

DENNIS BREWER

From: DENNIS BREWER
Sent: Monday, May 17, 2021 12:58 PM
To: Joanne Labelle
Subject: RE: More on Big Sandy River Ranch

Joanne - Thanks for the update. Sadly, follows the pattern.

We are working the investor and lender side rapidly. Daily feedback from our i-banker and a conversation with the Canadian investor at noon tomorrow. The pressure will mount as soon as we have a verbal commitment.

Once that verbal commitment is received, we will provide our next offer, even if no feedback has been received. Once the offer is accepted, we will tour as promised.

No panic on the non-response. It is an attempt to get the seller involved in the process, making it more real to them.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

Direct: 201-669-4933

Office: 800-956-9883

<http://www.sheldonbeef.com>

<https://sheldonfoods.com/>



Schedule a call at your convenience here:

<https://calendly.com/ceosheldonbeef>

From: Joanne Labelle <[REDACTED]>
Sent: Monday, May 17, 2021 12:51 PM
To: DENNIS BREWER <[REDACTED]>
Subject: Fwd: More on Big Sandy River Ranch

Response from Theo.

He has not answered yet the question about timing and what the seller feels would be good projected dates to get animal counts. Well

Joanne LaBelle
Associate Broker WY & ID, GRI, SFR

Jackson Hole Sotheby's International Realty

[1 South Main, Driggs, ID 83422](#)

Email: [REDACTED]

CELL: [\(208\) 313-7669](#)

Office: toll free [888-354-8880](#)

FAX [208-354-8895](#)

Sent from my iPhone. Please Excuse brevity and "creative" spelling and punctuation.

Begin forwarded message:

From: [REDACTED]

Date: May 17, 2021 at 10:18:35 AM MDT

To: Joanne Labelle <[REDACTED]>

Subject: RE: More on Big Sandy River Ranch

Joanne,

There are **no** sprinkler systems on the ground on the ranch. When I spoke with you about sprinkler systems, I mentioned that they are on **paper only** and not installed. There has been a draft made and the design has not been implemented.

With reference to your first e-mail the seller cannot give any estimate of the number of and class of livestock on the ranch at some future date. Currently the ranch and the area are in a drought and many of the ranchers are in the process of reducing their herd size.

To remind you, Pearson Real Estate Co. is selling the ranch and what livestock, machinery and equipment present on the ranch is a separate purchase, to be negotiated between buyer and seller. Pearson Real Estate Co will assist in the sale on the chattel. The livestock numbers on any ranch are constantly changing and the seller cannot make any guarantee on the number of head that will be available at a future date.

The availability and amount of hay and feed on the ranch also depends on the weather. Early feeding of hay may be necessary in the summer due to the weather conditions

I trust I have clarified your inquiry.

Yours, Theo

Theo Hirshfeld

Pearson Real Estate Co.,Inc.

P.O. Box 696 | 58 E. Benteen

Buffalo WY 82834

T: 307 684 9556 | TF: 888 684 9557

F: 307 684 8565

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From: Joanne Labelle <[REDACTED]>
Sent: Saturday, May 15, 2021 6:43 AM
To: Theo Hirshfeld <[REDACTED]>
Subject: More on Big Sandy River Ranch

Theo, The buyer is fine with using Torrington to determine market value of animals if that is the seller's preference.

And the buyer just asked me the following:

- Are the pivots going to increase the total number of irrigated acres or just replace flood irrigation on some existing irrigated land?

Could you please have the seller expound on that?

Joanne LaBelle
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Begin forwarded message:

DENNIS BREWER

From: DENNIS BREWER
Sent: Monday, May 17, 2021 3:14 PM
To: Joanne Labelle; [REDACTED]
Cc: [REDACTED]
Subject: RE: More on Big Sandy River Ranch

Theo – For purposes of your communication policy, consider this communication as coming through our agent’s office. You may direct your prompt and responsive answers to Joanne.

Joanne, please forgive me for not routing this communication through you.

As Joanne knows, I am becoming quite impatient with the lack of facts and data in response to our repeated inquiries. What we seem to be getting instead of answers is an entrenched repetition of positions previously expressed. As you must know, negotiation is conducted upon the basis of facts, data, analysis and insights, not the endless repetition of old positions. I am not hard of hearing or comprehension. Please seek clarification if you do not understand the question.

To provide a bit of context, I did my first transaction in 1983. I have been around the block a few times in the US and internationally. I have been working on ranch purchases in this size range for the past five years. I routinely work with seller’s agents to determine financial feasibility before one of our team takes an on the ground look whether in Arizona, Texas, Nevada, Nebraska, etc. Outside of the ag space, a LOI consistently precedes tours and detailed due diligence.

My largest deals to date have been in the \$500 million range outside the ag space. I have negotiated but backed away from an \$85 million irrigated land deal in the ag space when an SVP at our customer (Walmart) cancelled the project. I hold a BA, MBA, and was a CPA for an international consulting firm with 16,000 people. I first worked in ag with my Dad around 1970 and have raised cattle, sheep, hogs, and poultry on a moderate scale (dozens to thousands) over about 15 years since that time. Our Operations VP has raised 1.5 million cattle, more or less. Our other team members are similarly experienced.

Here are the issues at hand:

Transaction structure - Assuming we reach a financial deal, the transaction will be concluded as a purchase of the four entities. The only exception will be in the event we receive an attorney comfort letter in advance assuring us there will be immediate and direct transfer by the relevant agencies of all grazing allotments and leases, as well as all water rights, to our entity within 30 days of the closing of this transaction. In the event of such a non-entity form of purchase and sale, we will require full and unlimited recourse to the seller for any and all failures of agencies to comply with this required outcome.

Since we consider it very unlikely that either a knowledgeable attorney or your client would so agree, we fully expect to complete a purchase of the 4 entities. As previously stated by us numerous times, we have no problem with the seller assigning a value to the real estate portion of the transaction for purposes of calculating the real estate commission based upon our final negotiated offer and definitive agreement.

Pivots - We are only interested in knowing if the addition of any or all of the pivots would add acres to those acres already being irrigated.

Closing Date – When can the seller undertake the counts, brand inspections, and vet checks of all livestock under our supervision? How many days will this require and where will these activities take place? We are aiming for closing and possession about 60 days after LOI.

Thank you.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

Direct: 201-669-4933

Office: 800-956-9883

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From: Joanne Labelle <[REDACTED]>
Sent: Monday, May 17, 2021 2:21 PM
To: [REDACTED]
Subject: More on Big Sandy River Ranch

Thanks Theo- We realize that currently there are no pivots for irrigation but was the proposal of adding the pivots, going to be in the same location as the flood irrigated portion? I see the maps of the different pivot layouts, but the Buyer was not clear if by adding the pivots, how much additional land could be irrigated? Is there a map that I have missed that shows what area is flood irrigated and what is cut for hay?

We understand what you said in an earlier email back in early March: "Any additional irrigation opportunities is at the discretion of the buyer. At the moment it is what you see is what you get, approximately 1,600 irrigated acres of which 435 acres are harvested for hay."

Also any help the Seller can provide for the most sensible "dates" for counting the livestock which would then set up the dates for a proposed closing date on the ranch.

Thanks and enjoy the rest of your Monday!

Joanne

Joanne LaBelle
Associate Broker, GRI, SFR
Jackson Hole Sotheby's International Realty
1 South Main, Driggs, ID 83422
CELL: 208-313-7669
Fax: 208-354-8895

Email: [REDACTED]

From: [REDACTED] <[REDACTED]>
Sent: Monday, May 17, 2021 10:18 AM
To: Joanne Labelle <[REDACTED]>
Subject: RE: More on Big Sandy River Ranch

Joanne,

There are **no** sprinkler systems on the ground on the ranch. When I spoke with you about sprinkler systems, I mentioned that they are on **paper only** and not installed. There has been a draft made and the design has not been implemented.

With reference to your first e-mail the seller cannot give any estimate of the number of and class of livestock on the ranch at some future date. Currently the ranch and the area are in a drought and many of the ranchers are in the process of reducing their herd size.

To remind you, Pearson Real Estate Co. is selling the ranch and what livestock, machinery and equipment present on the ranch is a separate purchase, to be negotiated between buyer and seller. Pearson Real Estate Co will assist in the sale on the chattel. The livestock numbers on any ranch are constantly changing and the seller cannot make any guarantee on the number of head that will be available at a future date.

The availability and amount of hay and feed on the ranch also depends on the weather. Early feeding of hay may be necessary in the summer due to the weather conditions

I trust I have clarified your inquiry.
Yours, Theo

Theo Hirshfeld
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P.O. Box 696 | 58 E. Benteen
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Sent: Saturday, May 15, 2021 6:43 AM
To: Theo Hirshfeld <[REDACTED]>
Subject: More on Big Sandy River Ranch

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Sent from my iPhone. Please Excuse brevity and "creative" spelling and punctuation.

Begin forwarded message:

[REDACTED]

From: Dennis Brewer
Sent: Friday, June 4, 2021 4:20 PM
To: Lauren Foster; Lee Peters
Cc: Lindsey Benson
Subject: Re: Vistage Introduction

Lauren - Thank you.

Lee - I look forward to meeting with you.

Lindsey - I have few schedule meetings next week. If you can find a time or two on Lee's calendar, please let me know. I will confirm as quickly as I can.

Regards,
Dennis

Dennis Brewer

From: Lauren Foster <[REDACTED]>
Sent: Friday, June 4, 2021 4:16 PM
To: Lee Peters <[REDACTED]> <[REDACTED]>
Cc: Lindsey Benson <[REDACTED]>
Subject: Vistage Introduction

Lee & Dennis,

It's my pleasure to get you two introduced.

Dennis, as I mentioned, the next step is to meet with SVP, Lee Peters via video conference. Lee is responsible for the east coast region, working directly with the Chairs and partnering with them in sustaining their Chair practices. He is looking forward to connecting with you.

Lee, Dennis attended our information session yesterday and is interested in exploring further. September Academy would be the earliest Academy he could attend if there is mutual agreement to move forward. I listed your numbers below and have copied Lee's assistant, Lindsey Benson, to assist with scheduling the video conference.

[Lee Peters: 860-670-6839](tel:860-670-6839)

Dennis Brewer: 201- 887-6541 (resume attached)

Dennis, I look forward to reconnecting after your conversation with Lee.

Thanks everyone!

Warm regards,

Lauren Foster

Executive Recruiter, Chair Acquisition

858.509.5861 Direct | 858.922.7146 Mobile | [REDACTED] | vistage.com

Vistage Worldwide, Inc. 4840 Eastgate Mall, San Diego, CA 92121



What is a Life of Climb? [Learn more about the CEO journey here.](#)

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[REDACTED]

From: Dennis Brewer
Sent: Monday, January 10, 2022 3:26 PM
To: Richard Olympia
Subject: Re: Tuesday Call

Thanks, Richard. We'll talk then.

Regards,
Dennis

Dennis Brewer

From: Richard Olympia <[REDACTED]>
Sent: Monday, January 10, 2022 3:25 PM
To: Dennis Brewer <[REDACTED]>
Subject: RE: Tuesday Call

Dennis,

Thank you for the letting me know that you are currently a plaintiff in some important litigation which will continue for some time. I appreciate the transparency in regards to your current focus and timing. I look forward to connecting in June.

Best regards,

Richard Olympia
Executive Recruiter

858.509.5855 Direct | 301.717.8060 Mobile
[REDACTED]

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From: Dennis Brewer [mailto: [REDACTED]]
Sent: Monday, January 10, 2022 6:54 AM
To: Richard Olympia < [REDACTED]>
Subject: Tuesday Call

Richard - Let's save a little of your time for something more productive. I am currently a plaintiff in some important litigation which appears likely to continue for some time. This will undoubtedly get in the way of being able to focus exclusively on Vistage business and may require an extended absence during the discovery and trial phases of this matter. It seems the best course of action for now is to postpone any involvement with Vistage to some future date. Let's plan to discuss this again in June and see where the litigation process is at then. I appreciate Vistage's continued interest and look forward to our discussion at that time.

Thank you.

Regards,
Dennis

Dennis Brewer

[REDACTED]

From: Dennis Brewer
Sent: Tuesday, May 18, 2021 3:57 PM
To: Bryan Walsh
Subject: Re: Follow Up: Vistage Chairing Prospectus and Assessment

Sounds great, thank you!

From: Bryan Walsh <[REDACTED]>
Sent: Tuesday, May 18, 2021 3:08 PM
To: Dennis Brewer <[REDACTED]>
Subject: RE: Follow Up: Vistage Chairing Prospectus and Assessment

Hi Dennis,

I appreciate you sending this over for Lauren to take a look at before your call later this week! I'll be sure to get it in her hands.

Best,
Bryan Walsh

From: Dennis Brewer [mailto:[REDACTED]]
Sent: Monday, May 17, 2021 7:02 AM
To: Bryan Walsh <[REDACTED]>
Subject: Re: Follow Up: Vistage Chairing Prospectus and Assessment

Bryan - I found the Predictive Index to be interesting, though it does contrast significantly with some of my other recent profiles. I have attached my resume for your team's use as it provides a somewhat different personal style perspective. I am a Meyers-Briggs ENTJ, which is a significant contrast to the Predictive Index results.

From: Bryan Walsh <[REDACTED]>
Sent: Wednesday, May 12, 2021 2:22 PM
To: [REDACTED] <[REDACTED]>
Cc: [REDACTED] <[REDACTED]>
Subject: Follow Up: Vistage Chairing Prospectus and Assessment

Hi Dennis,

I enjoyed our conversation and learning more about you and your background. Thank you for your time.

[Here is the link for the prospectus](#) as promised. It provides an in-depth overview of Vistage, what would be involved in building a Chair Practice, the support you would receive, timelines, and the path to success. This will help to guide your next conversation with **Lauren Foster, Executive Recruiter**.

I have also included a [behind-the-scenes video](#) that gives a glimpse into a Vistage group meeting, and the [art of Chairing video](#) which has one of our current Chairs highlight the role, why he does it, and the impact it has made on him and on the member.

Additionally, please set aside 5-10 minutes in a quiet place to complete this un-timed [behavioral assessment](#) from Predictive Index. You will review your results with **Lauren on May 20th at 10 am ET**.

Bryan Walsh
Executive Recruiter Associate

858.509.5897 Direct
[REDACTED]

vistage.com

Vistage Worldwide, Inc.
4840 Eastgate Mall, San Diego, CA 92121



DENNIS BREWER

From: DENNIS BREWER
Sent: Tuesday, May 18, 2021 5:21 PM
To: Kitty Li
Cc: raymondp
Subject: RE: RMC retainer invoice for Feb & March

Kitty, Raymond - Sorry for the slow reply. I held my reply until this afternoon in order to have important conversations with an investor and an i-banker so I could communicate those discussions as part of my answer to you.

Since our Asian traders moved their orders away from us, and Walmart China changed their buyer and their open to buy request, we are currently dependent on Jason to develop any business in China and are operating on limited personal funds. We are unable to make even the late payment to you at this time.

We are currently working with investors on both Sheldon Beef and our Big Sandy Ranch purchase. Fiera Comox and Westwood Capital are considering our investment proposal. Our discussions are moving ahead but the outcome of those discussions is not yet assured.

I apologize for this situation and ask you to forebear and continue supporting Jason for the next several months as we work to secure both orders and investment dollars.

Thank you for your patience and consideration. They are appreciated.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

Direct: 201-669-4933

Office: 800-956-9883

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<https://sheldonfoods.com/>



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From: Kitty Li <[REDACTED]>
Sent: Monday, May 17, 2021 4:03 PM
To: DENNIS BREWER <[REDACTED]>
Cc: Raymond Poon <[REDACTED]> Kitty Li <[REDACTED]>
Subject: RE: RMC retainer invoice for Feb & March

Hi Dennis,

Hope you had a great weekend!

Just wanted to follow up the status, could you please share with us?

Thank you!

Best,
Kitty

From: DENNIS BREWER [mailto: [REDACTED]]
Sent: Friday, April 02, 2021 10:46 AM
To: Kitty Li
Cc: Raymond Poon
Subject: RE: RMC retainer invoice for Feb & March

No problem. I expect the Walmart China contract to be in place and other business we are quoting to be in process in April. I will set a reminder for May 10 to update you if I have not already done so. I appreciate your understanding.

Regards,
Dennis

Dennis Brewer

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From: Kitty Li < [REDACTED] >
Sent: Friday, April 2, 2021 10:28 AM
To: DENNIS BREWER < [REDACTED] >
Cc: Raymond Poon < [REDACTED] > Kitty Li < [REDACTED] >
Subject: RE: RMC retainer invoice for Feb & March

Hi Dennis,

Thank you for confirming receipt of the signed contract. And thank you for sharing the information. We have advanced Jason three months funds.

Could you please keep us posted on the forthcoming business? We would like to know the status before May 15.

Thanks & have a great weekend!

Best,
Kitty

From: DENNIS BREWER [mailto: [REDACTED]]
Sent: Wednesday, March 31, 2021 7:51 AM
To: Kitty Li
Cc: Raymond Poon
Subject: RE: RMC retainer invoice for Feb & March

Good morning – The signed contract was received in good order – thank you.

Our business with traders ended unexpectedly. When I told them of our sales presence in China, they pulled all their business, so we are back to square one on cash flow. We do have forthcoming business with Walmart which will restore cash flow, most likely in May/June. In the meantime, we appreciate your cash advances on our behalf to Jason. We regret this necessity and will cure the issue as soon as possible. In the meantime, Jason is performing well. Raymond's choice was a good one.

Thanks for your understanding.

Regards,
Dennis

Dennis Brewer

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Office: 800-956-9883

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<https://calendly.com/ceosheldonbeef>

From: Kitty Li < [REDACTED] >
Sent: Tuesday, March 30, 2021 9:38 PM
To: DENNIS BREWER < [REDACTED] >
Cc: Raymond Poon < [REDACTED] > Kitty Li < [REDACTED] >
Subject: RE: RMC retainer invoice for Feb & March

Hi Dennis,

Hope all is well!

Just wanted to follow up if you have received the updated contract that Raymond sent back to you weeks ago. Please let us know if there are any questions.

Thanks
Kitty

From: DENNIS BREWER [mailto: [REDACTED]]
Sent: Thursday, February 25, 2021 12:52 PM
To: Kitty Li
Cc: Raymond Poon
Subject: RE: RMC retainer invoice for Feb & March

Kitty – Attached please find the amended agreement for Raymond’s signature. See 4.1 for slightly modified language. Apologies again for our slow response. Our payment will be further delayed until about April 1, due to cash flow issues related to a sizeable delayed order.

On the good news front, we are working with Walmart China to sign a contract and requalify our supply chain for a 12 month, \$22 million, 1,800 ton beef supply contract which will start soon. This is a restart of a contract I first signed with them in 2017, before Trump screwed things up with China. We will be using your company’s local support capabilities to administer and support this contract.

We expect our business with Walmart China to significantly expand over the next several years as we gain their full confidence, and as they move to more than double their China store count from 400 to 900 stores. We are also in touch with Costco’s VP Meat in Washington state regarding supplying their 3 stores near Shanghai and additional China stores they are planning in the next few years, as well as grainfed organic beef we will be introducing I the US this Fall.

Once again, apologies for the delay and troubling you with our short-term challenges. We look forward to a strong relationship with you over the years.

Thank you!

Regards,
Dennis

Dennis Brewer

Chief Executive Officer
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Office: 800-956-9883

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From: Kitty Li <[REDACTED]>
Sent: Wednesday, February 17, 2021 9:31 AM
To: DENNIS BREWER <[REDACTED]>
Cc: Raymond Poon <[REDACTED]> Kitty Li <[REDACTED]>
Subject: RE: RMC retainer invoice for Feb & March

Hi Dennis,

Hope all is well!

Just wanted to follow up if the updated contract is ready.

Thanks
Kitty

From: Kitty Li [mailto:[REDACTED]]
Sent: Monday, February 01, 2021 3:44 PM
To: DENNIS BREWER
Cc: Raymond Poon; Kitty Li
Subject: RE: RMC retainer invoice for Feb & March

Hi Dennis,

Hope you had a great weekend!

Well noted. We will wait for the updated contract.

Thanks
Kitty

From: DENNIS BREWER [mailto:[REDACTED]]
Sent: Friday, January 29, 2021 11:20 AM
To: Kitty Li
Cc: Raymond Poon
Subject: RE: RMC retainer invoice for Feb & March

Hi Kitty – Thank you. While I do not mean to make this process excessively bureaucratic, I did mention to Raymond that we will need to draft/sign a contract for sales support in China prior to paying the invoice you transmitted. The contract, or a modification thereof, will be modelled on the previous contract we signed. Our attorney is working on it now.

Thanks.

Regards,
Dennis

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From: Kitty Li <[REDACTED]>
Sent: Wednesday, January 27, 2021 2:48 PM
To: DENNIS BREWER <[REDACTED]>
Cc: Raymond Poon <[REDACTED]> Kitty Li <[REDACTED]>
Subject: RMC retainer invoice for Feb & March

Dear Dennis,

Hope all is well!

Attached please find the retainer invoice for February & March sales in ShangHai. Our banking information is in the invoice. Let me know if there are any questions.

Thanks
Kitty

DENNIS BREWER

From: DENNIS BREWER
Sent: Wednesday, May 19, 2021 8:41 AM
To: Matthew Corbett
Subject: Rough Cut Financials - Gannett Peak Ranches
Attachments: Gannett Fiera Comox Peak Ranches All Case Ready Proteins 210517-1.xlsx

Matt – I enjoyed speaking with you yesterday. We had engineered the business plan and financials around a typical investor profile with a 5 to 7 year hold period and more leverage than you are comfortable with. We reran the numbers with modified assumptions, including an indefinite hold period, a 2% dividend, 40% debt more or less, and greater funds availability over time. This modified aggressive growth Gannett Peak Ranches pro forma is attached. A brief discussion of Sheldon Beef is below. The total investment in Gannett Peak Ranches and Sheldon Beef is \$55 million over the next 7 years.

The attached pro forma is an aggressive sales and market share growth plan. It is a first rough cut for discussion purposes. This highly accelerated plan requires a \$45 million investment in Gannett Peak Ranches. Over seven years, we grow quickly to \$1.4 billion sales revenue. We have made several conservative assumptions about the timing of cash flows for capacity additions, so it is likely that both the \$20 million and \$25 million investment tranches can be phased somewhat differently based upon attaining agreed targets. We can refine as needed.

Key milestones, including significant acceleration of operational investments, and addition of both a second case ready plant and finishing location in the Midwest, are accounted for in this pro forma and will be updated in the Business Plan after our next discussion. The key constraints to achieving these much higher revenue levels will be organic feed and livestock availability. With intelligent long-term contracting, which our producers also prefer, we can likely mitigate these constraints to a significant degree.

As shown below, the organic cattle numbers are adequate since most organic dairy farmers would benefit from the higher prices for organic stockers as compared to the price they receive for conventional calves. The pig numbers will be challenging but pigs reproduce fairly rapidly in large numbers. Consuming 30% of the total potential feed sources will be challenging to achieve at reasonable price levels. As you know, it takes 3 years to convert farmland from conventional to organic. We may need to incentivize some farmers to add to the organic land base. We have not accounted for any such incentives in the pro forma presented with this email.

Dec 2028 Annualized Run Rate			2019 Current Production	
	Head	Bushels	Head	Bushels
Cattle	213,660	10,015,313	376,952	
Lamb	10,800	3,240,000	9,937	
Goat	1,100	286,000	9,169	
Pig	406,680	5,446,607	15,041	
		18,987,920		62,196,595
			Corn	37,856,835
			Barley	3,792,565
			Soybeans	5,757,938
			Sorghum	328,065
			Triticale	268,268
			Wheat	14,192,924
				62,196,595

SHELDON BEEF

Sheldon Beef's sales forecast is much more difficult to project since our typical annual contract size is \$20 million and above for each customer. For example, just yesterday after I hung up the phone with you, we bid a \$96 million contract in southern China. Our discussions with them are continuing tonight. This contract would provide net margins in the \$7 million range and cost about \$550,000 to administer over the next year. Accurately forecasting growth in Asia trading and in-country sales volumes is very challenging. Typically large contract sizes and the lack of predictability in winning these sales contracts are among the many reasons. As we have all witnessed, sloppy Chinese ag hygiene practices can create unpredictable shortages, and volatile international political and pandemic conditions can dramatically impact sourcing and sales. As we work to diversify our trade in the region, we will be able to reduce single country sales risks. South American sourcing risk and price volatility will be dramatically reduced once the pandemic is under control there.

Beef in China is a \$6 plus billion business growing at around 20% per year with strong import growth opportunities right now due to the Chinese government's Australia trading ban. Most of the growth in imported beef will be sourced from grassfed South American beef, as their prices are lower than North American grainfed prices. Chinese consumers mostly stew and fry their meats, so the well marbled, premium, and more expensive cuts from North America are consumed much less frequently. Pork is about \$350 billion, with imports strong now because of swine flu reemergence in China.

China and the rest of East Asia are increasingly important middle income country markets. With rising incomes, protein demand rises and these countries cannot supply 100% of demand internally. Investment funds will grow and strengthen our sales operations there. As we become more well recognized, we will place chilled and frozen inventories at 3 public warehouses for broader distribution. This will grow margins on in-country inventory into the 20% to 25% range. Our business with Walmart China, which is very well respected there, will add a great deal to our credibility with Chinese grocers.

These operations will require a \$10 million equity investment over the next four to five years. A modest initial investment in the sales and administrative operation (\$500K to \$800K per year from 2022- 2024) and a time phased \$15 million debt and equity investment in inventories in 2024-2025 will be needed to support growth there. Beginning in 2024, approximately 1300 metric tons will be staged near Shenzhen, Shanghai, and Beijing. Another 1,300 to 1,600 metric tons will need to be in the 3 to 5 week ocean shipping process at all times to sustain this operation.

Our revenue run rate on in-country inventory will grow to \$16 million per month in 2025 with margins in the 20% to 25% range. Contracted trading margins will continue to be in the 5% range. For the time being, we are talking only about conventional protein, not specialty premium beef such as our grainfed organic protein line. This conventional protein

supply will be sourced from mid-size packers in North and South America who currently do not have direct access to international markets.

Thanks, Matt. We appreciate your continued interest. I look forward to our further conversations and to getting to know other members of your team as time goes by.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

Direct: 201-669-4933

Office: 800-956-9883

<http://www.sheldonbeef.com>

<https://sheldonfoods.com/>



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DENNIS BREWER

From: DENNIS BREWER
Sent: Wednesday, May 19, 2021 3:23 PM
To: Gross, Mark
Subject: RE: Business Plan - Extensive Reorg

Sure, I get it. With 9 billion people coming in the years ahead there is a great deal of opportunity in the food supply chain, including some of these little \$14 billion niches.

Thanks again, Mark

Regards,
Dennis

Dennis Brewer

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From: Gross, Mark <[REDACTED]>
Sent: Wednesday, May 19, 2021 3:10 PM
To: DENNIS BREWER <[REDACTED]>
Subject: Re: Business Plan - Extensive Reorg

Sounds good, Dennis.

There is a lot of interest in ag, ag tech, and food tech. So I don't think attracting interest will be an issue. But we need to make a case that holds together.

Best,
MWG

Mark W. Gross
Managing Director
WESTWOOD CAPITAL
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33rd Floor
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Direct: +1.212.867.5754 Mobile: +1.646.229.6981
Member FINRA/SIPC

On May 19, 2021, at 14:12, DENNIS BREWER <[REDACTED]> wrote:

Mark – We are requesting a market research proposal from Hartman Group covering each of your key points. They are a food industry specialist with a great reputation in the organic space.

<https://www.hartman-group.com/search? token=6XYCkAmi65DyVkGkFZwUvkNBw4yGZHiGQLS6PwIY&search=organic>

We are also continuing our discussions with a specialty ag investment management firm in Canada which invests for pension funds there and has no transaction related time horizon in their fund. They currently have 4 ag deals in the US and others in Australia and New Zealand. Several members of the team have real world ag experience as managers and executives.

I'll keep you updated.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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<image001.png>

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From: Gross, Mark <[REDACTED]>
Sent: Wednesday, May 19, 2021 10:34 AM
To: DENNIS BREWER <[REDACTED]>
Subject: Re: Business Plan - Extensive Reorg

Dennis -

I appreciate your comments. But I don't know how to be more clear.

It's not my role to assess your business, so trying to convince me of its validity is wasted effort. I'm simply advising what it would take for us to help you raise financing. What WE would need to have a reasonable chance of success if you were to engage us.

And, to be completely clear, that would be one the following:

OPTION ONE: A business plan beginning with third party data supporting (a) the market for this currently unavailable product, (b) the willingness of customers to pay a premium for it and (c) as sizing of that market. Followed but a comprehensive end-to-end discussion of how you would build a company, source the cattle, process, package and distribute the beef, and market and build the brand.

OPTION TWO: Provide documentation of a long-term take or pay contract covering at least the period of the financing.

OPTION THREE: Provide collateral with an independent liquidation value of at least 130% of the financing amount.

In other words, you can demonstrate a viable long-term business of interest to an equity investor, you can provide documentation of expected cashflows that could be securitized, or you can obtain asset-based (i.e., mortgage) financing.

The kindest thing I can say about the current presentation is that it is a hodgepodge that perhaps contains incomplete elements of each.

Best,
MWG

Mark W. Gross
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On May 18, 2021, at 13:47, DENNIS BREWER <[REDACTED]> wrote:

Thanks, Mark. I take your point regarding the investment thesis. We are working on market-driven data points, though they are as difficult to find for a new product line as it would have been for the first Facebook or Google investors. I'm not saying this is Google but we are innovating into a unfilled space with enormous relative potential. As mentioned, it is a largely unfilled \$14 billion marketplace today in an organic market which continues to grow and take consumer food dollar share at healthy rates overall. This trend is starting to wash over into food service as well and we can pick up brand new share in that space among fine dining establishments through distributor alliances in key markets. Finally, we do have an ongoing business as our fallback/risk mitigation position. One that can earn respectable returns in the 25% IRR range as it stands today.

I certainly agree that a brand is challenging to build and that PCC and Whole Foods are better starting points for us. However, Costco specializes in selling upscale items at lower scale prices and their customer base has well above average income and education profile and tends to overbuy organics. Their store numbers tell them this today in other food categories.

As for building the brand, we have someone who has been there done that in specialty proteins. I am confident we can pull this off within the planned investment level on a regional basis. We know who the likely consumers are. Most of them can be emailed on a localized basis as our products appear in grocers in their region. We can fulfill online orders the day after our first carcass is finish cut and packaged using eGourmet. We can use social media and search engine advertising for targeted advertising and promotions. Organic continues to have a cult-like core audience in many regions (PCC and their 58,000 members is an example, as are hard-core Whole Foods shoppers), so we start with them and work our way to the less committed organic consumer over time. As we know with social media a group of committed players can do almost anything these days (January 6th being a terrible example). So, the tools are there and accessible to us at affordable with the experienced protein marketing and sales leadership we already have in Brad Kumin.

With a \$10 million investment, we will be a regional brand with \$150 to \$200 million in sales and good EBITDA growth. Something an investor can sell in 5-7 years. To scale more quickly, we will certainly require added financing to deploy our model and brand nationally and internationally. We will also have to sacrifice early years EBITDA growth to attain scale more quickly. The tradeoff is the relative certainty of strong incremental EBITDA growth with a regional model versus uncertainty, at least in the early stages, of revenue growth and our rate of market capture.

As presently presented, we are trying to balance the two, while favoring EBITDA growth within a 5-7 year horizon. With an investor with deeper pockets and a longer term view, we can dramatically accelerate growth by vertically integrating toward the market much more quickly, putting harvest and case ready plants on the front burner. For example, there are 350,000 or so head of cattle which can be converted to organic feeders in fairly short order if we want to go big quickly. We can pick them up at 400 pounds from dairies and ranchers, and have them on the dinner plate 15 months later. Organic pigs (15,000 total), lambs (10,000 total) and goats (5,000 total) grow and finish in six months or so, much faster than cattle, so these product lines can grow revenue that quickly. We have 8,000 ewes and 440 nannies on our Big Sandy Ranch whose offspring, 10,800 lambs and 1,000 kids can be harvested organically beginning in Fall 2022.

Once the \$10 million investment has shown the expected market result, we have options. Flip it, or accelerate investment and do so at a much higher valuation. Our cell-based case ready plant production system permits complete carcass level traceability for every individual package of meat. No one offers this today anywhere on the planet. Another seemingly impossible capability we can use to differentiate ourselves. To sustain our premium brand position, we market this more like a fine wine than another plastic wrapped piece of meat on a white tray.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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<image001.png>

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From: Gross, Mark <[REDACTED]>
Sent: Tuesday, May 18, 2021 11:39 AM
To: DENNIS BREWER <[REDACTED]>
Subject: Re: Business Plan - Extensive Reorg

Dennis -

I agree that each iteration is an improvement on the prior and that the tone is now much more professional.

But my concerns aren't really about word-smithing — they are whether we've compellingly proven our two fundamental underlying premises and accurately described the business model.

Premise 1: There is market demand for cornfed organic beef. You very well may be onto something here, but your opinion and that of the Costco meat buyer that "grass fed doesn't taste right" is simply not sufficiently compelling as an *investment thesis*. You are going to need to back this contention up with some real data of some kind.

Premise 2: Consumers are willing to PAY A PREMIUM for this product. Without this, we simply have a higher cost structure off an unchanged price and, therefore, lower returns than our competitors.

Not only haven't we *made* our case, we've kind of undermined it. While we say that grass-fed organic doesn't taste good, we note that this segment is growing at three times the rate of beef generally. Perhaps adoption is simply stymied by poor distribution. Perhaps it's just an acquired taste. I lived in Brazil for many years, where all beef is grass fed — and a different cattle breed — but I think it tastes great. I like cornfed too, and it's certainly easier for the American home cook to prepare, but my point is that your *presumption* that the taste is the turn off is just that. And, in the absence of additional market data, there are equally viable alternative hypotheses for what's going on in the market.

I'm not saying your thesis is wrong. And even if it's only right for a subset of the population, you could still have a viable business model. But as an *investment thesis*, you need to validate these contentions with data.

Having Costco as our principal/sole distributor seems to undercut the second point. I'm a big fan of Costco, but I don't think of it as a premium-quality-at-a-premium-price customer base. Seems like agreements with Whole Foods, D'Artagnan, Wegman's, Citarella, etc. would be much more consistent with the brand you're trying to build.

But, after now having read this five or six times, my biggest concern is that it simply misrepresents the scope and complexity of the undertaking — I'm not sure in which direction.

One way is that while present this as **A** \$10mm investment in **A** ranches, it's much more than that. It's a vertically integrated, essentially new category, within protein (or at least beef).

In this scenario, the ranch is merely the foundation of a multi-story commercial enterprise. One that will require much more investment than outlined here. So it's misleading to only talk about the cost of laying that foundation or to suggest that investors in the foundation will somehow remain in some level of control of the completed edifice. We "wish" a lot of the complexity away by suggesting we'll use outside suppliers for abattoir, packaging and distribution. But building a brand is very expensive. And if we run the entire enterprise there is still a vast cost to orchestration of those suppliers, logistics, distribution, marketing, etc. That is not captured here.

Alternatively, it IS just a ranch. One whose sole purpose is to white label a product for Costco. That could work too. But then we'd need to have some long-term off take agreement or similar demonstration of their commitment that all we need to do is get these to the slaughterhouse door in order to be paid.

I think you've taken the word-smithing about as far as you can. It's really about identifying and proving your underlying premise(s) as well as articulating the entirety of the business model — whichever of the two above (or something else) it turns out to be.

MWG

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On May 17, 2021, at 12:52, DENNIS BREWER <[REDACTED]> wrote:

Mark - Based upon your questions and comments, I have added a significant amount of the comments I sent to you in my last email reply into the Business Plan. It definitely helps to have someone who is not immersed in this space every day question my assumptions, including my assumptions about an outsider's knowledge of this space.

Thank you for that.

Hopefully, this version will be significantly more enlightening than before.

Regards,
Dennis

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<Gannett Peak Ranches REWORKED Business Plan 210517.pdf>

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DENNIS BREWER

From: DENNIS BREWER
Sent: Wednesday, May 19, 2021 3:43 PM
To: Mike Maggard
Subject: RE: Update

Thanks, Mike. I appreciate your patience and support.

Regards,
Dennis

Dennis Brewer

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From: Mike Maggard <[REDACTED]>
Sent: Wednesday, May 19, 2021 3:33 PM
To: DENNIS BREWER <[REDACTED]>
Subject: RE: Update

Dennis,

Thanks for the update, happy to help as a guarantor and with the funds raise. It all sounds promising, I think bringing on an investor to set the organic line up properly is a great step, there is tons of opportunity in the space and more and more people are moving towards organic so the space will continue to grow.

Best regards,

Mike Maggard

SVP, Recruiting and Operations

(469) 233 -1582

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From: DENNIS BREWER <[REDACTED]>
Sent: Wednesday, May 19, 2021 2:21 PM
To: Mike Maggard <[REDACTED]>
Subject: Update

Mike – Just a heads up. We are in discussions with a Canadian investment manger which specializes in ag. They are a relatively new firm of well experienced people and have 7 partnerships with significant ag firms, including 4 in the US. They manage funds for Canadian pension funds so they have fantastic access to capital and, unlike most such investors which have a 5-7 year fund lifetime, they invest for the very long term, measured in decades. It is a great opportunity for us and our grainfed organic protein line to become the dominant force in this space by building for the long term, instead of so an investor can flip the company in a few years. If our discussions proceed as expected, we will be working over the next few weeks toward a common understanding about investment levels in the tens of million and sales results in the billions within a decade.

This may include calling on you as a guarantor to assist with our internal funds raise. We will need invest pro-rata alongside them. We would, of course, be calling on Ibrahim and the rest of our team to join around the closing date. This all speculative as of this moment as we have only engaged in first round talks. They went well and their team is taking a deeper dive on our business plan. Just wanted to provide a heads up. I will keep you up to date on developments.

Also, fyi, we are discussing a 30FCL monthly order valued in the \$6MM to \$8MM range per month using our North American supply chain. Australian imports are banned from China over politics, and South America is overwhelmed by Covid. South American prices are spiking dramatically due to plant shutdowns and several countries are imposing export embargoes to keep domestic prices lower. We have a better shot than usual at securing some share of this Chinese business for the moment and perhaps for the long term.

Regards,
Dennis

Dennis Brewer

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DENNIS BREWER

From: DENNIS BREWER
Sent: Thursday, May 20, 2021 9:56 AM
To: Matthew Corbett
Subject: RE: Rough Cut Financials - Gannett Peak Ranches
Attachments: Fiera Comox Gannett Peak Ranches Dynamic All Case Ready Proteins 210520.xlsx

Matt- Thanks. Yes, I understand the level of returns issue well.

GANNET PEAK RANCHES TOTAL RETURN

We could detune and assume the pricing premium diminishes more rapidly than we expect. In the attached spreadsheet, in the Financial – All Proteins tab, we have inserted price and cost inflators and deflators at lines 207, 213, and 220 to make it easy to modify wholesale pricing to retailers and key inputs costs. You can also vary our initial livestock populations and their monthly growth rate at lines 196 through 199. Feel free to take these critical data points for a test drive. The results of your modifications will also be reflected in the Financial Summary tab and the Investor Return tab.

Barriers to entry are consequential. We have the ability to sustain our proprietary finish feeding innovation for a considerable time. It is not easy for someone steeped in grassfed or conventional livestock production to wrap their head around all the changes in approach required. Quickly mastering this process and all the details involved will likely lead them to make many of the mistakes we made as we worked this system out. Finally, it is highly likely we can protect key elements of the total process as intellectual property. I am happy to talk about this in more detail at some point.

Other barriers exist as well. Under the aggressive growth scenario, we can lock up a considerable share of organic inputs making entry that much more difficult. Our innovative cell-based plant production system provides consumer level cut traceability is completely unavailable anywhere in the protein space and will be very difficult to match without massive investments by others. We can likely protect this process innovation and the core related information system innovations as well. So, we are not talking commodity ag goes to market.

The analog is more like the Apple I-phone (\$1,000 to \$1,500) versus commodity smartphones (\$300 to \$500). Both process innovation and brand identity make the difference for Apple as compared to other smartphone suppliers. It is highly likely organic premiums will hold for a considerable period. The regional rollout in North America, then elsewhere, will grow share and brand recognition, enable our investments in product and process innovation, and enhance our inputs buying power. Organic produce held its super premium pricing status as compared to conventional produce for more than 30 years. In our case, the challenge is at least as big for any would-be competitor.

SHELDON BEEF

As I mentioned in our conversation Tuesday, we had a predecessor company until January 2020. Sheldon Beef was formed in January, on the very day of the Wuhan closure. 2020 results were a \$22,000 loss on zero revenue. We reopened offices in February 2021 and are again working with Walmart and a number of other privately held large scale chains in China. We also have some connections in Korea and Malaysia, though we do not yet have a local presence in either market.

Our introduction to Walmart occurred in 2015 regarding an organic produce project. We began talking with Walmart China in the second half of 2017, shortly after China lifted the BSE embargo imposed in 2003. The predecessor company signed the initial contract with Walmart China in early 2108. We went through the months long and very thorough Walmart on-boarding process and were ready to ship their first order in June 2018. Trump went to China tariffs later in the month. China retaliated, imposing a 25% incremental tariff on our product line, and we were no longer competitive at retail. We waited through several false dawns before we shut down the China sales operations. Obviously, we lost

hundreds of thousands of dollars over the period as we persisted through several rounds of Trump false promises -the end is near, it will disappear – his now familiar MO. We simply failed to factor in that an American President would act in the way he did.

My point is not to complain about Trump but to illustrate our long term commitment to these market opportunities and to innovation in our marketplace. Well thought out, based upon prior practical experience and a bit out of the mainstream. Working in commodity ag is neither financially nor intellectually appealing. I have been involved in process innovation my entire career as a consultant, executive, and entrepreneur in ag, tech, supply chain, business development and sales. Our founding team has worked together for years. Every member has directly relatable experience working in product introduction, innovation, scaling markets and operations, and impactfully executing on our plans.

OUR TEAM KNOWS THE WAY

By way of example, I ran an engineering firm which acquired and managed implementation of all material handling for the Boeing 747 plant prior to my time there and the first massive production line rocket plant, the Delta IV heavy rocket platform. The rocket is comparable in size to a 747. Handling these huge and delicate shapes in a completely new way is an incredible challenge. Our CFO was a pioneer in the introduction of frozen yogurt to North America. Our VP-Ops has raised 1.5 million cattle, including running some of the first NTHC and identity-traced programs in the space at large scale. Our VP-Logistics ran fresh produce in and out of Latin America using Maquiladora plants to better manage packaging costs. Our CIO has managed numerous large-scale implementations and software app development projects. Our CRO has lived in the commodity and specialty proteins spaces, working with retailers and in-house sales, marketing and production teams, while achieving above-market growth rates and consumer product adoption processes. So, we are familiar with all the relevant activities and stages of growth in scaling a pilot to a large scale, well-orchestrated operation.

Thanks, Matt.

Regards,
Dennis

Dennis Brewer

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From: Matthew Corbett <[REDACTED]>

Sent: Thursday, May 20, 2021 8:23 AM

To: DENNIS BREWER <[REDACTED]>

Subject: RE: Rough Cut Financials - Gannett Peak Ranches

Thanks Dennis

Again, I do understand the things are you are sharing below. But 60-70% IRRs over multiple years would be seen as exceptional returns for VC, let alone agriculture

I also wanted to follow-up on the Sheldon Beef numbers. Are you comfortable sharing high-level financials over the last few years?

From: DENNIS BREWER <[REDACTED]>
Sent: Wednesday, May 19, 2021 5:23 PM
To: Matthew Corbett <[REDACTED]>
Subject: RE: Rough Cut Financials - Gannett Peak Ranches

Well, Matt, wholesale pricing is a key issue, as is the speed and cost of market penetration. Protein pricing premiums are the highest of all organic premiums. I have included a copy of the USDA pricing premiums chart from the Business Plan below. As for speed of penetration and sell through, our local knowledge will help us focus on the quick start opportunities in each region first and backfill later. As you know, grocers stock what sells and what pays their bills.

We know the organic hotspots and the retail banners who will want to be the first to carry our products. We also have the toolset to notify and network with the core organic consumers who are early adopters. We have identified a social media specialist to lead our charge there, and will use in-store promotions and demos to steer core organic customers toward these banners. Our CRO started with Tyson 15 years ago right out of college and has led sales, marketing, and support teams in large protein and specialty foods companies since that time. Not a desk bound executive type, he rolls up his sleeves and make sales calls just like I do nearly every day. That is why we know the space well.

As for total return, please keep in mind we are highly vertically integrated, managing nearly all the activities in the value chain in-house. This includes growing, finishing, processing, and packaging the proteins for retail sale. Once we outgrow the limited capacity of the existing USDA inspected contract processor and retail packager network, we will control virtually all the margin dollars except for the retailer's markup. This is partly of necessity as the organic contract processing network capacity is quite limited. Our in-house case ready plants will allow us to bring breakthrough technology to individual retail consumers at the package level, providing complete traceability for every individual protein package for the first time ever. Using our blockchain-based application, the consumer will be able to easily trace exactly how the animal was raised, cared for, and processed. This brings specific, tangible evidence for our pasture finishing, humane handling, and quality claims to every retail package.

This extraordinary level of traceability is simply impossible to accomplish in any existing production plant. Every USDA inspected protein processing plant of any size uses Henry Ford style line-based production. Our plant will use production cells and blockchain technology, allowing us to trace every single cut back to the source animal. With comprehensive integrated animal history, we can make very discrete and verifiable claims about the specific steaks the consumer's family is about to eat. This is similar to a winery vintage, except we can say with certainty how each and every bottle in that vintage was handled. Consumers want to be able to verify claims. They trust and buy brands for this reason. We give them a distinctive product, a distinctive brand, and individualized proof of our brand integrity with every single package. This is not a perfect analogy - but 40 years ago who knew we needed a communication device, including an online database we could ask questions of, to carry around in our pocket? Today, this is an indispensable tool.

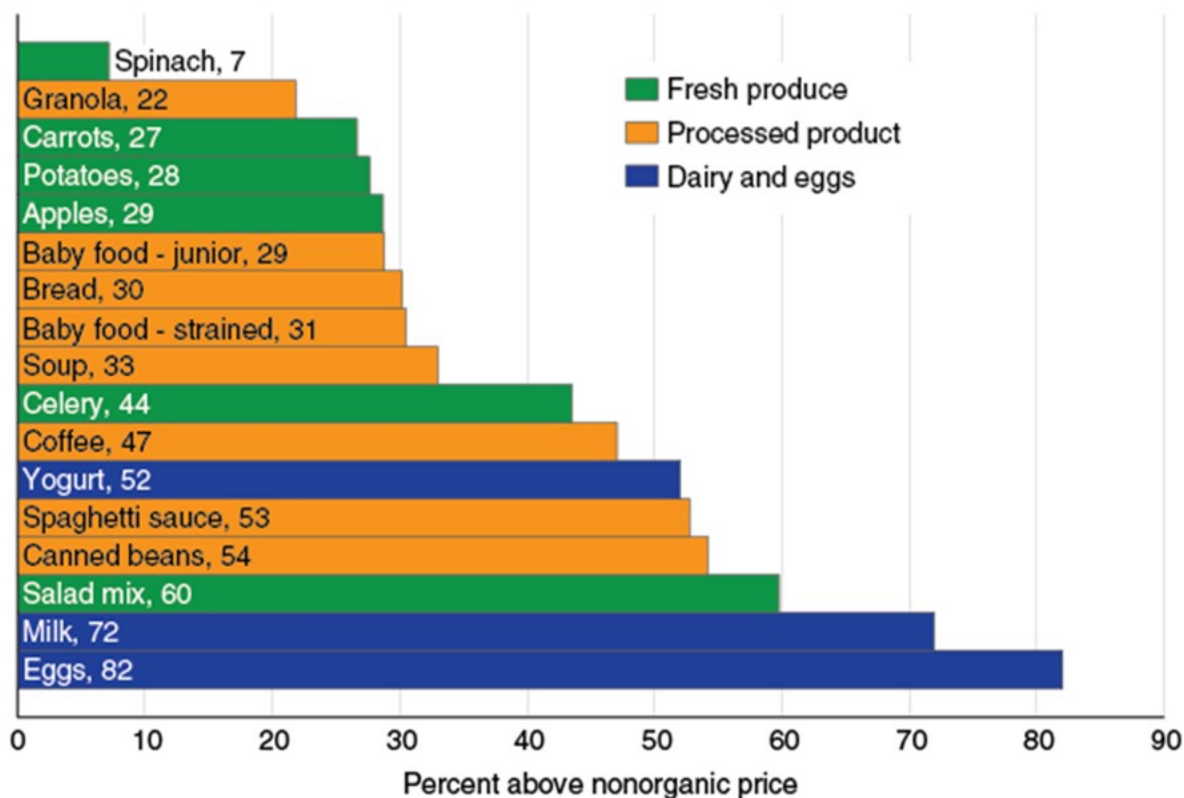
We use common carriers and grocer's internal trucking operations for last mile logistics. We buy our feed from others, then custom mix these feedstocks ourselves. We buy equipment from suppliers in the space, including some custom designed equipment of our own design which is exclusive to us. We purchase most of our grower and feeder livestock from farmers who make more money selling to us than they can from others. These are all important supporting elements for our operation.

But the primary consumer focused tangible value added in our organic protein products comes from our proprietary finishing process, and our vertically integrated operations. These processes, facilities, and our technology make

possible products with great taste and an unprecedented level of traceability, transparency, and accountability every consumer can use every day. This overall package provide compelling value added for our brand’s credibility and support our pricing and positioning strategies. Consumers are willing to pay for these tangible and perceived benefits. \$1500 Apple I-Phone anyone?

We appreciate your interest and are happy to answer any questions and address any issues openly and directly.

Eggs and milk have the highest organic price premiums of the products studied



Source: USDA, Economic Research Service using 2010 Nielsen Homescan data.

Thanks, Matt.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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From: Matthew Corbett <[REDACTED]>
Sent: Wednesday, May 19, 2021 4:13 PM
To: DENNIS BREWER <[REDACTED]>
Subject: RE: Rough Cut Financials - Gannett Peak Ranches

Hi Dennis,

Thanks very much for the time yesterday and sending through the updated information today.

I will need some time to review the information and get back to you with detailed questions.

That being said, the forecasted returns feel optimistic. Our cattle partnership was/is one of the most successful anywhere in the world and the returns were not in these 60-70%+ territory over any extended period. Where do you think the forecast could fall short of expectations?

Matt

From: DENNIS BREWER <[REDACTED]>
Sent: Wednesday, May 19, 2021 8:41 AM
To: Matthew Corbett <[REDACTED]>
Subject: Rough Cut Financials - Gannett Peak Ranches

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Matt – I enjoyed speaking with you yesterday. We had engineered the business plan and financials around a typical investor profile with a 5 to 7 year hold period and more leverage than you are comfortable with. We reran the numbers with modified assumptions, including an indefinite hold period, a 2% dividend, 40% debt more or less, and greater funds availability over time. This modified aggressive growth Gannett Peak Ranches pro forma is attached. A brief discussion of Sheldon Beef is below. The total investment in Gannett Peak Ranches and Sheldon Beef is \$55 million over the next 7 years.

The attached pro forma is an aggressive sales and market share growth plan. It is a first rough cut for discussion purposes. This highly accelerated plan requires a \$45 million investment in Gannett Peak Ranches. Over seven years, we grow quickly to \$1.4 billion sales revenue. We have made several conservative assumptions about the timing of cash flows for capacity additions, so it is likely that both the \$20 million and \$25 million investment tranches can be phased somewhat differently based upon attaining agreed targets. We can refine as needed.

Key milestones, including significant acceleration of operational investments, and addition of both a second case ready plant and finishing location in the Midwest, are accounted for in this pro forma and will be updated in the Business Plan after our next discussion. The key constraints to achieving these much higher revenue levels will be organic feed and livestock availability. With intelligent long-term contracting, which our producers also prefer, we can likely mitigate these constraints to a significant degree.

As shown below, the organic cattle numbers are adequate since most organic dairy farmers would benefit from the higher prices for organic stockers as compared to the price they receive for conventional calves. The pig numbers will be challenging but pigs reproduce fairly rapidly in large numbers. Consuming 30% of the total potential feed sources will be challenging to achieve at reasonable price levels. As you know, it takes 3 years to convert farmland from conventional to organic. We may need to incentivize some farmers to add to the organic land base. We have not accounted for any such incentives in the pro forma presented with this email.

Dec 2028 Annualized Run Rate			2019 Current Production	
	Head	Bushels	Head	Bushels
Cattle	213,660	10,015,313	376,952	
Lamb	10,800	3,240,000	9,937	
Goat	1,100	286,000	9,169	
Pig	406,680	5,446,607	15,041	
		18,987,920		62,196,595
			Corn	37,856,835
			Barley	3,792,565
			Soybeans	5,757,938
			Sorghum	328,065
			Triticale	268,268
			Wheat	14,192,924
				62,196,595

SHELDON BEEF

Sheldon Beef's sales forecast is much more difficult to project since our typical annual contract size is \$20 million and above for each customer. For example, just yesterday after I hung up the phone with you, we bid a \$96 million contract in southern China. Our discussions with them are continuing tonight. This contract would provide net margins in the \$7 million range and cost about \$550,000 to administer over the next year. Accurately forecasting growth in Asia trading and in-country sales volumes is very challenging. Typically large contract sizes and the lack of predictability in winning these sales contracts are among the many reasons. As we have all witnessed, sloppy Chinese ag hygiene practices can create unpredictable shortages, and volatile international political and pandemic conditions can dramatically impact sourcing and sales. As we work to diversify our trade in the region, we will be able to reduce single country sales risks. South American sourcing risk and price volatility will be dramatically reduced once the pandemic is under control there.

Beef in China is a \$6 plus billion business growing at around 20% per year with strong import growth opportunities right now due to the Chinese government's Australia trading ban. Most of the growth in imported beef will be sourced from grassfed South American beef, as their prices are lower than North American grainfed prices. Chinese consumers mostly stew and fry their meats, so the well marbled, premium, and more expensive cuts from North America are consumed much less frequently. Pork is about \$350 billion, with imports strong now because of swine flu reemergence in China.

China and the rest of East Asia are increasingly important middle income country markets. With rising incomes, protein demand rises and these countries cannot supply 100% of demand internally. Investment funds will grow and strengthen our sales operations there. As we become more well recognized, we will place chilled and frozen inventories at 3 public warehouses for broader distribution. This will grow margins on in-country inventory into the 20% to 25% range. Our

business with Walmart China, which is very well respected there, will add a great deal to our credibility with Chinese grocers.

These operations will require a \$10 million equity investment over the next four to five years. A modest initial investment in the sales and administrative operation (\$500K to \$800K per year from 2022- 2024) and a time phased \$15 million debt and equity investment in inventories in 2024-2025 will be needed to support growth there. Beginning in 2024, approximately 1300 metric tons will be staged near Shenzhen, Shanghai, and Beijing. Another 1,300 to 1,600 metric tons will need to be in the 3 to 5 week ocean shipping process at all times to sustain this operation.

Our revenue run rate on in-country inventory will grow to \$16 million per month in 2025 with margins in the 20% to 25% range. Contracted trading margins will continue to be in the 5% range. For the time being, we are talking only about conventional protein, not specialty premium beef such as our grainfed organic protein line. This conventional protein supply will be sourced from mid-size packers in North and South America who currently do not have direct access to international markets.

Thanks, Matt. We appreciate your continued interest. I look forward to our further conversations and to getting to know other members of your team as time goes by.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

Direct: 201-669-4933

Office: 800-956-9883

<http://www.sheldonbeef.com>

<https://sheldonfoods.com/>



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DENNIS BREWER

From: Matthew Corbett <[REDACTED]>
Sent: Thursday, May 20, 2021 4:37 PM
To: DENNIS BREWER
Subject: RE: Rough Cut Financials - Gannett Peak Ranches

Hi Dennis,

Thanks again for the extensive responses on our questions to date.

At this point in time, I think we will have to pass on further discussions about the opportunity. We are currently under exclusivity on an 8th partnership in the fund and likely a 9th in fairly short order. We don't like to spread ourselves too thin when we are closing on new partnerships.

Feel free to reach out in the future if new developments arise.

Thanks again for all of your time.

Matt



Matthew Corbett, Partner

Fiera Comox Partners Inc. • 1981, avenue McGill College, bureau 1500
Montréal (Québec), Canada H3A 0H5
T +1 514 954-6442 • C +1 514 512-1715 • [REDACTED]

From: DENNIS BREWER <[REDACTED]>
Sent: Thursday, May 20, 2021 9:56 AM
To: Matthew Corbett <[REDACTED]>
Subject: RE: Rough Cut Financials - Gannett Peak Ranches

Matt- Thanks. Yes, I understand the level of returns issue well.

GANNET PEAK RANCHES TOTAL RETURN

We could detune and assume the pricing premium diminishes more rapidly than we expect. In the attached spreadsheet, in the Financial – All Proteins tab, we have inserted price and cost inflators and deflators at lines 207, 213, and 220 to make it easy to modify wholesale pricing to retailers and key inputs costs. You can also vary our initial livestock populations and their monthly growth rate at lines 196 through 199. Feel free to take these critical data points for a test drive. The results of your modifications will also be reflected in the Financial Summary tab and the Investor Return tab.

Barriers to entry are consequential. We have the ability to sustain our proprietary finish feeding innovation for a considerable time. It is not easy for someone steeped in grassfed or conventional livestock production to wrap their head around all the changes in approach required. Quickly mastering this process and all the details involved will likely lead them to make many of the mistakes we made as we worked this system out. Finally, it is highly likely we can protect key elements of the total process as intellectual property. I am happy to talk about this in more detail at some point.

Other barriers exist as well. Under the aggressive growth scenario, we can lock up a considerable share of organic inputs making entry that much more difficult. Our innovative cell-based plant production system provides consumer level cut

traceability is completely unavailable anywhere in the protein space and will be very difficult to match without massive investments by others. We can likely protect this process innovation and the core related information system innovations as well. So, we are not talking commodity ag goes to market.

The analog is more like the Apple I-phone (\$1,000 to \$1,500) versus commodity smartphones (\$300 to \$500). Both process innovation and brand identity make the difference for Apple as compared to other smartphone suppliers. It is highly likely organic premiums will hold for a considerable period. The regional rollout in North America, then elsewhere, will grow share and brand recognition, enable our investments in product and process innovation, and enhance our inputs buying power. Organic produce held its super premium pricing status as compared to conventional produce for more than 30 years. In our case, the challenge is at least as big for any would-be competitor.

SHELDON BEEF

As I mentioned in our conversation Tuesday, we had a predecessor company until January 2020. Sheldon Beef was formed in January, on the very day of the Wuhan closure. 2020 results were a \$22,000 loss on zero revenue. We reopened offices in February 2021 and are again working with Walmart and a number of other privately held large scale chains in China. We also have some connections in Korea and Malaysia, though we do not yet have a local presence in either market.

Our introduction to Walmart occurred in 2015 regarding an organic produce project. We began talking with Walmart China in the second half of 2017, shortly after China lifted the BSE embargo imposed in 2003. The predecessor company signed the initial contract with Walmart China in early 2018. We went through the months long and very thorough Walmart on-boarding process and were ready to ship their first order in June 2018. Trump went to China tariffs later in the month. China retaliated, imposing a 25% incremental tariff on our product line, and we were no longer competitive at retail. We waited through several false dawns before we shut down the China sales operations. Obviously, we lost hundreds of thousands of dollars over the period as we persisted through several rounds of Trump false promises -the end is near, it will disappear – his now familiar MO. We simply failed to factor in that an American President would act in the way he did.

My point is not to complain about Trump but to illustrate our long term commitment to these market opportunities and to innovation in our marketplace. Well thought out, based upon prior practical experience and a bit out of the mainstream. Working in commodity ag is neither financially nor intellectually appealing. I have been involved in process innovation my entire career as a consultant, executive, and entrepreneur in ag, tech, supply chain, business development and sales. Our founding team has worked together for years. Every member has directly relatable experience working in product introduction, innovation, scaling markets and operations, and impactfully executing on our plans.

OUR TEAM KNOWS THE WAY

By way of example, I ran an engineering firm which acquired and managed implementation of all material handling for the Boeing 747 plant prior to my time there and the first massive production line rocket plant, the Delta IV heavy rocket platform. The rocket is comparable in size to a 747. Handling these huge and delicate shapes in a completely new way is an incredible challenge. Our CFO was a pioneer in the introduction of frozen yogurt to North America. Our VP-Ops has raised 1.5 million cattle, including running some of the first NTHC and identity-traced programs in the space at large scale. Our VP-Logistics ran fresh produce in and out of Latin America using Maquiladora plants to better manage packaging costs. Our CIO has managed numerous large-scale implementations and software app development projects. Our CRO has lived in the commodity and specialty proteins spaces, working with retailers and in-house sales, marketing and production teams, while achieving above-market growth rates and consumer product adoption processes. So, we are familiar with all the relevant activities and stages of growth in scaling a pilot to a large scale, well-orchestrated operation.

Thanks, Matt.

Regards,

Dennis

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From: Matthew Corbett <[REDACTED]>
Sent: Thursday, May 20, 2021 8:23 AM
To: DENNIS BREWER <[REDACTED]>
Subject: RE: Rough Cut Financials - Gannett Peak Ranches

Thanks Dennis

Again, I do understand the things are you are sharing below. But 60-70% IRRs over multiple years would be seen as exceptional returns for VC, let alone agriculture

I also wanted to follow-up on the Sheldon Beef numbers. Are you comfortable sharing high-level financials over the last few years?

From: DENNIS BREWER <[REDACTED]>
Sent: Wednesday, May 19, 2021 5:23 PM
To: Matthew Corbett <[REDACTED]>
Subject: RE: Rough Cut Financials - Gannett Peak Ranches

Well, Matt, wholesale pricing is a key issue, as is the speed and cost of market penetration. Protein pricing premiums are the highest of all organic premiums. I have included a copy of the USDA pricing premiums chart from the Business Plan below. As for speed of penetration and sell through, our local knowledge will help us focus on the quick start opportunities in each region first and backfill later. As you know, grocers stock what sells and what pays their bills.

We know the organic hotspots and the retail banners who will want to be the first to carry our products. We also have the toolset to notify and network with the core organic consumers who are early adopters. We have identified a social media specialist to lead our charge there, and will use in-store promotions and demos to steer core organic customers toward these banners. Our CRO started with Tyson 15 years ago right out of college and has led sales, marketing, and support teams in large protein and specialty foods companies since that time. Not a desk bound executive type, he rolls up his sleeves and make sales calls just like I do nearly every day. That is why we know the space well.

As for total return, please keep in mind we are highly vertically integrated, managing nearly all the activities in the value chain in-house. This includes growing, finishing, processing, and packaging the proteins for retail sale. Once we outgrow the limited capacity of the existing USDA inspected contract processor and retail packager network, we will control virtually all the margin dollars except for the retailer's markup. This is partly of necessity as the organic contract

processing network capacity is quite limited. Our in-house case ready plants will allow us to bring breakthrough technology to individual retail consumers at the package level, providing complete traceability for every individual protein package for the first time ever. Using our blockchain-based application, the consumer will be able to easily trace exactly how the animal was raised, cared for, and processed. This brings specific, tangible evidence for our pasture finishing, humane handling, and quality claims to every retail package.

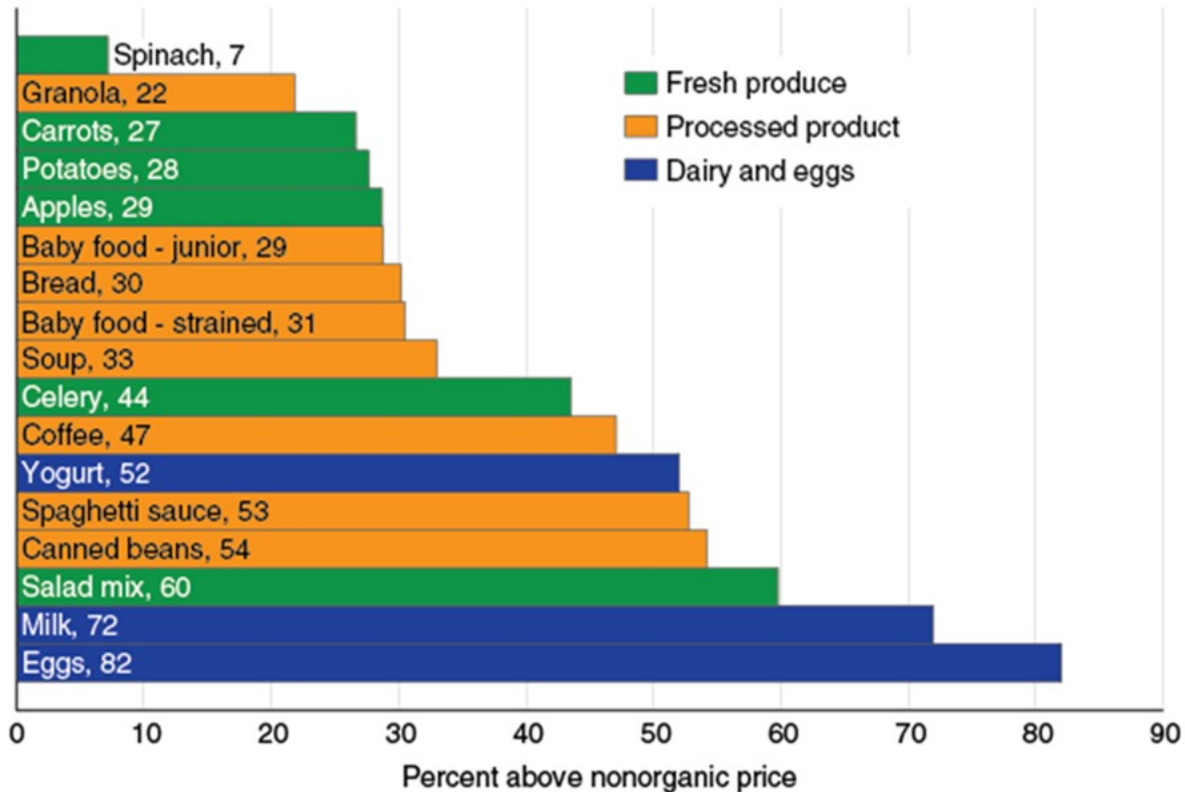
This extraordinary level of traceability is simply impossible to accomplish in any existing production plant. Every USDA inspected protein processing plant of any size uses Henry Ford style line-based production. Our plant will use production cells and blockchain technology, allowing us to trace every single cut back to the source animal. With comprehensive integrated animal history, we can make very discrete and verifiable claims about the specific steaks the consumer's family is about to eat. This is similar to a winery vintage, except we can say with certainty how each and every bottle in that vintage was handled. Consumers want to be able to verify claims. They trust and buy brands for this reason. We give them a distinctive product, a distinctive brand, and individualized proof of our brand integrity with every single package. This is not a perfect analogy - but 40 years ago who knew we needed a communication device, including an online database we could ask questions of, to carry around in our pocket? Today, this is an indispensable tool.

We use common carriers and grocer's internal trucking operations for last mile logistics. We buy our feed from others, then custom mix these feedstocks ourselves. We buy equipment from suppliers in the space, including some custom designed equipment of our own design which is exclusive to us. We purchase most of our grower and feeder livestock from farmers who make more money selling to us than they can from others. These are all important supporting elements for our operation.

But the primary consumer focused tangible value added in our organic protein products comes from our proprietary finishing process, and our vertically integrated operations. These processes, facilities, and our technology make possible products with great taste and an unprecedented level of traceability, transparency, and accountability every consumer can use every day. This overall package provide compelling value added for our brand's credibility and support our pricing and positioning strategies. Consumers are willing to pay for these tangible and perceived benefits. \$1500 Apple I-Phone anyone?

We appreciate your interest and are happy to answer any questions and address any issues openly and directly.

Eggs and milk have the highest organic price premiums of the products studied



Source: USDA, Economic Research Service using 2010 Nielsen Homescan data.

Thanks, Matt.

Regards,
Dennis

Dennis Brewer

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From: Matthew Corbett <[REDACTED]>
Sent: Wednesday, May 19, 2021 4:13 PM
To: DENNIS BREWER <[REDACTED]>
Subject: RE: Rough Cut Financials - Gannett Peak Ranches

Hi Dennis,

Thanks very much for the time yesterday and sending through the updated information today.

I will need some time to review the information and get back to you with detailed questions.

That being said, the forecasted returns feel optimistic. Our cattle partnership was/is one of the most successful anywhere in the world and the returns were not in these 60-70%+ territory over any extended period. Where do you think the forecast could fall short of expectations?

Matt

From: DENNIS BREWER <[REDACTED]>
Sent: Wednesday, May 19, 2021 8:41 AM
To: Matthew Corbett <[REDACTED]>
Subject: Rough Cut Financials - Gannett Peak Ranches

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Thanks, Matt. We appreciate your continued interest. I look forward to our further conversations and to getting to know other members of your team as time goes by.

Regards,
Dennis

Dennis Brewer

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DENNIS BREWER

From: DENNIS BREWER
Sent: Thursday, May 20, 2021 6:11 PM
To: [REDACTED]
Subject: Organic Protein Inquiry

Shelley - We have a time-tested production system for the organic protein market. We are working to build a branded, integrated organic protein operation from growing livestock through selling case ready packaged protein products to retailers and marketing our branded protein line to consumers. Our Wall Street investment bankers want:

"A business plan beginning with third party data supporting (a) the market for this currently unavailable product, (b) the willingness of customers to pay a premium for it and (c) as sizing of that market. Followed by a comprehensive end-to-end discussion of how you would build a company, source the cattle, process, package and distribute the beef, and market and build the brand."

We are a very experienced team including a VP who has raised 1.5 million cattle, a VP who is a 15 year veteran of protein-focused companies with Tyson as his first job, a CFO who helped bring a fast growing new specialty dairy product concept to North America, a CIO who has led many app development and enterprise software implementation projects, and a VP Logistics with extensive fresh products experience in North America and Latin America. I have 40 plus years, most as a senior leader of entrepreneurial and mid-size companies, and/or a senior consulting executive to companies from the Fortune 10 to a dozen team members, MBA/CPA, business development, sales, marketing, supply chain, farming, etc. I was Chair of PCC, founded in 1953, and a coop grocery retail pioneer in the natural and organic "hippie food" space long before it became mainstream.

Our challenge at the moment is that our investment bankers don't get it. As you know, everyone in New York knows food comes from a store and can't figure out what each end of the cow is for. They have access to a world awash in money, but they don't think our word about the market potential in this space is worth much on its own. They are seeking independent validation of the organic market for proteins (\$1 billion plus in its current very limited form), the sustainability of organic premiums (30 years for organic produce), and market size (\$50 plus billion, plus another \$14 billion for our type of products). I have talked to them about the organic produce, dairy, and other segments of the market, and the history of this specialty space, but they still want independent validation.

Oh, and I am sure they would be happy to be connected to someone in the sector who could be a lead investor too. They are, after all, typical New York bankers.....

Anyway, when you have time, let's chat and see if this is a fit. You can make a phone appointment at your convenience in my signature block below.

Thanks.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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DENNIS BREWER

From: DENNIS BREWER
Sent: Thursday, May 20, 2021 9:56 AM
To: Jason
Subject: RE: Re:New Pricing - Brazil

Thanks.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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From: Jason <[REDACTED]>
Sent: Thursday, May 20, 2021 9:40 AM
To: DENNIS BREWER <[REDACTED]>
Cc: Raymond Poon <[REDACTED]> daniel lonergan rmc <[REDACTED]>
Subject: Re:New Pricing - Brazil

Hi Dennis,

Well noted.

I will update the price list to all the prospects.

Many thanks,
Jason

----- Original -----

From: "DENNIS BREWER" <[REDACTED]>
Date: Thu, May 20, 2021 06:52 PM
To: "Jason" <[REDACTED]>
Cc: "Raymond Poon" <[REDACTED]> "daniel lonergan rmc" <[REDACTED]>
Subject: New Pricing - Brazil

Jason - New pricing from Brazil plants which are China qualified. Other cuts are also available on request.

BEEF, BOXED AND FROZEN	PRICE PER MT (USD)
Forequarter: 90 VL	\$4,550
Hindquarter	\$4,450
Full Carcass - 23 Cuts	\$5,300
Compensated Hindquarter 4 Cuts: (35% Silverside, 25% Topside, 20% Rump, 20% Knucle) 90 VL	\$4,250
Chuck Shoulder Tender	\$4,850
Chuck Shoulder Clod	\$5,350
Topside	\$5,450
Silverside	\$5,450
Brisket - Point End	\$4,500
Blade	\$4,500
Shin	\$4,600
Shank	\$4,601
Cuberoll	\$5,050
Tenderloin	\$4,250
Striploin	\$4,850
Beef Knuckle 95 VL	\$4,150
Beef Aorta	\$4,150
Beef Fat Brisket	\$4,400
Beef Fat Whole	\$3,450
Head meat	\$3,850
Cheek meat	\$4,050
Heart	\$4,190
Kidney	\$4,190
Liver	\$4,190
Lips	\$4,190
Omasum	\$4,250
Neck band / Paddywack (Ligamentum Nucahe)	\$4,400
Forequarter	\$4,350
Hindquarter	\$4,450
Tail (Oxtail)	\$3,790
Sourced in Brazil at China qualified plants. Plant numbers disclosed prior to ICPO.	
CIF, China main port.	
Payment Terms:	
100% Irrevocable LC, Confirmed, Transferable at-sight	
DLC	
Wire TT 30% with order, 70% against shipping documents.	
Minimum Order Quantity is 5 FCL, 25-27 MT per FCL.	
Prices subject to change until FCO is signed.	