

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Friday, February 10, 2017 8:09 AM
To: [REDACTED]
Subject: RE: VP Growing Operations

I spoke with Miguel last night – he will get back to me with his interest level in the next few days. Great attitude.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: [REDACTED] [mailto:[REDACTED]]
Sent: Tuesday, February 7, 2017 3:49 PM
To: Dennis Brewer <[REDACTED]>
Subject: VP Growing Operations

Dennis, the very best GM/director type farm manager in AZ, is a gentleman named Miguel Gonzales.

He is the hardest working, most dedicated manager I know, his integrity is beyond reproach. He has over 20yrs experience 10 plus as a GM at a director level in a very hostile work environment, yet he strives for continued success. He would be an asset for your growing operations, he can handle people, equipment, and crops better than I have ever scene, he is networked in to get things done and done right.

I would hire or partner with this man.

I will give you contact information, I know him personally and he needs to make a decision based on his own feelings of taking on a task for his professional growth and not out of association with me.

Mike Gonzalez

928 581-9137

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

Subject: Task Worksheet

From: "Dennis Brewer" <

Date: Tue, February 07, 2017 11:10 am

To: <

< "Rafael Gomez"

<

<

"Bruce Blitch" <

Attached please find the latest version of my Task Worksheet for your review.
Your Task Worksheet is due to me this Friday.

Rick Wood has decided not to join us so we are looking for an experienced Vice
President – Field Growing. Please check your networks. Thanks.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Friday, February 10, 2017 12:10 PM
To: 'Daniel Krewson'
Subject: RE: Winnett Organics Equipment Leasing Proposals
Attachments: Master Equipment List 170123.xlsx

Dan - Attached is the latest Master Equipment List, refer to Farming tab. It shows approximately \$20MM of equipment we would be willing to finance over the next year if there is that level of interest by Utica or other competitive lessor.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Daniel Krewson [mailto:[REDACTED]]
Sent: Thursday, February 9, 2017 11:45 AM
To: Dennis Brewer <[REDACTED]>
Subject: Winnett Organics Equipment Leasing Proposals

Dennis,

I wanted to provide you an update on the equipment leasing request before the end of this week. I have 2 offers, summarized below, and am in process with 2 additional lenders. Several other lenders passed on the request, principally due to the start-up nature of the business coupled with the size of the request and/or the industry. While reviewing the below, the second offer is clearly the stronger of the two and when I pressed them on tightening their numbers, they would be amenable to it as they proceed with underwriting.

	Nations Equipment Finance	Utica LeaseCo
Principal	\$9,000,000	\$10,000,000
Limit	60% of FLV	70% of FLV
Term	48-months	48-months
Lease Factor	2.8387%	2.7327%
Monthly Payment	\$255,483	\$273,265
Effective Interest Rate	16.09%	14.31%

End of Term	\$1	10% buyout
Deposit	\$50,000	\$30,000
Lease Admin. Fee (annual)	\$5,000	\$5,000
Closing Fee	1%	2%
Broker Fee	1%	1%

If I receive an offer from either of the additional 2 lenders considering the request I will update my summary and resend.

I look forward to your thoughts once you are able to review. Dan

--



Daniel Krewson, SVP, Senior Advisor
MultiFunding, LLC
 (610) 761-0466 [REDACTED]

DISCLAIMER: The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, re-transmission, dissemination or other use of, or taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and destroy any copies of this document and any attachments.

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Saturday, February 11, 2017 6:13 AM
To: 'Gregory P. Crossgrove '
Subject: RE: Greenhouses

Greg - I've invited David Hinson to a meeting on March 1st in Phoenix for that purpose. We will do Buckeye if it is 100 acres or more but are not interested in a 10 or 15 acre facility. Call me if you need more information.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com

Sustainably Grown, Organically Pure, Transparently Better

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

From: Gregory P. Crossgrove [mailto:[REDACTED]]
Sent: Saturday, February 11, 2017 12:16 AM
To: Dennis Brewer CEO <[REDACTED]>
Subject: Greenhouses

Dennis- I need to discuss your greenhouse direction, your status with David Hines and Buckeye location. Have a good week-end! Greg

Sent from my iPhone

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Saturday, February 11, 2017 6:57 AM
To: 'Gregory P. Crossgrove '
Subject: RE: Greenhouses

Greg - Not sure what we are or are not doing with Freedom Farms as I have never had a conversation with a principal there, only with Richard Miller about them. We have severed our relationship with Richard so I do not have any current plans to communicate with Freedom Farms but would be willing to speak with them directly about cooperation.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com

Sustainably Grown, Organically Pure, Transparently Better

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

From: Gregory P. Crossgrove [mailto:[REDACTED]]
Sent: Saturday, February 11, 2017 6:53 AM
To: Dennis Brewer <[REDACTED]>
Subject: Re: Greenhouses

Dennis- I agree with the 100+ acres, not sure where Dave came up with the 15 acre start. Are you talking with Freedom Farms, in working together on Buckeye or staying separate? Thanks- Greg

Sent from my iPhone

> On Feb 11, 2017, at 4:12 AM, Dennis Brewer <[REDACTED]> wrote:

>

> Greg - I've invited David Hinson to a meeting on March 1st in Phoenix
> for that purpose. We will do Buckeye if it is 100 acres or more but
> are not interested in a 10 or 15 acre facility. Call me if you need
> more information.

>

> Regards,
> Dennis

>

> Dennis Brewer
> Chief Executive Officer
> WinnettOrganics, Inc.
> 623-207-9675 520-549-6245
> www.winnettorganics.com

>

>
> Sustainably Grown, Organically Pure, Transparently Better
>
> -----Original Message-----
> From: Gregory P. Crossgrove [mailto: [REDACTED]]
> Sent: Saturday, February 11, 2017 12:16 AM
> To: Dennis Brewer CEO < [REDACTED]>
> Subject: Greenhouses
>
> Dennis- I need to discuss your greenhouse direction, your status with
> David Hines and Buckeye location. Have a good week-end! Greg
>
> Sent from my iPhone
>

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Sunday, February 12, 2017 5:15 PM
To: [REDACTED]
Subject: MetLife Loan

Kristine - We are trying to finalize our offer and need to know the remaining principal amount, remaining amortization period, and interest rate on the MetLife loan so we can calculate the amount of the purchase price to be bridge financed by Barings as part of our offer. It would also help to know the primary assets of, and the book value of, the well drilling company so we can prepare our offer for it as well. Thanks.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Monday, February 13, 2017 10:33 AM
To: 'Jonathan Cross'
Subject: RE: Kingman

I have reviewed it briefly. Bill Reed, our VP Real Estate and Construction has been through it in detail. Would you like a briefing or access? Either can be arranged.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Jonathan Cross [mailto:[REDACTED]]
Sent: Monday, February 13, 2017 10:05 AM
To: Dennis Brewer <[REDACTED]>
Subject: Kingman

Dennis,

My understanding is that there was a virtual data room set up for technical due diligence on the Kingman property. Do you have access to that?

JONATHAN CROSS

PRESIDENT

PRIVATE EQUITY

SHEFFORD CAPITAL PARTNERS, INC.

477 MADISON AVENUE

SIXTH FLOOR

NEW YORK, NEW YORK 10022

212.367.7079

PRIVATE EQUITY ACCESS

CONFIDENTIALITY NOTICE - THIS EMAIL TRANSMISSION AND ANY DOCUMENTS, FILES OR PREVIOUS EMAIL MESSAGES ATTACHED TO IT MAY CONTAIN INFORMATION THAT IS CONFIDENTIAL OR LEGALLY PRIVILEGED. IF YOU ARE NOT THE INTENDED RECIPIENT, OR A PERSON RESPONSIBLE FOR DELIVERING IT TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT YOU MUST NOT READ THIS TRANSMISSION AND THAT ANY DISCLOSURE, COPYING, PRINTING, DISTRIBUTION OR USE OF ANY OF THE INFORMATION CONTAINED IN OR ATTACHED TO THIS TRANSMISSION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE IMMEDIATELY NOTIFY THE SENDER BY TELEPHONE OR RETURN EMAIL AND DELETE THE ORIGINAL TRANSMISSION AND ITS ATTACHMENTS WITHOUT READING OR SAVING IN ANY MANNER. THANK YOU.

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Monday, February 13, 2017 8:56 AM
To: [REDACTED]
Subject: RE: Met life

Kristine - Does Barings or a subsidiary own 100% of Red Lake Ventures, LLC? If not, who owns the balance and how much? Besides MetLife, what other liabilities does RLV have? Any contingent liabilities or pending or threatened litigation?

We are considering purchasing 100% of RLV in two tranches (such as 80%, then 20%) to give Barings some additional upside as the property is developed if that structure is possible and attractive to them. This structure proposal is, of course, confidential.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com

Sustainably Grown, Organically Pure, Transparently Better

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

From: [REDACTED] [mailto:[REDACTED]]
Sent: Monday, February 13, 2017 8:37 AM
To: Dennis Brewer <[REDACTED]>
Subject: Re: Met life

Also once you have decided on offer amount and terms you want we will write the purchase agreement thanks

Kristine Volk
(702)334-4669

> On Feb 13, 2017, at 5:34 AM, Dennis Brewer <[REDACTED]> wrote:
>
> Thanks, Kristine.
>
> Regards,
> Dennis
>
> Dennis Brewer
> Chief Executive Officer
> WinnettOrganics, Inc.

> 623-207-9675 520-549-6245
> www.winnettorganics.com
>
>
> Sustainably Grown, Organically Pure, Transparently Better
>
> -----Original Message-----
> From: [REDACTED] [mailto:[REDACTED]]
> Sent: Monday, February 13, 2017 8:29 AM
> To: Dennis Brewer <[REDACTED]>
> Subject: Met life
>
> Good Morning I will get you well drilling info today thanks
>
>

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Tuesday, February 14, 2017 11:50 AM
To: 'Jonathan Cross'
Subject: RE: Purchase Agreement

Understood – thank you.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Jonathan Cross [mailto:[REDACTED]]
Sent: Tuesday, February 14, 2017 11:46 AM
To: Dennis Brewer <[REDACTED]>
Subject: Re: Purchase Agreement

Dennis,

The sooner the better, they are going to want to see proof of funds and Shefford is going to have to provide that.

JONATHAN CROSS
PRESIDENT
PRIVATE EQUITY

SHEFFORD CAPITAL PARTNERS, INC.
477 MADISON AVENUE
SIXTH FLOOR
NEW YORK, NEW YORK 10022

212.367.7079

PRIVATE EQUITY ACCESS

CONFIDENTIALITY NOTICE - THIS EMAIL TRANSMISSION AND ANY DOCUMENTS, FILES OR PREVIOUS EMAIL MESSAGES ATTACHED TO IT MAY CONTAIN INFORMATION THAT IS CONFIDENTIAL OR LEGALLY PRIVILEGED. IF YOU ARE NOT THE INTENDED RECIPIENT, OR A PERSON RESPONSIBLE FOR DELIVERING IT TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT YOU MUST NOT READ THIS TRANSMISSION AND THAT ANY DISCLOSURE, COPYING, PRINTING, DISTRIBUTION OR USE OF ANY OF THE INFORMATION CONTAINED IN OR ATTACHED TO THIS TRANSMISSION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE IMMEDIATELY NOTIFY THE SENDER BY TELEPHONE OR RETURN EMAIL AND DELETE THE ORIGINAL TRANSMISSION AND ITS ATTACHMENTS WITHOUT READING OR SAVING IN ANY MANNER. THANK YOU.

From: Dennis Brewer <[REDACTED]>
Sent: Tuesday, February 14, 2017 11:34:46 AM
To: Jonathan Cross
Subject: RE: Purchase Agreement

Our proposal is being drafted now and will be reviewed by our general counsel probably late today. I will forward you a copy once that review is complete. We are going direct to Bob Saul, the principal, with our offer tomorrow to avoid any potential leak back to a competitor.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Jonathan Cross [[mailto:\[REDACTED\]](mailto:[REDACTED])]
Sent: Tuesday, February 14, 2017 11:21 AM
To: Dennis Brewer <[REDACTED]>
Subject: Purchase Agreement

Dennis,

Do you have a purchase agreement prepared for Kingman or did you receive one from Kristine?

JONATHAN CROSS

PRESIDENT

PRIVATE EQUITY

SHEFFORD CAPITAL PARTNERS, INC.

477 MADISON AVENUE

SIXTH FLOOR

NEW YORK, NEW YORK 10022

212.367.7079

PRIVATE EQUITY ACCESS

CONFIDENTIALITY NOTICE - THIS EMAIL TRANSMISSION AND ANY DOCUMENTS, FILES OR PREVIOUS EMAIL MESSAGES ATTACHED TO IT MAY CONTAIN INFORMATION THAT IS CONFIDENTIAL OR LEGALLY PRIVILEGED. IF YOU ARE NOT THE INTENDED RECIPIENT, OR A PERSON RESPONSIBLE FOR DELIVERING IT TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT YOU MUST NOT READ THIS TRANSMISSION AND THAT ANY DISCLOSURE, COPYING, PRINTING, DISTRIBUTION OR USE OF ANY OF THE INFORMATION CONTAINED IN OR ATTACHED TO THIS TRANSMISSION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE IMMEDIATELY NOTIFY THE SENDER BY TELEPHONE OR RETURN EMAIL AND DELETE THE ORIGINAL TRANSMISSION AND ITS ATTACHMENTS WITHOUT READING OR SAVING IN ANY MANNER. THANK YOU.

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Tuesday, February 14, 2017 7:31 AM
To: [REDACTED]
Subject: FW: NDA
Attachments: NDA - Red Lake Ventures Executed.pdf

Executed NDA from Shefford/Jonathan attached.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Linda Ellis [mailto:[REDACTED]]
Sent: Tuesday, February 14, 2017 7:30 AM
To: Dennis Brewer <[REDACTED]>
Subject: NDA

Mr. Brewer,

Please find attached the executed NDA.

LINDA ELLIS

EXECUTIVE ASSISTANT

SHEFFORD CAPITAL PARTNERS, INC.

477 MADISON AVENUE

SIXTH FLOOR

NEW YORK, NEW YORK 10022

212.367.7079

PRIVATE EQUITY ACCESS

CONFIDENTIALITY NOTICE - THIS EMAIL TRANSMISSION AND ANY DOCUMENTS, FILES OR PREVIOUS EMAIL MESSAGES ATTACHED TO IT MAY CONTAIN INFORMATION THAT IS CONFIDENTIAL OR LEGALLY PRIVILEGED. IF YOU ARE NOT THE INTENDED RECIPIENT, OR A PERSON RESPONSIBLE FOR DELIVERING IT TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT YOU MUST NOT READ THIS TRANSMISSION AND THAT ANY DISCLOSURE, COPYING, PRINTING, DISTRIBUTION OR USE OF ANY OF THE INFORMATION CONTAINED IN OR ATTACHED TO THIS TRANSMISSION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE IMMEDIATELY NOTIFY THE SENDER BY TELEPHONE OR RETURN EMAIL AND DELETE THE ORIGINAL TRANSMISSION AND ITS ATTACHMENTS WITHOUT READING OR SAVING IN ANY MANNER. THANK YOU.

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Wednesday, February 15, 2017 3:35 PM
To: 'Jonathan Cross'
Subject: RE: Purchase Agreement
Attachments: WinnettOrganics LOI RLV 170215.pdf

Yes, okay. That is what I sent you early this morning, around 6:30AM. It is attached again to this email for your review. We are doing the LOI (attached) and if they accept our offer, we will be writing a Purchase and Sale Agreement for signatures on March 1st.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Jonathan Cross [mailto:[REDACTED]]
Sent: Wednesday, February 15, 2017 3:31 PM
To: Dennis Brewer <[REDACTED]>
Subject: Re: Purchase Agreement

Dennis,

I am talking about the farm we visited last week.

Jonathan Cross
President
Shefford Capital Partners, Inc.
Private Equity
477 Madison Avenue
Sixth Floor
New York, New York 10022

212.367.7079

CONFIDENTIALITY NOTICE - THIS EMAIL TRANSMISSION AND ANY DOCUMENTS, FILES OR PREVIOUS EMAIL MESSAGES ATTACHED TO IT MAY CONTAIN INFORMATION THAT IS CONFIDENTIAL OR LEGALLY PRIVILEGED. IF YOU ARE NOT THE INTENDED RECIPIENT, OR A PERSON RESPONSIBLE FOR DELIVERING IT TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT YOU MUST NOT READ THIS TRANSMISSION AND THAT ANY DISCLOSURE,

COPYING, PRINTING, DISTRIBUTION OR USE OF ANY OF THE INFORMATION CONTAINED IN OR ATTACHED TO THIS TRANSMISSION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE IMMEDIATELY NOTIFY THE SENDER BY TELEPHONE OR RETURN EMAIL AND DELETE THE ORIGINAL TRANSMISSION AND ITS ATTACHMENTS WITHOUT READING OR SAVING IN ANY MANNER. THANK YOU.

From: Dennis Brewer <[REDACTED]>
Sent: Wednesday, February 15, 2017 11:42:50 AM
To: Jonathan Cross
Subject: RE: Purchase Agreement

Are you talking about the Stockton Hill Farm? Or something else? The Letter of Intent for Stockton Hill Farm is what I sent to you early this morning. It is in lieu of a standard real estate purchase agreement. We are going to buy the entity, Red Lake Ventures, LLC, and the affiliated well drilling company, instead of purchasing the assets in a real estate transaction.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Jonathan Cross [[mailto:\[REDACTED\]](mailto:[REDACTED])]
Sent: Wednesday, February 15, 2017 11:36 AM
To: Dennis Brewer <[REDACTED]>
Subject: Purchase Agreement

Dennis,

We didn't receive the purchase agreement yesterday and will need it early today to get it submitted in time and to give our imprimatur.

Jonathan Cross
President
Private Equity

Shefford Capital Partners, Inc.
477 Madison Avenue
Sixth Floor
New York, New York 10022

212.367.7079

CONFIDENTIALITY NOTICE - THIS EMAIL TRANSMISSION AND ANY DOCUMENTS, FILES OR PREVIOUS EMAIL MESSAGES ATTACHED TO IT MAY CONTAIN INFORMATION THAT IS CONFIDENTIAL OR LEGALLY PRIVILEGED. IF YOU ARE NOT THE INTENDED RECIPIENT, OR A PERSON RESPONSIBLE FOR DELIVERING IT TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT YOU MUST NOT READ THIS TRANSMISSION AND THAT ANY DISCLOSURE, COPYING, PRINTING, DISTRIBUTION OR USE OF ANY OF THE INFORMATION CONTAINED IN OR ATTACHED TO THIS TRANSMISSION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE IMMEDIATELY NOTIFY THE SENDER BY TELEPHONE OR RETURN EMAIL AND DELETE THE ORIGINAL TRANSMISSION AND ITS ATTACHMENTS WITHOUT READING OR SAVING IN ANY MANNER. THANK YOU.

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Wednesday, February 15, 2017 5:03 PM
To: 'Bob Saul'
Subject: RE: Stockton Hill Farms - Proposal

Thanks, Bob. Happy to answer questions for you at any time.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Bob Saul [mailto:[REDACTED]]
Sent: Wednesday, February 15, 2017 5:02 PM
To: Dennis Brewer <[REDACTED]>
Subject: RE: Stockton Hill Farms - Proposal

Thanks Dennis. I am traveling tomorrow but will review on the plane tomorrow and get comments by Friday. I appreciate the detail and thoughtfulness here. Bob

From: Dennis Brewer [mailto:[REDACTED]]
Sent: Wednesday, February 15, 2017 4:10 PM
To: Bob Saul <[REDACTED]>
Subject: [EXTERNAL] Stockton Hill Farms - Proposal

Bob – We are pleased to present our proposal for the acquisition of Red Lake Ventures, LLC and the affiliated well drilling company. Bill Reed, our VP of Real Estate and Construction, was primary drafter of the proposal and is out of town much of this week but I will be happy to answer any questions you may have about our proposal. We look forward to working through this transaction with you. You can reach me direct at 520-549-6245. I am in NJ so am on Eastern time.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

This e-mail transmission may contain information that is proprietary, privileged and/or confidential and is intended exclusively for the person(s) to whom it is addressed. Any use, copying, retention or disclosure by any person other than the intended recipient or the intended recipient's designees is strictly prohibited. If you are not the intended recipient or their designee, please notify the sender immediately by return e-mail and delete all copies.



Sustainably Grown, Organically Pure, Transparently Better

February 15, 2017

Re: Proposal to Purchase "Red Lake Ventures LLC", in its entirety which includes the Real Estate and Assets of the Stockton Hill Farm of Mohave County, Arizona, and its affiliated well drilling company.

Dear Mr. Robert Saul:

This letter (this "**Letter**") is intended to summarize the principal terms of a proposal being considered by WinnettOrganics, Inc., ("**Buyer**") regarding its possible acquisition of substantially all of the assets, and certain specified liabilities, of the Stockton Hill Farm investment (the "**Business**") of Red Lake Ventures LLC ("**Seller**") and its affiliated well drilling company. The possible acquisition of the Business is referred to as the "**Transaction**" and Buyer and Seller are referred to collectively as the "**Parties**."

1. Acquisition of Assets and Purchase Price.

(a) Subject to the satisfaction of the conditions described in this Letter, at the closing of the Transaction Buyer would acquire substantially all of the assets, and certain specified liabilities, of the Business (the "**Assets**"), free and clear of all encumbrances, for the total proceeds set forth in **Section 1(b)**.

(b) The total proceeds payable for Stockton Hill Farm/Red Lake Ventures LLC and its affiliated well drilling company would be at least \$75,100,000.00 plus the net tangible book value of the affiliated well drilling company to a maximum of \$88,000,000.00 (the "**Total Proceeds**") subject to adjustment, and payable as follows:

- (i) \$10,000,000.00 cash to be deposited with a mutually agreeable escrow agent, to be held for a period of 30 days of due diligence;
- (ii) \$10,000,000.00 cash payable within 6 months of the closing transaction;
- (iii) \$19,200,000.00 outstanding debt of Red Lake Ventures LLC to MetLife would be retained in Red Lake Ventures, LLC, and;

- (iv) At least \$35,900,000.00 to be carried as contributed capital by Barings against the assets of Red Lake Ventures LLC with a mutually agreeable annual hurdle rate, to be held for a minimum period of 48 months after the closing. PROVIDED, HOWEVER, that the total consideration received by Barings for all its carried interest in Red Lake Ventures, LLC and its affiliated well drilling company shall not exceed \$48,800,000.00 from all sources.
- (c) Buyer has calculated the minimum Total Proceeds on the basis of information made available and located in the data room/currently provided by Barings to Buyer and on the basis of the following assumptions:
 - (i) Land Tenure at the closing of the Transaction is 16,224.21 gross acres, calculated in accordance with information provided by Seller's rep;
 - 1.c.i.1. 4,171.90 acres of drip irrigated farmland,
 - 1.c.i.2. 2,280.00 acres of pivot irrigated farmland,
 - 1.c.i.3. 2,479.93 acres of cleared and partially developed land, and
 - 1.c.i.4. 7,292.21 acres of pasture land.
 - (ii) Pricing Structure is set forth as;
 - 1.c.ii.1. Drip irrigated farmland \$8,250.00 per acre,
 - 1.c.ii.2. Pivot irrigated farmland \$6,250.00 per acre,
 - 1.c.ii.3. Partially developed land \$5,600.00 per acre, and
 - 1.c.ii.4. Pasture land \$1,583.00 per acre.
- 2. Proposed Definitive Agreement. As soon as reasonably practicable after the execution of this Letter, the Parties shall commence to negotiate a definitive purchase agreement (the "**Definitive Agreement**") relating to Buyer's acquisition of the Assets, to be drafted by Buyer's counsel. The Definitive Agreement would include the terms summarized in this Letter and such other representations, warranties, conditions, covenants, indemnities and other terms that are customary for transactions of this kind and are not inconsistent with this Letter. The Parties shall also commence to negotiate ancillary agreements to be drafted by Buyer's counsel, including (i) an escrow agreement, (ii) a bill of sale, and (iii) an assignment and assumption agreement.
- 3. Conditions. Buyer's obligation to close the proposed Transaction will be subject to customary conditions, including:

- (a) Buyer's satisfactory completion of due diligence;
 - (b) Buyer's receipt of cash proceeds from the financing transactions contemplated by the commitment letters attached to this Letter in an amount necessary to finance the Transaction, pay related fees and expenses and provide adequate ongoing working capital and on the terms and conditions explicitly set forth in such commitment letters and such others terms and conditions satisfactory to Buyer;
 - (c) the Board of Directors of Buyer and Seller approving the Transaction;
 - (d) the Parties' execution of the Definitive Agreement and the ancillary agreements;
 - (e) the receipt of any regulatory approvals and third party consents, on terms satisfactory to Buyer;
 - (f) Seller and its affiliates entering into restrictive covenants, in a form acceptable to Buyer, agreeing not to: (i) compete with the farmland acquisitions and development in Mohave County, Arizona for a period of five (5) years following the closing; and
 - (g) there being no material adverse change in the business, results of operations, prospects, condition (financial or otherwise) or assets of the Business.
4. Due Diligence. From and after the date of this Letter, Seller will authorize its management to allow Buyer and its advisors full access to the facilities, records, key employees, customers, suppliers, and advisors of the Business for the purpose of completing Buyer's due diligence review. The due diligence investigation will include, but is not limited to, a complete review of the financial, legal, tax, environmental, intellectual property and labor records and agreements of the Business, and any other matters as Buyer's accountants, tax and legal counsel, and other advisors deem relevant.
5. Employment Arrangements. Buyer would offer employment to substantially all of the employees of the Business and would expect the Seller's management to use its reasonable best effort to assist Buyer to employ those individuals.
6. Covenants of Seller. During the period from the signing of this Letter through the execution of the Definitive Agreement, Seller will: (i) conduct the Business in the ordinary course in a manner consistent with past practice, (ii) maintain its properties and other assets in good working condition (normal wear and tear excepted), and (iii) use its best efforts to maintain the Business and employees, customers, assets and operations as an ongoing concern in accordance with past practice.

7. Exclusivity.

(a) In consideration of the expenses that Buyer has incurred and will incur in connection with the proposed Transaction, Seller agrees that until such time as this Letter has terminated in accordance with the provisions of paragraph 8 (such period, the "**Exclusivity Period**"), neither it nor any of its representatives, officers, employees, directors, agents, stockholders, subsidiaries or affiliates (the "**Seller Group**") shall initiate, solicit, entertain, negotiate, accept or discuss, directly or indirectly, any proposal or offer from any person or group of persons other than Buyer and its affiliates (an "**Acquisition Proposal**") to acquire all or any portion of the Business or the Assets, whether by merger, purchase of stock, purchase of assets, tender offer or otherwise, or provide any non-public information to any third party in connection with an Acquisition Proposal or enter into any agreement, arrangement or understanding requiring it to abandon, terminate or fail to consummate the Transaction with Buyer. Seller agrees to immediately notify Buyer if any member of the Seller Group receives any indications of interest, requests for information or offers in respect of an Acquisition Proposal, and will communicate to Buyer in reasonable detail the terms of any such indication, request or offer, and will provide Buyer with copies of all written communications relating to any such indication, request or offer. Immediately upon execution of this Letter, Seller shall, and shall cause the Seller Group to, terminate any and all existing discussions or negotiations with any person or group of persons other than Buyer and its affiliates regarding an Acquisition Proposal. Seller represents that no member of the Seller Group is party to or bound by any agreement with respect to an Acquisition Proposal other than under this Letter.

(b) If within the Exclusivity Period, Seller does not execute definitive documentation for the Transaction reflecting the material terms and conditions for the Transaction set forth in this Letter or material terms and conditions substantially similar thereto (other than as a result of either the mutual agreement by Buyer and Seller to terminate this Letter or to change such material terms and conditions in any material respects or the unilateral refusal of Buyer to execute such definitive documentation), then Seller shall pay to Buyer an amount equal to the reasonable out-of-pocket expenses (including the reasonable fees and expenses of legal counsel, accountants and other advisors and whether incurred prior to or after the date hereof) incurred by Buyer in connection with the proposed Transaction, which amount shall be payable in same day funds on the day that is the first business day after the Exclusivity Period.

8. Termination. This letter will automatically terminate and be of no further force and effect upon the earlier of (i) execution of the Definitive Agreement by Buyer and Seller, (ii) mutual agreement of Buyer and Seller, and (iii) 6:00 pm MST on April 1st 2017. Notwithstanding anything in the previous sentence, paragraphs [7(b),]10, 11 and 13 shall survive the termination of this Letter and the

termination of this Letter shall not affect any rights any Party has with respect to the breach of this Letter by another Party prior to such termination.

9. Bid Expiration. This offer will remain in effect until 6:00 pm, Phoenix Arizona time, on April 1st 2017, unless accepted or rejected by Seller, or withdrawn by Buyer prior to that time.
10. GOVERNING LAW. **THIS LETTER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH INTERNAL LAWS OF THE STATE OF ARIZONA, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF ARIZONA OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF LAWS OF ANY JURISDICTION OTHER THAN THOSE OF THE STATE OF ARIZONA.**
11. Confidentiality. This Letter is confidential to the Parties and their representatives and is subject to the confidentiality agreement entered into between Buyer and Seller on February 1st 2017, which continues in full force and effect.
12. No Third Party Beneficiaries. Except as specifically set forth or referred to herein, nothing herein is intended or shall be construed to confer upon any person or entity other than the Parties and their successors or assigns, any rights or remedies under or by reason of this Letter.
13. Expenses. Except as set forth in **Section 7(b)**, the Parties will each pay their own transaction expenses, including the fees and expenses of investment bankers and other advisors, incurred in connection with the proposed Transaction.
14. No Binding Agreement. This Letter reflects the intention of the Parties, but for the avoidance of doubt neither this Letter nor its acceptance shall give rise to any legally binding or enforceable obligation on any Party, except with regard to paragraphs 7 through 13 hereof. No contract or agreement providing for any transaction involving the Business shall be deemed to exist between Seller and Buyer and any of its affiliates unless and until a final definitive agreement has been executed and delivered.
15. Miscellaneous. This Letter may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one agreement. The headings of the various sections of this Letter have been inserted for reference only and shall not be deemed to be a part of this Letter.

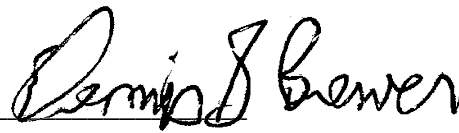
[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE

If you are in agreement with the terms set forth above and desire to proceed with the proposed Transaction on that basis, please sign this Letter in the space provided below and return an executed copy to the attention of Dennis Brewer.

Very truly yours,

Dennis S. Brewer

By: 
Title: CEO, WinnettOrganics, Inc.

Agreed to and accepted:

Barings Capital/Red Lake Ventures LLC

By: _____

Name: Robert Saul Title:

SECTION 1.0 - INVESTMENT OVERVIEW

General Assumptions

Total Capital Commitment During Term of Agreement:

Barings \$ 35,900,000.00

WinnettOrganics \$ 64,000,000.00

Total Assumed Debt:

Metlife \$ 19,200,000.00

Ownership Share of Red Lake Ventures LLC

Barings 36%

WinnettOrganics 64%

Hold Period: 4 years

Acquisition Timing Assumptions

2/15/17 LOI will be presented to Barings for negotiations

3/01/17 WinnettOrganics and Barings will enter into PSA

3/01/17 WinnettOrganics will deposit \$ 10,000,000.00 into escrow

3/01/17 Due diligence period begins

4/01/17 Acquisition date

Development Timing Assumptions

4/01/17 – 1/01/18 WO will invest \$ 8,000,000.00 in capital to complete the development of 2,480 gross drip irrigated acres, along with other Cap-ex improvements

1/01/18 – 1/01/19 WO will invest \$ 12,000,000.00 in capital to open and develop an estimated 2,430 gross drip irrigated acres, along with other Cap-ex improvements

1/01/19 – 1/01/20 WO will invest \$ 12,000,000.00 in capital to open and develop an estimated 2,430 gross drip irrigated acres, along with other Cap-ex improvements

1/01/20 – 1/01/21 WO will invest \$ 12,000,000.00 in capital to open and develop an estimated 2,430 gross drip irrigated acres, along with other Cap-ex improvements

Waterfall and Hurdle Assumptions

Tier 1

Preferred return (annual compounding)	3.5%
---------------------------------------	------

Tier 2

Barings share of Net Cashflows(1)	36%
-----------------------------------	-----

WinnettOrganics share of Net Cashflows	64%
--	-----

(1) Subject to limitation as described in Total Proceeds section of the Letter

Operating Assumptions

Internal Rental Rates:	conventional	organic (NOP)
Pivot	\$ 200.00 acre	\$ 300.00 acre
Drip	\$ 300.00 acre	\$ 450.00 acre

Administration Fee (percent of NOI):	1.5%
--------------------------------------	------

Contingency Reserve (percent of NOI):	10%
---------------------------------------	-----

Dennis Brewer

From: Gregory P. Crossgrove <[REDACTED]>
Sent: Thursday, February 16, 2017 10:50 AM
To: Dennis Brewer CEO
Subject: Phone Call

Dennis- Are you available for a call, later today or early tomorrow morning? Best regards! Greg

Sent from my iPhone

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Thursday, February 16, 2017 9:09 AM
To: 'Ronald G. McCormick'
Subject: RE: Tuesday

Ron – Thanks for your follow-up and your insights. Let me know if there is anything I should emphasize as we work our way through the presentation and discussion.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Ronald G. McCormick [mailto:[REDACTED]]
Sent: Thursday, February 16, 2017 9:06 AM
To: Dennis Brewer <[REDACTED]>
Subject: RE: Tuesday

Thanks. I sent out reminders to the attendees this morning. We should get the bound copies in time, but everything goes through security scans and eventually works its way through the system to our mail stop. If not in time, I'll get some copies of the electronic version completed. Shawn Baldwin has confirmed so when an SVP is coming it tends to motivate others to follow ☺...we are finishing up a major reorganization of Produce and Global Produce Sourcing so being sure we get good attendance of the right decision makers concerns me.

Ron

From: Dennis Brewer [mailto:[REDACTED]]
Sent: Thursday, February 16, 2017 7:53 AM
To: Ronald G. McCormick
Subject: Tuesday

Hi Ron – Hope all is well with you. I sent 6 bound copies of our presentation to you yesterday. You should have them tomorrow. I am also attaching an electronic version of the presentation for your use. See you Tuesday!

Regards,
Dennis

Dennis Brewer
Chief Executive Officer

WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

This email and any files transmitted with it are confidential and intended solely for the individual or entity to whom they are addressed. If you have received this email in error destroy it immediately. *** Walmart Confidential ***

Dennis Brewer

Subject: WinnettOrganics Collaboration
Location: GPS Conference Room (2nd floor HO)

Start: Tue 2/21/2017 2:00 PM
End: Tue 2/21/2017 3:30 PM

Recurrence: (none)

Meeting Status: Accepted

Organizer: Ronald G. McCormick

Purpose: To consider ways that Walmart and WinnettOrganics could work together to increase organic acreage and availability to meet future demand.

Agenda

- Introductions
- WinnettOrganics, Inc. Overview
- How Walmart sources and sells organics
- Current and potential growing areas
- Crop priorities for Walmart and WinnettOrganics and where they intercept, and where greatest potential exists
- Preferred Varieties and Resilient sourcing
- Interest and Next Steps

-- Do not delete or change any of the following text. --

[Click to Join Meeting](#)

1. Click above to join the meeting.
2. You can also join by accessing <http://walmart.webex.com> or using the Webex mobile app in the Google Play or Apple Store
 - Meeting Number: 741 590 236
 - Meeting Password: 1234
 - Host key: 702736 (Visible only to you and alternate hosts)

Join from a video conferencing system or application

Dial [REDACTED]

Internal Walmart video conference rooms: Simply dial the 9-digit meeting number

Join by phone

+1-855-797-9485 US Toll free

+1-415-655-0002 US Toll

Access code: 741 590 236

[Global call-in numbers](#) | [Toll-free calling restrictions](#)

To Mute/Unmute press *6

[Additional Global Call-in Numbers for Walmart Associates](#)

Walmart Associates: [Visit the help site for training videos, FAQs, and support discussions](#)

If you need assistance during the meeting, please call:

United States: 3-8866 (1-479-273-8866)

[Global Tech Support Numbers](#)

IMPORTANT NOTICE: Please note that this WebEx service allows audio and other information sent during the session to be recorded, which may be discoverable in a legal matter. By joining this session, you automatically consent to such recordings. If you do not consent to being recorded, discuss your concerns with the host or do not join the session..

This email and any files transmitted with it are confidential and intended solely for the individual or entity to whom they are addressed. If you have received this email in error destroy it immediately. *** Walmart Confidential ***

Dennis Brewer

From: Ronald G. McCormick <[REDACTED]>
Sent: Thursday, February 16, 2017 5:43 PM
To: Dennis Brewer
Subject: RE: Meeting Location

It is the HO Building at 702 SW 8th Street. The meeting room just moved from a vendor room to an upstairs conference room because of remodeling work that's going on in the vendor hall. The Service Desk will know you need the appropriate badge to go upstairs, and I'll come down and escort you up. If you haven't been here lately be advised that 8th Street is undergoing construction and you will need to follow signs to weave you up to the building.

From: Dennis Brewer [mailto:[REDACTED]]
Sent: Thursday, February 16, 2017 3:46 PM
To: Ronald G. McCormick
Subject: Meeting Location

Ron - Please provide the street address and location I should plan to visit for our meeting. I want to be absolutely sure I know where I am going. Thanks.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

This email and any files transmitted with it are confidential and intended solely for the individual or entity to whom they are addressed. If you have received this email in error destroy it immediately. *** Walmart Confidential ***

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Tuesday, February 7, 2017 5:16 AM
To: 'Jonathan Cross'
Cc: [REDACTED]
Subject: Airport Pickup

Jonathan - Please call Kristine Volk when you arrive at McCarran 702-334-4669 on Wednesday around 10AM. We will pick you at the airport. Will the TIAA-CREF consultant be meeting you at the airport as well?

For your reference, my cell number is 551-252-8164.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

Dennis Brewer

From: Bob Saul <[REDACTED]>
Sent: Friday, February 17, 2017 10:49 PM
To: Dennis Brewer
Subject: RE: Stockton Hill Farms - Proposal

Dennis, this is the first of many comments and questions but let me start with these.

- This has to be an asset sale (there are many reasons for that), but there are no operating losses of consequence.
- Not sure how \$10 plus \$10 plus second mortgage between \$38 and \$49 equals a value between \$75 and \$88. Did you mean you would assume the MetLife loan or am I missing something else.
- Break-up fee is fine but it has to be reciprocal
- Do you want all the acres? We have other term sheets we are assessing and want to maximize value
- Proof of funds is not in your LOI
- You will need to come up \$1000 on your value on "pasture" to be in the game
- I will get you the book value of drill rig
- If we get to terms, we will go straight to an PSA with a closing date within 45 days
- How would you want to handle farming the property this year?
- We will have to craft step in provisions carefully.

Finally, if you get me some of these answers, I can craft a better response. Because of your end use for the property, I am inclined to keep working on this. The values will have to change as described above, but once we get some clarification, we could move fast. Growing season is upon us!!

Thanks,

Bob

From: Dennis Brewer [mailto:[REDACTED]]
Sent: Wednesday, February 15, 2017 4:10 PM
To: Bob Saul <[REDACTED]>
Subject: [EXTERNAL] Stockton Hill Farms - Proposal

Bob – We are pleased to present our proposal for the acquisition of Red Lake Ventures, LLC and the affiliated well drilling company. Bill Reed, our VP of Real Estate and Construction, was primary drafter of the proposal and is out of town much of this week but I will be happy to answer any questions you may have about our proposal. We look forward to working through this transaction with you. You can reach me direct at 520-549-6245. I am in NJ so am on Eastern time.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

This e-mail transmission may contain information that is proprietary, privileged and/or confidential and is intended exclusively for the person(s) to whom it is addressed. Any use, copying, retention or disclosure by any person other than the intended recipient or the intended recipient's designees is strictly prohibited. If you are not the intended recipient or their designee, please notify the sender immediately by return e-mail and delete all copies.

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Saturday, February 18, 2017 11:15 AM
To: 'Bob Saul'
Subject: RE: Stockton Hill Farms - Proposal
Attachments: WinnettOrganics Revised LOI Barings-Stockton Hill Farm 170218.pdf

Bob – Thanks for your comments. Here is our response, including revised Letter (attached):

- This has to be an asset sale (there are many reasons for that), but there are no operating losses of consequence. **Okay, we have revised letter to reflect this approach.**
- Not sure how \$10 plus \$10 plus second mortgage between \$38 and \$49 equals a value between \$75 and \$88. Did you mean you would assume the MetLife loan or am I missing something else. **We would assume MetLife loan. Letter has been revised to simplify the transaction.**
- Break-up fee is fine but it has to be reciprocal **Okay, see new language**
- Do you want all the acres? We have other term sheets we are assessing and want to maximize value **We strongly prefer all the acres.**
- Proof of funds is not in your LOI **We will provide on 24th latest. Our partner did not get it done on time so we will probably have it Tuesday, given holiday.**
- You will need to come up \$1000 on your value on “pasture” to be in the game **Done**
- I will get you the book value of drill rig **Thanks**
- If we get to terms, we will go straight to an PSA with a closing date within 45 days **Okay, we will work to expedite closing process.**
- How would you want to handle farming the property this year? **We would prefer to take over all farming at Closing**
- We will have to craft step in provisions carefully. **We will attempt to expedite closing but are flexible on this.**

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Bob Saul [mailto:[REDACTED]]
Sent: Friday, February 17, 2017 10:49 PM
To: Dennis Brewer <[REDACTED]>
Subject: RE: Stockton Hill Farms - Proposal

Dennis, this is the first of many comments and questions but let me start with these.

- This has to be an asset sale (there are many reasons for that), but there are no operating losses of consequence.
- Not sure how \$10 plus \$10 plus second mortgage between \$38 and \$49 equals a value between \$75 and \$88. Did you mean you would assume the MetLife loan or am I missing something else.
- Break-up fee is fine but it has to be reciprocal
- Do you want all the acres? We have other term sheets we are assessing and want to maximize value
- Proof of funds is not in your LOI
- You will need to come up \$1000 on your value on "pasture" to be in the game
- I will get you the book value of drill rig
- If we get to terms, we will go straight to an PSA with a closing date within 45 days
- How would you want to handle farming the property this year?
- We will have to craft step in provisions carefully.

Finally, if you get me some of these answers, I can craft a better response. Because of your end use for the property, I am inclined to keep working on this. The values will have to change as described above, but once we get some clarification, we could move fast. Growing season is upon us!!

Thanks,

Bob

From: Dennis Brewer [mailto: [REDACTED]]
Sent: Wednesday, February 15, 2017 4:10 PM
To: Bob Saul < [REDACTED]>
Subject: [EXTERNAL] Stockton Hill Farms - Proposal

Bob – We are pleased to present our proposal for the acquisition of Red Lake Ventures, LLC and the affiliated well drilling company. Bill Reed, our VP of Real Estate and Construction, was primary drafter of the proposal and is out of town much of this week but I will be happy to answer any questions you may have about our proposal. We look forward to working through this transaction with you. You can reach me direct at 520-549-6245. I am in NJ so am on Eastern time.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

This e-mail transmission may contain information that is proprietary, privileged and/or confidential and is intended exclusively for the person(s) to whom it is addressed. Any use, copying, retention or disclosure by any person other than the intended recipient or the intended recipient's designees is strictly prohibited. If you are not the intended recipient or their designee, please notify the sender immediately by return e-mail and delete all copies.

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Monday, February 20, 2017 1:14 PM
To: 'Bob Saul'
Subject: RE: Stockton Hill Farms - Proposal

Thanks, Bob. Traveling today, so I will work on these details tonight and provide a revised Letter shortly thereafter.

We would be happy to discuss an equity position with you once we have come to final terms and know the fate of the Walmart proposal. We will have Dominick and Dickerman, our investment bankers, value the company if we go down this path.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Bob Saul [mailto:[REDACTED]]
Sent: Monday, February 20, 2017 9:45 AM
To: Dennis Brewer <[REDACTED]>
Subject: RE: Stockton Hill Farms - Proposal

Dennis,

Thanks for the quick response. The other group vying for the property is not nearly as responsive so this bodes well for both of us.

So three other additions to the term sheet. 1) The book value of the rig and drilling equipment is \$3.538 million. We can provide back up for that to the data room. 2) The actual acres are 16,105 so, to be fair, your purchase price number should be adjusted down by \$308,178. 3) The simplest way to do this deal, in good faith, would be for us agree to continue to fund farming and drilling expense on our current schedule (now drilling on Section 30 with the big rig which will move to Section 31), plus continue with the two test holes across the road. This would add about \$1 million to your balance sheet as we funded capex, assuming a closing on April 30. If you can add these plusses and minuses to the term sheet, we can start to get more serious when we get your financing letter.

One final detail that I will leave out of this discussion, is an option to convert some of our \$46 million second mortgage to equity in your enterprise. Right now, we have no way to value that, but if we got comfortable with your plan and resources before closing, we might consider it. The \$600 million contract with Walmart certainly sounds like a winner.

Thanks,

Bob

From: Dennis Brewer [mailto: [REDACTED]]
Sent: Saturday, February 18, 2017 11:19 AM
To: Bob Saul < [REDACTED]>
Subject: [EXTERNAL] RE: Stockton Hill Farms - Proposal

Bob – Thanks for your comments. Here is our response, including revised Letter (attached):

- This has to be an asset sale (there are many reasons for that), but there are no operating losses of consequence. **Okay, we have revised letter to reflect this approach.**
- Not sure how \$10 plus \$10 plus second mortgage between \$38 and \$49 equals a value between \$75 and \$88. Did you mean you would assume the MetLife loan or am I missing something else. **We would assume MetLife loan. Letter has been revised to simplify the transaction.**
- Break-up fee is fine but it has to be reciprocal **Okay, see new language**
- Do you want all the acres? We have other term sheets we are assessing and want to maximize value **We strongly prefer all the acres.**
- Proof of funds is not in your LOI **We will provide on 24th latest. Our partner did not get it done on time so we will probably have it Tuesday, given holiday.**
- You will need to come up \$1000 on your value on “pasture” to be in the game **Done**
- I will get you the book value of drill rig **Thanks**
- If we get to terms, we will go straight to an PSA with a closing date within 45 days **Okay, we will work to expedite closing process.**
- How would you want to handle farming the property this year? **We would prefer to take over all farming at Closing**
- We will have to craft step in provisions carefully. **We will attempt to expedite closing but are flexible on this.**

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Bob Saul [mailto: [REDACTED]]
Sent: Friday, February 17, 2017 10:49 PM
To: Dennis Brewer < [REDACTED]>
Subject: RE: Stockton Hill Farms - Proposal

Dennis, this is the first of many comments and questions but let me start with these.

- This has to be an asset sale (there are many reasons for that), but there are no operating losses of consequence.
- Not sure how \$10 plus \$10 plus second mortgage between \$38 and \$49 equals a value between \$75 and \$88. Did you mean you would assume the MetLife loan or am I missing something else.

- Break-up fee is fine but it has to be reciprocal
- Do you want all the acres? We have other term sheets we are assessing and want to maximize value
- Proof of funds is not in your LOI
- You will need to come up \$1000 on your value on “pasture” to be in the game
- I will get you the book value of drill rig
- If we get to terms, we will go straight to an PSA with a closing date within 45 days
- How would you want to handle farming the property this year?
- We will have to craft step in provisions carefully.

Finally, if you get me some of these answers, I can craft a better response. Because of your end use for the property, I am inclined to keep working on this. The values will have to change as described above, but once we get some clarification, we could move fast. Growing season is upon us!!

Thanks,

Bob

From: Dennis Brewer [mailto: [REDACTED]]
Sent: Wednesday, February 15, 2017 4:10 PM
To: Bob Saul < [REDACTED] >
Subject: [EXTERNAL] Stockton Hill Farms - Proposal

Bob – We are pleased to present our proposal for the acquisition of Red Lake Ventures, LLC and the affiliated well drilling company. Bill Reed, our VP of Real Estate and Construction, was primary drafter of the proposal and is out of town much of this week but I will be happy to answer any questions you may have about our proposal. We look forward to working through this transaction with you. You can reach me direct at 520-549-6245. I am in NJ so am on Eastern time.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

This e-mail transmission may contain information that is proprietary, privileged and/or confidential and is intended exclusively for the person(s) to whom it is addressed. Any use, copying, retention or disclosure by any person other than the intended recipient or the intended recipient's designees is strictly prohibited. If you are not the intended recipient or their designee, please notify the sender immediately by return e-mail and delete all copies.

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Tuesday, February 21, 2017 8:21 AM
To: 'Jonathan Cross'
Subject: RE: LOI

Jonathan – I was writing you – see below – as you emailed me. We have progressed to a sale price which is likely to stick - \$86 million including the well drilling company – down from the max of \$93MM I was willing to pay but more than our \$75MM minimum we talked about the other day. Primary difference was the price for undeveloped land which went from \$1500 to \$2500 per acre on 7,000 plus acres. Same terms, \$10MM now, \$10MM in six months, \$19.2MM assumption of MetLife loan, and a \$46MM second mortgage for four years.

Since we are closing this Friday, the 24th, we will need a day or two to get through the Definitive Agreement. When can we expect it?

Things are going well. Walmart meeting later today. Seed, fertilizer, tractors, planters, growers, harvesters, processors, packers, and interim distribution center lined up and ready to go. Kingman negotiations should be completed shortly after we provide proof of funds by Friday.

We want to start farming on March 13th so we can plant our first crops of peas the following week. Assuming we close on schedule, that gives four days to gather key equipment and ten days to get it to the farms. We already have the things we are going to buy in our sights, just need the funds to execute. And, once we have the equity, we can have a \$10MM to \$15MM equipment loan within two weeks. Final terms on that loan are expected from two potential sources this week.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Jonathan Cross [mailto:[REDACTED]]
Sent: Tuesday, February 21, 2017 8:11 AM
To: Dennis Brewer <[REDACTED]>
Subject: LOI

Dennis,

What kind of response did you get to the LOI?

JONATHAN CROSS

PRESIDENT

PRIVATE EQUITY

SHEFFORD CAPITAL PARTNERS, INC.

477 MADISON AVENUE

SIXTH FLOOR

NEW YORK, NEW YORK 10022

212.367.7079

PRIVATE EQUITY ACCESS

CONFIDENTIALITY NOTICE - THIS EMAIL TRANSMISSION AND ANY DOCUMENTS, FILES OR PREVIOUS EMAIL MESSAGES ATTACHED TO IT MAY CONTAIN INFORMATION THAT IS CONFIDENTIAL OR LEGALLY PRIVILEGED. IF YOU ARE NOT THE INTENDED RECIPIENT, OR A PERSON RESPONSIBLE FOR DELIVERING IT TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT YOU MUST NOT READ THIS TRANSMISSION AND THAT ANY DISCLOSURE, COPYING, PRINTING, DISTRIBUTION OR USE OF ANY OF THE INFORMATION CONTAINED IN OR ATTACHED TO THIS TRANSMISSION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE IMMEDIATELY NOTIFY THE SENDER BY TELEPHONE OR RETURN EMAIL AND DELETE THE ORIGINAL TRANSMISSION AND ITS ATTACHMENTS WITHOUT READING OR SAVING IN ANY MANNER. THANK YOU.

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Wednesday, February 22, 2017 6:44 PM
To: 'Daniel Krewson'
Subject: RE: Fee Agreement
Attachments: Signed Winnett Fee Agreement Feb 2017 170222.pdf

Signed fee agreement attached. Hopefully, we will be moving ahead soon. Thanks.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

From: Daniel Krewson [mailto:[REDACTED]]
Sent: Wednesday, February 22, 2017 6:35 PM
To: Dennis Brewer <[REDACTED]>
Subject: Fee Agreement

Dennis,

I realized, as we moved closer on the Utica proposal, that we spoke about fees in conversations but I don't think that we ever formalized anything. We typically charge 1% to 2% in total success fees on the aggregate loan amount (no deposits, retainers, etc. charged during the process). I pulled together our standard fee agreement for your review and look forward to discussing tomorrow.

The Utica guys are anxious to proceed and will be a good partner. Plus, in the mid-term, I think that the third lender (SQN) is going to be a valuable resource in bringing down the average cost of capital once WO is operating and cash flowing.

Best, Dan

--



Daniel Krewson, SVP, Senior Advisor
MultiFunding, LLC
(610) 761-0466 [REDACTED]

DISCLAIMER: The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, re-transmission, dissemination or other use of, or taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and destroy any copies of this document and any attachments.

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Wednesday, February 22, 2017 3:43 PM
To: 'Daniel Krewson'; [REDACTED]
Subject: Utica Leaseco
Attachments: Signed Winnet Proposal 2-21-17 170222.pdf; WinnettOrganics UTICA LEASECO_APPLICATION_FILLABLE_072815 170222.pdf

Signed documents, funding to follow on Tuesday assuming our equity closing happens on time.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better

Dennis Brewer

From: Dennis Brewer <[REDACTED]>
Sent: Wednesday, February 22, 2017 5:51 AM
To: 'Ronald G. McCormick'
Subject: Revised Proposal
Attachments: WinnettOrganics Rev1 Walmart Presentation 170221.pptx; 6-Plex Model APH=134A.pdf; Phase I DFAC Single Seating 440 Persons .pdf

Ron – It was nice to meet you in person. Thanks again for arranging the opportunity to present to your leadership team. I have revised our proposal to be more in line with Walmart's time horizon. Also, please find key milestones on the Volume slide 3 which should help to visualize our ramp up. I have included our availability chart. Note that the chart omits types, for example, it has a single line for beets, not mentioning red, gold, and Chioggia. So you will need to interpret the lines broadly to get to our overall list of 70 or so items. If there are other concerns or issues to be addressed in our proposal, please let me know.

You asked about our national brand strategy. We do intend to place our brand with retailers who will carry it. We will promote it actively in new media outlets including social media and provide customers with a loyalty program. We have budgeted 3.5% of sales for promotional activities and premiums, including green dinner parties and three year free electric car leases. We expect the loyalty program to drive traffic to our brand and to those stores that will carry it.

Shawn asked about housing. I have attached an example drawing of a 6 plex housing unit and one of our dining facility. Our worker lodges will also feature recreation halls, medical facilities with free medical care, soccer fields, etc.,. We are working to create a safe, friendly environment for our workforce so they will want to remain with the company.

I look forward to learning of Walmart's interest in pursuing this approach to consistent organic supply.

Regards,
Dennis

Dennis Brewer
Chief Executive Officer
WinnettOrganics, Inc.
623-207-9675 520-549-6245
www.winnettorganics.com



Sustainably Grown, Organically Pure, Transparently Better