,000 foot level model we showed you on July 19<sup>th</sup>. As a result of more precise budgeting, we were able to add sales to our shadehouse program, improve our overall profitability, and run cash flow more tightly, with a substantial credit line backup which we should not need to use.

	Cabbage	Celery	Iceberg	Romaine	R.Hearts	Squash
Grow	\$ 6.38	\$ 6.45	\$ 7.00	\$ 6.67	\$ 6.80	\$ 4.84
Harvest/Pack	\$ 6.60	\$ 8.59	\$ 6.59	\$ 5.90	\$ 7.38	\$ 7.72
Total	\$ 12.98	\$ 15.04	\$ 13.59	\$ 12.57	\$ 14.18	\$ 12.56
	Beefsteak Toms	Roma Toms	Peppers	Colored Peppers		
Grow	\$ 2.46	\$ 2.46	\$ 3.44	\$ 3.44		
Harvest/Pack	\$ 4.48	\$ 3.88	\$ 4.58	\$ 3.41		
Total	\$ 6.94	\$ 6.34	\$ 8.02	\$ 6.85		

Regards,  
Dennis

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Wednesday, August 10, 2016 7:48 AM  
**To:** [REDACTED]  
**Subject:** Your Decision  
**Attachments:** aWO ProjectionsV1.xlsx; aaaWO Equipment List 16.08.10.xls

Sorry to hear about your decision to abandon the \$45MM investment. Are you still willing to make the investment needed to turn the farm into a productive vegetable operation? Including shop, reservoirs, irrigation mainlines, shadehouses, required fencing, and housing, this amounts to about \$28 million of the \$45 million we were discussing. We can raise the remaining \$17 million for implements and startup costs elsewhere.

I have attached the detailed spreadsheets related to the \$45MM proposal for review. They provide a starting point if you are still interested in receiving the \$350 per acre lease payments and the 7.5% return on the \$11 million of shadehouses, about \$2MM total in 2017. I can review the spreadsheets with you if you like.

The interest on the remaining \$17MM of startup funding at 15% amounts to about \$2.5MM in 2017 if you were to make the decision to go ahead with the entire program as we had originally planned.

Regards,  
Dennis

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Thursday, August 11, 2016 6:51 PM  
**To:** 'Lino Belli'  
**Subject:** RE: WinnettOrganics

Lino – As always seems to be the case, we have bad news and good news. The bad news is the landlord cancelled today's meeting as they are in some disarray among themselves as to how to proceed with a \$45 million investment in infrastructure and working capital. So, no short term answer to our money challenges but we still have hope they will come through once they have seen the detailed financial information we put together for them, which backs up the high level info we provided three weeks ago. We should have a final answer from them next week. Our consultants have a good working relationship with them and will be working to get this done as the landlord is not talking directly with us at the moment. And, we are working on other sources with a new investment banker, a long time Wall Street firm founded in the 1870s, for both the Hyder farm project and the Kingman farm project.

On the good news front, we have a developer and funding source for a 350,000 sf packing shed/distribution center and headquarters for you to design for us in Buckeye, AZ. That project should start sometime soon and you will not have to depend on us to pay for it as the entire project is being funded by the developer's capital source. It will be a solar powered facility incorporating some passive thermal technology the solar energy firm has developed, very exciting. We will also be placing solar powered cooling facilities at our farm terminals at some point in the relatively near future. So, there are some good things to look forward to.

Someday soon that will actually include cold, hard cash. Thanks again for your patience! We will get there.

Regards,  
Dennis

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**From:** Lino Belli [mailto:[REDACTED]]  
**Sent:** Thursday, August 11, 2016 6:28 PM  
**To:** Dennis Brewer <[REDACTED]>  
**Subject:** WinnettOrganics

Dennis,  
I hope your meeting went well and you can start moving dirt.  
I have talked with my consultants and they are ready to move forward as well.  
I appreciate you keeping me informed as to your project status.  
Attached is a statement of where we stand with the finance charges added in you can forward to your payables department

Again, thank you,

Lino



**LINO BELLI, AIA** ARCHITECT, LEED AP

---

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235 MONTEREY STREET, SUITE B, SALINAS, CA 93901

**BELLIAG.COM**

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## Dennis Brewer

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**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Thursday, August 11, 2016 10:10 AM  
**To:** [REDACTED]  
**Subject:** Separation Agreement

Ray - Please prepare a Separation Agreement for Michael Castro including acknowledgement of \$169,616 in gross wages owed and a mutual non-disparagement clause. This is very confidential at the moment – only you and I know about this. I have made this decision because Mike has informed me he is looking elsewhere for employment, he does not have the requisite skills in field grown crops, and he desires a partnership which I am unwilling to give to someone who is actively looking elsewhere for employment. I want this to be friendly but firm. It will be implemented next Tuesday. His address is:

31872 JOSHUA DRIVE #25H  
TRABUCO CANYON, CA. 92679

Thanks.

Regards,  
Dennis

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Thursday, August 11, 2016 1:30 PM  
**To:** 'Raymond Sullivan'  
**Subject:** RE: Separation Agreement

He was at \$150K from Sep 21 through Dec 31, then at \$210K until now. He was issued 200,000 options at \$5.50. None are vested as yet as he has not hit the one year mark.

Regards,  
Dennis

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**From:** Raymond Sullivan [mailto:[REDACTED]]  
**Sent:** Thursday, August 11, 2016 1:24 PM  
**To:** Dennis Brewer <[REDACTED]>  
**Subject:** Re: Separation Agreement

What was his salary and effective starting date as best as you recall.

Was he issued Stock Options? If so, as per Option Agreement, do they only began to vest after one year?

Raymond F. Sullivan

*Law Offices of Raymond F. Sullivan*  
10440 Little Patuxent Parkway  
Suite 900  
Columbia, MD 21044

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410-740-5603 (Fax)  
[REDACTED]

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copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by replying to this message and deleting it from your computer.

On Thu, Aug 11, 2016 at 1:16 PM, Dennis Brewer <[REDACTED]> wrote:

Mike Castro is 60. I have no record of the email exchanges handy. I believe there were such exchanges but am not able to locate them. There is no signed employment agreement.

Regards,

Dennis

Dennis Brewer

Chief Executive Officer

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**From:** Raymond Sullivan [mailto:[REDACTED]]

**Sent:** Thursday, August 11, 2016 1:14 PM

**To:** Dennis Brewer <[REDACTED]>

**Subject:** Re: Separation Agreement

Dennis,

Do you have a written employment contract or email exchanges regarding Castro's terms of employment?

Is Castro over 40 years old?

Ray

Raymond F. Sullivan

*Law Offices of Raymond F. Sullivan*

10440 Little Patuxent Parkway

Suite 900

Columbia, MD 21044

[410-884-4036](tel:410-884-4036) (Tel)

[410-740-5603](tel:410-740-5603) (Fax)

[REDACTED]

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On Thu, Aug 11, 2016 at 10:45 AM, Raymond Sullivan <[REDACTED]> wrote:

OK

Sent from my iPhone

On Aug 11, 2016, at 10:09 AM, Dennis Brewer <[REDACTED]> wrote:

Ray - Please prepare a Separation Agreement for Michael Castro including acknowledgement of \$169,616 in gross wages owed and a mutual non-disparagement clause. This is very confidential at the moment – only you and I know about this. I have made this decision

because Mike has informed me he is looking elsewhere for employment, he does not have the requisite skills in field grown crops, and he desires a partnership which I am unwilling to give to someone who is actively looking elsewhere for employment. I want this to be friendly but firm. It will be implemented next Tuesday. His address is:

31872 JOSHUA DRIVE #25H

TRABUCO CANYON, CA. 92679

Thanks.

Regards,

Dennis

Dennis Brewer

Chief Executive Officer

WinnettOrganics, Inc.

[520-745-4403](tel:520-745-4403) [520-549-6245](tel:520-549-6245)

[www.winnettorganics.com](http://www.winnettorganics.com)

<image002.png>

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Friday, August 12, 2016 11:44 AM  
**To:** 'RickyIking'; [REDACTED]  
**Subject:** Barry Oliver

Greg, Rick – Any communication planned with Barry by either of you about this situation? I have provided him the detail we reviewed on the phone and asked on Wednesday morning in an email if he was still willing to make the \$28MM infrastructure investment in the farm – no answer yet. I would contact him again myself but it seems you have the better lines of communication. Let me know how you would like to proceed.

We are moving on to other investor contacts in the meantime. I have meetings in the works in New York and Florida.

And, we reached an agreement yesterday on a 350,000 sf solar powered cooler/headquarters in Buckeye with the developer and solar power company Greg introduced us to. It will have enough room for our root vegetable processing equipment, corrugate storage, a 150,000 sf cooler, and office. It should be ready to go in about 12 months.

Thanks.

Regards,  
Dennis

Dennis Brewer  
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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Friday, August 12, 2016 8:47 AM  
**To:** 'Michael Callahan'  
**Subject:** RE: Update

Thanks, Michael. I will keep that in mind. At the moment, this seems to be an internal disagreement among the partners – father and son – with little to do with any rationale related to the project that we can determine. We have flooded them with information – at their request. Our consultants are communicating with them as they have a very close relationship. I will keep you informed and let you know if there is anything to be done.

We are moving ahead with our internal preparations and will be ready to begin as soon as we receive an indication they are prepared to move ahead with their part of the project. If not, their land is still available to us and we can begin in another way – with reduced acreage this winter and/or a season of delay to next fall, while developing Kingman for a spring/summer operation in the meantime.

Regards,  
Dennis

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---

**From:** Michael Callahan [mailto:[REDACTED]]  
**Sent:** Friday, August 12, 2016 8:32 AM  
**To:** Dennis Brewer <[REDACTED]>  
**Cc:** Mark Gross <[REDACTED]>  
**Subject:** Re: Update

Dennis,  
Sorry to hear the news. Mark and our firm are committed to helping you achieve your goals. If there is anything we can do to allay funding concerns we will make ourselves available. Let us know what you need us to do to be helpful and keep us informed. Good luck!

Regards,  
Michael Callahan  
Managing Director  
Investment Banking  
Dominick and Dickerman  
(O) 646 780-8432  
(M) 917 930-9490

On Aug 12, 2016, at 8:10 AM, Dennis Brewer <[REDACTED]> wrote:

Our \$45MM farm funding program (\$28MM farm infrastructure and \$17MM working capital/startup costs) is in jeopardy. Our meeting yesterday in Phoenix was cancelled. The landlord/funder is having an internal disagreement about how to fund this. We do not know yet how this will be resolved but are hopeful of having some answers next week. Our consultants have close working relationships with these people. Loss of this funding would delay the start of harvest operations (revenue) from Winter 2017 to Spring 2017. We do have other interest from people who have said they would be interested in looking at us in September.

As a result of this potential delay in startup, we are being cautious in our dealings with customers. We want to be able to deliver on our commitments in a high quality way from the outset.

Our SVP Operations is stepping down, in part over frustration with the pace of funding. He has extensive Controlled Environment Agriculture (shadehouse/greenhouse) experience but little field grown experience. We will be replacing him with someone with more field grown experience as that is the majority of our acreage (30,000 versus 4,000 in five years). We will add a VP of CEA to compliment this field grown experience.

We have reached an agreement in principle to develop a 350,000 sf packing plant/distribution center/headquarters in Buckeye (Phoenix), AZ. The project will begin shortly and the space will be available in about a year – solar powered, passive energy technology, highly sustainable. We are very excited about this as it saves us from having to raise \$70 million of debt and equity to develop it ourselves. We will still need \$25-\$30MM for packing equipment, warehouse equipment, and our hydrogen powered forklift system, also very sustainable.

We are looking into electric/CNG powered zero emission Class 8 semi tractors for our farm to packing plant shuttles. We will need about 50 tractors and 100 reefer trailers to fulfill this requirement.

[www.nikolamotor.com](http://www.nikolamotor.com)

Regards,  
Dennis

Dennis Brewer  
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520-745-4403 520-549-6245  
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<image003.png>

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Friday, August 12, 2016 5:04 PM  
**To:** [REDACTED]  
**Subject:** Barry Oliver

Barry Oliver, our Hyder landlord, has requested a meeting with Greg Crossgrove next week after Barry has had a chance to review Paul's model and Greg/Mike's crop plans and budgets. There seems to be some life left in our proposal. I will keep you informed as events warrant.

If we can get this done in the next two weeks and get Organic Croplands, LP to work on Kingman in September, we could make our numbers for next year.

Regards,  
Dennis

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Saturday, August 13, 2016 7:22 AM  
**To:** [REDACTED]  
**Cc:** 'RickyIking'  
**Subject:** Meeting with Barry Oliver

Greg - As you know, in order for us to make a start this season, we will need the \$17MM startup loan from Barry as well as the \$28MM of infrastructure. Otherwise, we will have to raise the money which will take more time. As a result, we wouldn't be able to start paying rent on Barry's land until next August, costing him \$821,000 in lost land rent, plus \$1.382MM in lost rent on shadehouses and housing. He would also lose out on the 15% interest (\$2.55MM per year) on the \$17MM loan. So, a total of \$4.753MM of rent and interest over the next year is riding on the \$17MM loan. It would seem to be in his best interest to make the loan. It is certainly in ours as well.

Although cash in our plan gets down to \$61,000 at the end of January, that is only because we have not factored our receivables of \$8.955MM. If we factor these receivables, we could raise an additional \$7.164MM in cash to support operations. As of June 30, we will have \$10.835MM in cash and \$14.533MM in receivables, more than enough to handle the doubling of our field grown and shadehouse acreage in fall 2017.

Also, fyi, in case he asks again about the long term plan - The plan for the 15,000 acres is to use 5,000 for field grown vegetables including leafy greens, 5,000 for root vegetables, 3,000 for raising beef (surrounded by root vegetables to avoid any risk of leafy greens contamination from airborne pathogens), and 2,000 for shadehouses.

Thanks.

Regards,  
Dennis

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Tuesday, August 16, 2016 7:54 AM  
**To:** 'Gregory P. Crossgrove '  
**Cc:** [REDACTED]  
**Subject:** RE: Barry Oliver

Greg - Thinking positively, the simplest structure to complete this deal would be for Diversified Farms to loan us the \$45MM and buy back the farm improvements at cost:

Shadehouses \$11.7MM

Irrigation including reservoirs \$6MM

Fences \$0.8MM

Housing \$7.4MM

Farm buildings \$0.6MM

Total \$26.5MM

Diversified Farms would then charge us rent for the land at \$350 per acre, as well as the shadehouses, housing, and farm buildings at the 7.5% cap rate previously discussed.

This way we pay for all equipment including shadehouse and open field farming equipment, packing house sorter, and material handling equipment. Diversified Farms pays for all farm improvements delivered to our mutual satisfaction, primarily by RDO (shadehouses and irrigation). Diversified Farms can have a lien on all our equipment until the loan is paid off.

Regards,  
Dennis

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-----Original Message-----

From: Gregory P. Crossgrove [mailto:[REDACTED]]  
Sent: Monday, August 15, 2016 8:14 PM  
To: Dennis Brewer CEO <[REDACTED]>  
Subject: Barry Oliver

Dennis- I'm available tomorrow morning about 9:30am Arizona time to review everything before I meet with Barry. What time works for you? Greg

Sent from my iPhone

## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Thursday, August 18, 2016 1:11 PM  
**To:** 'Sean P. Lyle'  
**Subject:** RE: Timing on Packing Plant/DC info

Sean - I am available tomorrow afternoon EDT for a call. I expect to be here for a time in September so we can probably make it work.

Here is the packing house/DC equipment list:

Quantity	Item	Vendor	Price	
1	Potato Packing Line	Mountain Pacific	\$ 4,004,943	
1	Onion Packing Line	AgPak	\$ 2,085,660	
1	Carrot Packing Line	Volm	\$ 5,822,933	
1	Tomato/Pepper line		\$ 3,000,000	Estimate
1	Cucumber line		\$ 1,500,000	Estimate
1	Central Palletizing Line	Volm	\$ 1,455,225	
12	Videojet 8510	Videojet	\$ 186,726	
1	Tote Washer		\$ 500,000	Estimate
24000	Totes		\$ 192,000	
			\$ 18,747,487	
	H2 system, forklifts		\$ 4,693,108	
	Warehouse Racking system		\$ 3,800,000	Estimate
			\$ 27,240,595	

Regards,  
Dennis

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---

**From:** Sean P. Lyle [mailto:[REDACTED]]  
**Sent:** Thursday, August 18, 2016 1:03 PM  
**To:** Dennis Brewer <[REDACTED]>  
**Subject:** RE: Timing on Packing Plant/DC info

Dennis,

I was referring to the 350,000 square feet of processing, cold storage and staging space. But this is a great start. Let me know when you have some time to talk later this week.

I'll be in NY in September and would like to connect if possible.

Best,  
Sean



**Sean P. Lyle, LEED AP**  
CEO, ESP Energy Solutions  
[602.469.4546](tel:602.469.4546) | [www.espedge.com](http://www.espedge.com)  
2375 E. Camelback Road, Suite 600 Phoenix, AZ 85016  
[in](#)

From: Dennis Brewer [mailto: ]  
Sent: Thursday, August 18, 2016 9:50 AM  
To: Sean P. Lyle < >  
Subject: RE: Timing on Packing Plant/DC info

Sean - Are you asking about internal greenhouse infrastructure or farming equipment or both? I've included both below. Additional costs are about \$4.5 million for tomato (\$3MM) and cucumber (\$1.5MM) packing lines. The cost for the irrigation system is about \$2000 per acre.

The minimal farming equipment required for 200 acres once land prep is complete is below. Our trellising equipment, primarily for tomatoes, is in our crop growing budget, so it does not appear here.

Equipment				List Price	T&T Co
Sub Compact for Staked Crops	4 WD 22-28HP		6	18,000.00	900.
3 Pt 55 Gal Sprayer for Sub Compact			3	2,000.00	100.
3 pt Mini Duster for Staked Crops	Gearmore	G2V	3	1,500.00	75.
Ingersoll 185 air compressor portable			1	10,000.00	500.
Handheld Air Hammer			12	200.00	10.
Kennco 3 In one			1	25,000.00	1,250.
Punch Wheels			1	2,000.00	100.
Cultivating bars with sweeps			3	1,000.00	
Transplant Growing Greenhouses Incl. Install			1	300,000.00	15,000.
Bins Macro for Toms, Pep, and Cuke	Model 16FV Macro Plas		1500	135.00	6.

Regards,  
Dennis

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---

From: Sean P. Lyle [mailto:[REDACTED]]  
Sent: Thursday, August 18, 2016 12:31 PM  
To: Dennis Brewer <[REDACTED]>  
Cc: Mike Castro <[REDACTED]> 'David Hinson' <[REDACTED]>  
Subject: RE: Timing on Packing Plant/DC info


Dennis,

I will work on a load profile through a couple of greenhouse R&D groups we have started working with. Will keep you apprised of any information we can gather.

Do you have an equipment list you need for the operations?

Best,  
Sean



**Sean P. Lyle, LEED AP**  
CEO, ESP Energy Solutions  
602.469.4546 | [REDACTED] | [www.espedge.com](http://www.espedge.com)  
2375 E. Camelback Road, Suite 600 Phoenix, AZ 85016  


---

From: Dennis Brewer [mailto:[REDACTED]]  
Sent: Thursday, August 18, 2016 8:00 AM  
To: Sean P. Lyle <[REDACTED]>  
Cc: Mike Castro <[REDACTED]> 'David Hinson' <[REDACTED]>  
Subject: Timing on Packing Plant/DC info

Sorry, bad news about the date we will have load profile info on our new 350ksf packing plant/DC. The electrical consultant is tied up on another project right now and we will have to respecify the building envelope from tilt up concrete to a super insulated foam core structure. The combination of the two means we will not have load profiles for at least another month. They already have the loads for the packing equipment so that will go quickly but need to determine the new refrigeration loads for the larger cooler space at Buckeye (from 40ksf at Casa Grande to 150ksf at Buckeye) and the 30ksf of office at Buckeye (less than 5ksf at Casa Grande) so that will take some time once the consultant is freed up from current work.

Regards,  
Dennis

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Thursday, August 18, 2016 10:04 AM  
**To:** 'Dean T. Smith'  
**Subject:** RE: Status Report

Nothing from Hyder, AZ is planned until next fall as we did not get the project kicked off in July as I hoped when I proposed the funding option to the landlord on July 5th. It takes 4 to 5 months to do land prep including laser leveling, placing the irrigation system mainlines, and growing a weed control cover crop. So ,we cannot plant until early February, which is too late for many crops as it will get too hot before they mature. It may be possible to get a melon crop in February for summer if we can find someone to pack it for us. That would bring in \$12MM to \$15MM.

We are working to get the Kingman project funded as well, which would have product available in May, perhaps sooner from our shadehouses there. We are also working to get the 200 acres of greenhouses in Buckeye up in time for a summer crop there.

We are focusing our efforts on the Hyder P&L for this week and next as that is nearing a tipping point with the landlord. I also have a consultant who thinks we should start smaller than we need to. He is on the circulation list for the Status Report and I do not want to spook him with this other info that you now have as he is very close to the Hyder landlord. We will publish the entire schedule once we have funding in hand from the Hyder landlord. That funding should be \$25MM to \$30MM to fund the team for the next year, and to develop and ramp up Hyder, so we want to get it closed.

As we get something started (Buckeye is in planning, Hyder is nearly there, and Kingman should follow) our valuation will increase, lessening dilution when other funds come in.

Regards,  
Dennis

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---

**From:** Dean T. Smith [mailto:[REDACTED]]  
**Sent:** Thursday, August 18, 2016 9:34 AM  
**To:** Dennis Brewer <[REDACTED]>  
**Subject:** Re: Status Report

Dennis,

So I am clear, nothing will be ready product for sale wise until next Fall 2017?

Dean



**Subject:** Status Report

Paul is hard at work on a new P&L for the Hyder landlord. Given the land prep requirement, Greg tell us we are too late for this winter at Hyder. So, we are focusing on 2,560 acres of field grown crops at Hyder next fall 2017. We will put our shadehouse/greenhouse efforts into the 200 acres at the Buckeye facility beginning next year. This will help us avoid the difficulty of getting enough day labor for the remote Hyder location (90 miles from Yuma and 110 miles from the nearest major cross border labor pool) and/or the expense of building a permanent camp. We expect to have the presentation to the Hyder landlord next week and feedback shortly thereafter. We are planning on bringing on staff in September if the funding effort is successful as we will need the team to prepare for Hyder and Buckeye, implement business systems, and develop contracts with customers.

Our investment bankers in New York are just waiting for us to complete this activity so we can focus on their due diligence requirement. Once due diligence is completed, they will get started raising the \$30MM we need for the Buckeye packing plant equipment and startup next fall and the \$30MM for our expansion of acres.

Regards,  
Dennis

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Dean T Smith  
White Wolf Properties, LLC  
Sasha's Farm Fresh, LLC  
630-699-4348

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Thursday, August 18, 2016 7:31 AM  
**To:** Mike Castro; [REDACTED]  
[REDACTED] Rafael Gomez;  
[REDACTED] Bruce Blitch;  
[REDACTED]  
**Subject:** Status Report

Paul is hard at work on a new P&L for the Hyder landlord. Given the land prep requirement, Greg tell us we are too late for this winter at Hyder. So, we are focusing on 2,560 acres of field grown crops at Hyder next fall 2017. We will put our shadehouse/greenhouse efforts into the 200 acres at the Buckeye facility beginning next year. This will help us avoid the difficulty of getting enough day labor for the remote Hyder location (90 miles from Yuma and 110 miles from the nearest major cross border labor pool) and/or the expense of building a permanent camp. We expect to have the presentation to the Hyder landlord next week and feedback shortly thereafter. We are planning on bringing on staff in September if the funding effort is successful as we will need the team to prepare for Hyder and Buckeye, implement business systems, and develop contracts with customers.

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Regards,  
Dennis

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Friday, August 19, 2016 7:58 PM  
**To:** 'Gregory P. Crossgrove '  
**Cc:** [REDACTED] 'Rickylking'  
**Subject:** RE: Idaho/ Farming Proposal

Thanks for the update. We should have something from Paul tomorrow.

Regards,  
Dennis

Dennis Brewer  
Chief Executive Officer  
WinnettOrganics, Inc.  
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www.winnettorganics.com

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-----Original Message-----

**From:** Gregory P. Crossgrove [mailto:[REDACTED]]  
**Sent:** Friday, August 19, 2016 7:30 PM  
**To:** Dennis Brewer CEO <[REDACTED]>  
**Cc:** Paul Smith <[REDACTED]> Rick King <[REDACTED]>  
**Subject:** Idaho/ Farming Proposal

Dennis, I will be leaving for Idaho on Sunday. Paul, Rick and I, will be working on the Barry Oliver proposal on a daily basis, under your leadership. Rick and I will have contact with Barry and post him on the proposal. Rick and I will also be rechecking all line items and numbers pertaining to the farming, harvesting and cooling operations and Paul and I on administration and marketing operations. The proposal will be presented to all, when completed and finalized with your final approval. Guys- Have a great week-end! Greg

Sent from my iPhone

## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Friday, August 19, 2016 3:06 PM  
**To:** 'Gregory P. Crossgrove '  
**Subject:** RE: Spring lettuce

Got it. I understand. Am looking for something to fill in that late winter slot to improve our financials during that time period.

Regards,  
Dennis

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---

**From:** Gregory P. Crossgrove [mailto:[REDACTED]]  
**Sent:** Friday, August 19, 2016 2:57 PM  
**To:** Dennis Brewer <[REDACTED]>  
**Cc:** [REDACTED]  
**Subject:** Re: Spring lettuce

Dennis- The Spring lettuce is the end of the desert lettuce season. Winnett would becoming on as a new start up company with no history- Competition will be the established companies harvesting in the Huron/ Salinas areas, in March and early April, which will be better quality. The receivers will have been waiting for since late February/ early March. Transplants are a gamble at that time. That time period is usually direct seeded in January and February.

Sent from my iPhone

On Aug 19, 2016, at 9:01 AM, Dennis Brewer <[REDACTED]> wrote:

The planting calendar I have indicates leaf lettuce in Maricopa County is okay if transplanted before the end of February, with harvest in April/early May. Do you think this is feasible?

Regards,  
Dennis

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<image001.png>

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Wednesday, August 24, 2016 11:45 AM  
**To:** 'Michael Callahan'  
**Subject:** RE: Update

Michael – Will be able to update that soon, it is being worked on as we speak. We are supplying more detail in an effort to get the transaction completed in the next two weeks. I'll send you the latest tomorrow.

Regards,  
Dennis

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---

**From:** Michael Callahan [mailto:[REDACTED]]  
**Sent:** Wednesday, August 24, 2016 10:58 AM  
**To:** Dennis Brewer <[REDACTED]>  
**Cc:** Mark Gross <[REDACTED]>  
**Subject:** RE: Update

Dennis,  
I just wanted to follow up to see if the issues with the father and son have been resolved ? Let us know what we can do to help. Thanks.

Regards,  
Michael J Callahan  
Managing Director  
Investment Banking  
Dominick and Dickerman LLC  
570 Lexington Ave  
Suite 4200  
New York, NY 10022  
Direct 646 780-8432  
Cell 917 930-9490

**DOMINICK & DICKERMAN LLC** | *Member FINRA, SIPC*

---

**From:** Dennis Brewer [mailto:[REDACTED]]  
**Sent:** Friday, August 12, 2016 8:47 AM

**To:** Michael Callahan <[REDACTED]>

**Subject:** RE: Update

Thanks, Michael. I will keep that in mind. At the moment, this seems to be an internal disagreement among the partners – father and son – with little to do with any rationale related to the project that we can determine. We have flooded them with information – at their request. Our consultants are communicating with them as they have a very close relationship. I will keep you informed and let you know if there is anything to be done.

We are moving ahead with our internal preparations and will be ready to begin as soon as we receive an indication they are prepared to move ahead with their part of the project. If not, their land is still available to us and we can begin in another way – with reduced acreage this winter and/or a season of delay to next fall, while developing Kingman for a spring/summer operation in the meantime.

Regards,  
Dennis

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---

**From:** Michael Callahan [[mailto:\[REDACTED\]](mailto:[REDACTED])]

**Sent:** Friday, August 12, 2016 8:32 AM

**To:** Dennis Brewer <[REDACTED]>

**Cc:** Mark Gross <[REDACTED]>

**Subject:** Re: Update

Dennis,  
Sorry to hear the news. Mark and our firm are committed to helping you achieve your goals. If there is anything we can do to allay funding concerns we will make ourselves available. Let us know what you need us to do to be helpful and keep us informed. Good luck!

Regards,  
Michael Callahan  
Managing Director  
Investment Banking  
Dominick and Dickerman  
(O) 646 780-8432  
(M) 917 930-9490

On Aug 12, 2016, at 8:10 AM, Dennis Brewer <[REDACTED]> wrote:

Our \$45MM farm funding program (\$28MM farm infrastructure and \$17MM working capital/startup costs) is in jeopardy. Our meeting yesterday in Phoenix was cancelled. The landlord/funder is having an internal disagreement about how to fund this. We do not know yet how this will be resolved but are hopeful of having some answers next week. Our consultants have close working relationships with these people. Loss of this funding would delay the start of harvest operations (revenue) from Winter 2017 to

Spring 2017. We do have other interest from people who have said they would be interested in looking at us in September.

As a result of this potential delay in startup, we are being cautious in our dealings with customers. We want to be able to deliver on our commitments in a high quality way from the outset.

Our SVP Operations is stepping down, in part over frustration with the pace of funding. He has extensive Controlled Environment Agriculture (shadehouse/greenhouse) experience but little field grown experience. We will be replacing him with someone with more field grown experience as that is the majority of our acreage (30,000 versus 4,000 in five years). We will add a VP of CEA to compliment this field grown experience.

We have reached an agreement in principle to develop a 350,000 sf packing plant/distribution center/headquarters in Buckeye (Phoenix), AZ. The project will begin shortly and the space will be available in about a year – solar powered, passive energy technology, highly sustainable. We are very excited about this as it saves us from having to raise \$70 million of debt and equity to develop it ourselves. We will still need \$25-\$30MM for packing equipment, warehouse equipment, and our hydrogen powered forklift system, also very sustainable.

We are looking into electric/CNG powered zero emission Class 8 semi tractors for our farm to packing plant shuttles. We will need about 50 tractors and 100 reefer trailers to fulfill this requirement.  
[www.nikolamotor.com](http://www.nikolamotor.com)

Regards,  
Dennis

Dennis Brewer  
Chief Executive Officer  
WinnettOrganics, Inc.  
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## Dennis Brewer

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**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Friday, August 26, 2016 9:41 AM  
**To:** 'Michael Callahan'; 'Mark Gross'  
**Subject:** FW: New investor contact

FYI – Revolution Capital is the firm mentioned below – Steve Case is the founder of Revolution.

Regards,  
Dennis

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**From:** Dennis Brewer [mailto:[REDACTED]]  
**Sent:** Friday, August 26, 2016 9:38 AM  
**To:** [REDACTED]  
[REDACTED]  
<[REDACTED]>  
<[REDACTED]>  
**Subject:** New investor contact

Rafael Gomez  
Bruce Blitch

A large private equity/venture capital firm has expressed an interest in us as a result of my attendance yesterday at a food oriented investor conference. We are speaking on Monday in some detail about our project. While I expect the process with them to take some time, I am very encouraged by their initial enthusiasm. They seek game changing companies in food, finance, technology, etc. that disrupt the status quo and give consumers new choices. They were attracted by the category – organic fresh foods - and our growth plans as we seek major scale quickly – and have the team to do it.

We will need to complete our initial 2,560 acre project at Hyder so we can demonstrate traction and execution to them. They are fully capable of making a \$30 million investment in us to scale either our northern Arizona project or our packing plant project in the next year. Their interest in the project will attract other firms of their scale and capability to this project.

Regards,  
Dennis

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## Dennis Brewer

---

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Thursday, August 25, 2016 2:00 PM  
**To:** 'Chris Hughes'  
**Subject:** RE: Meet up today?

Chris - Okay. A morning call on Monday would work for me. Am on Eastern time. Just so you know we are a startup at this point. We took \$16MM in orders for our products in one week and are working toward a first crop planted in February – squash and melons – with revenue in April.

We currently are working through due diligence on a \$22MM financing to get 2,560 acres of our total 15,000 acres in southern Arizona into production. We are seeking an additional \$30MM through our investment bankers, Dominick and Dickerman, to finance 6,000 acres of production in northern Arizona, which will become 14,00 acres in three years. And, we will be seeking \$30MM to get our 350,000 sf solar powered packing plant and 200 acres of greenhouses in central Arizona into operation next fall. This allows us to grow product for our markets on a year round basis and use a single facility to pack and ship the product.

We will have a first order differentiator - consumer traceable packaging – the only national brand in our space to do so. We are aimed squarely at healthy food and mass market chains – Whole Foods, Kroger, Albertsons, etc. where most of the \$1.5B in annual growth is occurring.

I look forward to speaking with you.

Regards,  
Dennis

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**From:** Chris Hughes [mailto:[REDACTED]]  
**Sent:** Thursday, August 25, 2016 1:37 PM  
**To:** Dennis Brewer <[REDACTED]>  
**Subject:** Re: Meet up today?

No worries Dennis.

I actually had to leave for rest of day for meetings.

Perhaps we can find some time to chat over the phone? Appears like you might of the size / scale where we look, so excited to learn more.

On Aug 25, 2016, at 1:16 PM, Dennis Brewer <[REDACTED]> wrote:

Chris – I had to leave to tend to another opportunity but would be happy to return to meet you at 5PM near the elevators on the conference floor. If that works for you, please email me back or call/text 551-252-8164. Thanks.

Regards,  
Dennis

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**From:** Chris Hughes [[mailto:\[REDACTED\]](mailto:[REDACTED])]  
**Sent:** Thursday, August 25, 2016 9:25 AM  
**To:** [REDACTED]  
**Subject:** Meet up today?

Dennis,

My name is Chris Hughes and I am a VP at Revolution Growth. See your on the list at the Food Investing Conference today.

Would love to meet you at some point this AM if you're around.

Cheers,  
Chris

## Dennis Brewer

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**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Friday, September 2, 2016 7:29 PM  
**To:** 'Gregory P. Crossgrove '  
**Subject:** RE: Buckeye Greenhouse Project.

Yes, the Buckeye greenhouse project is still on track. Thanks.

Regards,  
Dennis

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-----Original Message-----

From: Gregory P. Crossgrove [mailto:[REDACTED]]  
Sent: Friday, September 2, 2016 7:27 PM  
To: Dennis Brewer CEO <[REDACTED]>  
Subject: Buckeye Greenhouse Project.

Dennis- Is the Buckeye greenhouse project still going forth 100% with your New York investment people?

Paul, Rick and I are close to completing the Barry Oliver proposal. The crop budgets need to be revised with current numbers and waiting for other final numbers to come in.

Have a good week-end, we should talk possibly Tuesday morning. Greg

Sent from my iPhone

## Dennis Brewer

**From:** Dennis Brewer <[REDACTED]>  
**Sent:** Tuesday, September 6, 2016 1:43 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** Reallocation of acres

Greg – I have done a pro forma reallocation of the crop acreages to generate a higher gross profit. The difference is significant, taking us from a \$0.48MM total net loss position with the current allocation of acres (V3 below) to a \$1.79MM total net profit position based upon a reallocation of acres (V4 below) for the two years ended June 30, 2018, after taking into account Paul's correction of math errors in harvesting costs for cabbage, celery, and romaine hearts on tab 9.1 in both V3 and V4.

			Gross Profit		
		GP/Ctn	V4	V3	
Broccoli	95	\$ 1.26	\$ 59,850	\$ 185,850	
Cabbage - Green	290	\$ 10.57	\$ 2,605,505	\$ 2,605,505	
Cabbage - Red	60	\$ 14.57	\$ 743,070	\$ 743,070	
Celery	170	\$ 8.30	\$ 1,340,450	\$ 946,200	
Lettuce - Iceberg	935	\$ 9.68	\$ 6,788,100	\$ 4,973,100	
Lettuce - Green Romaine	885	\$ 10.40	\$ 6,903,000	\$ 4,563,000	
Lettuce - Romaine Hearts	125	\$ 3.78	\$ 354,375	\$ 1,488,375	
Cantaloupes	-	0			
Watermelons	-	0			
Open Field	2,560		\$ 18,794,350	\$ 15,505,100	Gross Profit
Total	2,560			\$ 3,289,250	Difference

The other thing we should be looking at is the addition of 1000 acres of cantaloupe and watermelon in both spring 2017 (single crop) and spring 2018 (double crop) to use available acres. This would add about \$15MM to our revenue in each period (for a total of \$30MM in added revenue over the 2 years), have a substantial bottom line impact, and reduce the total cash need in fall 2017 by several million. It is still possible we could plant in March 2017 if we can keep the land development process moving. Do you have growing and harvesting costs for cantaloupe and watermelon? If you do, it would be very easy for Paul to add to our P&L before he leaves for Italy.

Thanks.

Regards,  
Dennis

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