

proteins is \$5.4 billion of lost organic retail purchases in California. 70% of normal protein purchases, cuts of beef, pork, lamb, hams, lunchmeat, etc., in the organic protein space are nowhere to be found.

We cannot fill this \$5.4 billion gap tomorrow, but we can narrow it significantly over the next 3 years or so. We provide case ready product to you, and give organic consumers complete transparency, from our clear padless trays to comprehensive traceability. This is exactly the kind of transparency that consumers want. Big Protein cannot possibly provide this level of transparency in their current operations. We can.

As of today, I will also say we have not seen much interest in this \$5.4 billion opportunity among the mid-level people we know of in your protein operation. Perhaps this is because it does not fit your current merchandising plan. We understand that and simply wanted to point out this opportunity to senior management who make these kinds of billion dollar decisions.

If you have interest, we will be happy to fill your team in on all the details – availability, cost, capacity, etc.

Thanks for taking the time to review this opportunity.

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>

DENNIS BREWER

From: DENNIS BREWER
Sent: Thursday, June 10, 2021 5:36 PM
To: Tyler Lehr
Cc: Lisa Hutchins
Subject: RE: Meeting on Organic Beef

Tyler – Thanks for your interest! I will be happy to spend time with you at your convenience. I am available tomorrow after 1PM Eastern time or Monday any time. You can set up a time in my signature block below.

I look forward to speaking with you.

Regards,
Dennis

Dennis Brewer

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From: Tyler Lehr <[REDACTED]>
Sent: Thursday, June 10, 2021 3:54 PM
To: DENNIS BREWER <[REDACTED]>
Cc: Lisa Hutchins <[REDACTED]>
Subject: Meeting on Organic Beef

Dennis,

I would like to learn more about your beef program and have some time to better understand the obstacles we face. Please let me know when you have time for a 30 minute meeting for introductions and your proposals.

Thank You,

Tyler Lehr

Merchandising SVP- Deli Services, Meat and Seafood

Phone 479-277-1897
[REDACTED]

Wal-Mart Stores, Inc.
702 Southwest 8th Street
Bentonville, AR 72716-0265
Save money. Live better.

DENNIS BREWER

From: DENNIS BREWER
Sent: Friday, June 11, 2021 1:56 PM
To: [REDACTED]
Cc: Marcks, Grant
Subject: Feedback
Attachments: Gannett Peak Ranches Business Plan 210607.pdf; Gannett Peak Ranches Business Plan 210607.pdf; Key Issues and Antidotes 210611.pdf; Key Team Members 210611.pdf

Stewart – Thanks for passing my information on to your team. I enjoy my conversation with Grant Marcks, a member of your Origination team. Just a bit of quick feedback:

After a polite, professional 37 minute conversation, the Gannett Peak Ranches organic protein opportunity was declined. Reasons cited were our real estate holdings and commodity risk. To put these elements in perspective:

Real estate held

- Real estate (ranchland) – comprise 17% of our total assets in 2028.
- Case Ready manufacturing plants – comprise 13% of total assets in 2028.

Commodity risk

- Organic feedstocks, primarily corn, hay, and soybeans, do track to conventional markets. These costs comprise 12.5% of revenues, 22% of product cost of sales.
- Organic livestock, primarily cattle and pigs, also track to conventional markets. These costs comprise 16% of revenues, 28% of product cost of sales.
- The costs which comprise the other 28% of revenues, 50% of product cost of sales are subject only to general inflation levels occurring across the greater economy.

I clearly understand the gatekeeper role played by your Origination team. I appreciate Grant's referrals to others outside Riverside. I have no wish to waste anyone's time on mission impossible.

My overall point is that the real estate asset class, and livestock and feed cost drivers, have a rather modest impact on our 69% IRR, and our overall ability to manage financial risk, cash flow, and liquidity. They will not impede our growth or financial strength in a material way. Ranchland returns are not excellent but are quite consistent over time, and are strongly uncorrelated to returns on other asset classes, including stocks. Persistent aggregate worst case cost impacts of inputs costs drivers which endure for the entire seven year period, a very unlikely scenario, would reduce IRR to the 50% range as shown in our pro forma sensitivity analysis. Finally, price premiums, not mentioned in our conversation but clearly critical to profitability, are very durable based upon 50 years of history with other organic food categories. Price deflation is not a material risk in any relevant timeframe.

Meanwhile, our conversation with Walmart's Merchandising SVP for Deli, Meat, Seafood continues next week at the direction of their EVP Food, responsible for their \$190 billion US grocery business. This is an element of our long term relationship with Walmart and with other US and international power retailers in North America and Asia. Our international protein business continues to develop after 2 years of political disruption by Trump's trade war and the 2020 pandemic disruptions. We reopened our China operations in February and expect to do \$50 million or so there this year, and about \$200 million next year.

If you have continued interest, I would be delighted to further explain how we manage the specialized assets and inputs you were concerned about as well as other elements of risk associated with the Gannett Peak Ranches organic protein operations.

Thank you again for your time and interest.

Regards,
Dennis

Dennis Brewer

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DENNIS BREWER

From: Kohl, Stewart <[REDACTED]>
Sent: Friday, June 11, 2021 2:52 PM
To: DENNIS BREWER
Cc: Marcks, Grant
Subject: RE: Feedback

Thanks Dennis for your persistence here. Enthusiasm/conviction count a lot in our book.

But so do sticking to our knitting and trying not to spin wheels – those of our own folks or others. And having chatted with Grant (who is a great judge on these things with a decade plus of experience) this one would not ultimately gain traction at our investment committee.

Hopefully his referral was valuable. We wish you much success. SAK

Stewart Kohl
Co-CEO

.....
The Riverside Company

T: +1 216 344 7614

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From: DENNIS BREWER <[REDACTED]>
Sent: Friday, June 11, 2021 1:56 PM
To: Kohl, Stewart <[REDACTED]>
Cc: Marcks, Grant <[REDACTED]>
Subject: Feedback

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If you have continued interest, I would be delighted to further explain how we manage the specialized assets and inputs you were concerned about as well as other elements of risk associated with the Gannett Peak Ranches organic protein operations.

Thank you again for your time and interest.

Regards,
Dennis

Dennis Brewer

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DENNIS BREWER

From: DENNIS BREWER
Sent: Sunday, June 13, 2021 11:11 AM
To: abtgroup
Subject: RE: Usa meat to China

Walter - High labor rates and added labor for deboning quadruples processing cost per boneless ton. Fewer options for processing and scarce qualified labor raise prices as well. Reduction in yield from 60% of bone-in live weight to 35% of boneless live weight also raise price per ton. **This combination raises price from \$3983 bone-in to \$8483 boneless block per metric ton.**

Trial order minimum 10FCL, recurring monthly order minimum 50FCL, 12 month minimum contract period after trial order. Contract must be signed within 14 days of today to hold current price for 90 days before any price readjustment. Live cattle futures prices, the best predictor of future cattle and beef prices, are on an upswing over the next 2 years, so customer must act very quickly to hold these prices for even 90 days.

Estimated yields below:

| Beef Cut | Percent of the carcass |
|---|------------------------|
| Chuck | 29% |
| Round | 22% |
| Loin (including sirloin) | 16% |
| Rib | 9% |
| Plate | 9% |
| Flank | 5% |
| Brisket | 4% |
| Shank | 3% |
| ¹ Remaining percent is organ meat and visceral/organ fat | |

No problem with 10FCL trial order on 50FCL or more, 12 month minimum contract period after trial.

Thanks, Walter.

Regards,
Dennis

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From: abtgroup <[REDACTED]>

Sent: Sunday, June 13, 2021 10:36 AM

To: DENNIS BREWER <[REDACTED]>

Subject: Usa meat to China

Hello Denis
Sheldon Beef

My partner is in contact with this potential buyer in China he knows
They could be interested in the quote
sent FCO for quarters bone in
They ask if it is also possible to quote
boneless meat frozen but in block
not the 23 cuts to reduce labor cost
and how would it look like and price
cif China

please cover us for any direct contact by
this company and redirect any contact
to us

Also any contract of for example 50 fcl
per month would include a first trial
shipment of 10-15 containes as usual
thank you
this is the customer



Shanghai Yancheng Food cc

regards
Walter /Abt Trading Inc

Sent from my iPhone

DENNIS BREWER

From: DENNIS BREWER
Sent: Monday, June 14, 2021 6:52 AM
To: Mark Nelson
Subject: RE: Little Shasta Valley Ranch

Mark – With no water available, it does not seem we need to be in a rush on this one at the moment. We have dropped the Wyoming ranch we were looking at due to drought, low productivity, and seller intransigence. We are focused on permanent water resources in Nebraska at the moment.

We are meeting this week with launch customers for protein products we would be using LSVR ranch for. Assuming that process progresses well, we will be working toward a watered California acquisition. Hard to find at this moment, I know, with producers pushing over water thirsty trees they planted just a few years ago.

I have also identified a housing shortage in Siskiyou County which weighs against that location as our operations are labor intensive. We would have several dozen team members in Siskiyou County in 2-3 years at the planned activity level. Not ruled out, but water and housing shortages are definite negatives.

Stay in touch. Let's discuss this and any other larger options in the area again in 2-3 weeks. Given the scale of our opportunity in Bay area and LA area markets, we do want to be near those markets, in northern California/Nevada or southern Oregon, ideally near rail service.

Thanks.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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From: Mark Nelson <[REDACTED]>
Sent: Sunday, June 13, 2021 3:10 PM
To: DENNIS BREWER <[REDACTED]>
Subject: Re: Little Shasta Valley Ranch

Dennis, I'm checking in to see how you're doing?
Hopefully we can meet soon?

K. Mark Nelson
Five Star Land Company, Inc.
12211 Pear Lane
Wilton, CA 95693
Cell = 916-849-5558
Fax = 866-315-7088
[REDACTED]
BRE License #00346894

On Sun, May 23, 2021 at 6:35 AM DENNIS BREWER <[REDACTED]> wrote:

Mark - Is the ditch company operating normally this year? What is their water source?

Regards,

Dennis

Dennis Brewer

Chief Executive Officer

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Office: 800-956-9883

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DENNIS BREWER

From: Mike Rayburn <[REDACTED]>
Sent: Monday, June 14, 2021 7:38 AM
To: DENNIS BREWER
Subject: RE: EXTERNAL EMAIL: GRAINFED Organic Pork and Beef Options

Thanks, we are in good shape

From: DENNIS BREWER <[REDACTED]>
Sent: Monday, June 14, 2021 4:53 AM
To: Mike Rayburn <[REDACTED]>
Subject: FW: EXTERNAL EMAIL: GRAINFED Organic Pork and Beef Options

Mike – Does your organization have an interest in grainfed organic beef and pork? We are working toward selling out near term future production so I thought I had better check with you before we do.

Thanks.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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Office: 800-956-9883

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From: Becky Prahm <[REDACTED]>
Sent: Friday, June 4, 2021 2:01 PM
To: Mike Rayburn <[REDACTED]>
Cc: DENNIS BREWER <[REDACTED]>
Subject: FW: EXTERNAL EMAIL: GRAINFED Organic Pork and Beef Options

Hi Mike
Thanks

B

From: DENNIS BREWER <[REDACTED]>
Sent: Friday, June 4, 2021 10:13 AM
To: Phil Bravo <[REDACTED]> Becky Prah <[REDACTED]>
Subject: EXTERNAL EMAIL: GRAINFED Organic Pork and Beef Options

Good morning. I hope you are well and doing fine. I'm excited to inform you about progress in our grainfed organic program.

We will have up to 25,000 pounds per week of case ready pasture raised organic grainfed pork and 50,000 pounds per week of organic grainfed beef, grown in northern California, available for any of your banners beginning in December 2021. These case ready products will be packaged and sold under our Gannett Peak Ranches brand. An explanation of the Gannett Peak Ranches brand identity is attached as the Quality Attributes pdf.

Grown and finished on California pastures, the slaughter pigs comply with the California Proposition 12 farrowing and growing requirements effective beginning January 2022. As you know, the Ninth Circuit has denied a request for a temporary injunction against Prop 12 rules coming into effect in January 2022. NAMI petitioned the Supreme Court for a review. No decision yet. The smart money is on a California pork shortage at retail beginning in January. The industry has been in court trying to void the rule, has not invested the millions required to make required changes, and does not comply with the Prop 12 rule.

Our 1,488 acre California organic hog and beef ranch is located east of I-5, about 18 miles south of the Oregon border. We are currently improving the ranch for in-pasture organic grain finishing. We will grow and pasture finish there every week year round beginning in September in full compliance with National Organic Program rules. The pig processing plant is Olson Meat Company, Orland, CA (USDA M21799). Finish cutting and vacuum packaging is by Sonoma County Meat Company, Santa Rosa, CA (USDA M45553). We are currently negotiating with a beef processor for those services. We will be building a USDA harvest and case ready plant in Redding, California. The plant is scheduled to come online in September 2024.

As with our organic grainfed beef, the taste profile of grainfed organic pork is identical to the conventional product, so customers will prize the organic attributes. Since it is grainfed, it will taste exactly as they expect and desire. We can also arrange for organic pork or beef cuts to be made into sausage. Sausage prices will depend upon the specific type of sausage and packaging required (see attached list for sausage flavor options). It would also be possible to provide these grainfed organic pork and beef products in 20 pound frozen assortments if desired.

Our wholesale organic grainfed pork prices are set at 14% over current average wholesale grassfed pasture raised pork prices reported by USDA (recent report attached). Grainfed organic beef prices are set at the current retail price for conventional grassfed beef (recent report attached). Once you determine product movement is acceptable, we are able to ramp production dedicated to you as much as eight-fold within 6-9 months.

Beginning in late 2022, we will also be able to offer organic lamb and goat. We raise organic beef, lambs, and goats on our million acre Wyoming ranch.

Please let me know your interest and next steps.

Thanks.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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DENNIS BREWER

From: DENNIS BREWER
Sent: Tuesday, June 15, 2021 4:48 PM
To: Tyler Lehr
Cc: Lisa Hutchins
Subject: RE: Meeting on Organic Beef
Attachments: GPR Key Issues and Antidotes 210611.pdf; GPR Key Team Members 210612.pdf; WMT GPR Organic Protein Partnership Executive Summary 210616.pdf; GPR Organic Grainfed Proteins Prices List 210615.pdf

Tyler - Attached please find the obstacles document (Issues and Antidotes) sent previously, summary biographical information on our team, sample pricing, and a Partnership Executive Summary. The Summary briefly discusses the opportunity for a Walmart partnership and two possible partnering options. We are open to exploring other partnering options or a smaller initial commitment with you as well.

There is very extensive analysis behind each of the attached documents, including a 40 page Business Plan and two pro forma cases (base and maximum), as well as an online Teams repository. We will be happy to provide access to these documents and the Teams repository when appropriate.

Since we have not been introduced, much less had a serious conversation, some would consider the partnering proposal to be a bit forward. Based upon my past dealings with your organization on other opportunities, I see it as the logical next step once we have mutually determined there is both a good fit and a strong opportunity to gain competitive advantage. We are committed and determined to see this process through with a strategic partner and gain broad distribution of this unique grainfed organic protein product line.

We are moving as swiftly as we can to provide summary documentation and secure a strategic partnership. Among the motivations for our pace is the current availability of a 10,000 acre well-watered Nebraska ranch we intend to use as a pasture-based organic finishing facility in the future. It takes 3 years to transition chemically treated land to organic land. High productivity, well-watered, and contiguous ranches of this size with appropriate infrastructure are not always available, so it would be best to secure this now for future use. The seller intends to break up the ranch and auction the pieces in September if it does not sell by early August. We are attempting to complete this partnering process in time to secure the ranch. We will, of course, respect your timeline and work with you toward a sound decision and a fair agreement, if there is one to be completed.

As before, I am looking forward to our discussion tomorrow afternoon.

Thanks!

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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From: Tyler Lehr <[REDACTED]>

Sent: Thursday, June 10, 2021 3:54 PM

To: DENNIS BREWER <[REDACTED]>

Cc: Lisa Hutchins <[REDACTED]>

Subject: Meeting on Organic Beef

Dennis,

I would like to learn more about your beef program and have some time to better understand the obstacles we face. Please let me know when you have time for a 30 minute meeting for introductions and your proposals.

Thank You,

Tyler Lehr

Merchandising SVP- Deli Services, Meat and Seafood

Phone 479-277-1897
[REDACTED]

Wal-Mart Stores, Inc.
702 Southwest 8th Street
Bentonville, AR 72716-0265
Save money. Live better.

DENNIS BREWER

From: DENNIS BREWER
Sent: Wednesday, June 16, 2021 6:25 AM
To: Abt Trading Inc.
Subject: RE: beef meat from Usa

1. Halal Boneless beef products delivered to Houston Texas.

Whole boneless beef carcass

Prime cuts

Boneless Hindquarter

Also salted Beef Omasum 6 MT (well rounded and well cut).

Walter – Is the quote request #1 above for Choice Grade beef? What is the quantity of each item?

This is for domestic market.

2. 4 FCL of each item below:

Beef ribs

Beef shank

Boneless of hindquarter

Beef boneless of whole carcass

Prime cuts

Walter – Is the quote request #2 above for Choice Grade beef? What is delivery point?

Thanks!

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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<https://sheldonfoods.com/>



Schedule a call at your convenience here:

<https://calendly.com/ceosheldonbeef>

From: Abt Trading Inc. <[REDACTED]>

Sent: Tuesday, June 15, 2021 7:20 PM

To: DENNIS BREWER <[REDACTED]> Abt Trading Inc. <[REDACTED]>

Subject: beef meat from Usa

ABT TRADING INC

18851 NE, 29 AVE 7 FLOOR

Miami, FL 33180, USA

Tel: (786) 787-0365 Fax (786) 228-0998

DIRECT PHONE: 305 439-3049

<http://www.abtintl.com>

Email 1: [REDACTED] Email 2: [REDACTED]

SKYPE: abtmiami

Dear Denis
Sheldon Beef

We are negotiating with mr George Vasiladiotis (CEO) from Delta Equities LLC from New York

Please protect us for any further negotiation with them and include in all prices the agreed commission of usd 150 per mton (usd 68 per lb)
as I have to cover also other contacts

We have sent him your proposal for utility cow carcass bone in frozen cut in four parts, and he told me he has a customer who want the contract
and to ship to Venezuela but payable with LC sight opened by Wells Fargo
I asked him to send ICPO to process with you

Also he has send me these inquires for meat for local Usa market, surely of better quality, and so please consider it and send me your offer
for it

Here is the detail received

copy

Here's an order for texas

Halal Boneless beef products delivered to Houston Texas.

Whole boneless beef carcass

Prime cuts

Boneless Hindquarter

Also salted Beef Omasum 6 MT (well rounded and well cut).

This is for domestic market.

4 FCL of each item below:

Beef ribs

Beef shank

Boneless of hindquarter

Beef boneless of whole carcass

Prime cuts

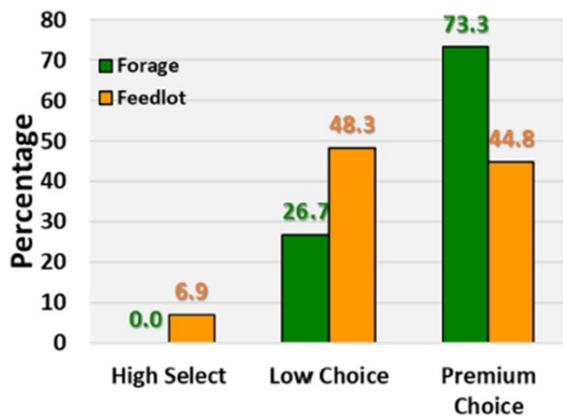
regards

Walter/ABT Trading Inc

DENNIS BREWER

From: DENNIS BREWER
Sent: Wednesday, June 16, 2021 4:26 PM
To: Bob Huskey
Subject: Grainfed Organic Beef Quality Metrics
Attachments: Organics Are Hot - Hartman Group 210608.pdf; Organic Sales Up 12% to \$61.9B in 2020.pdf; Top Reasons to Buy Organic - Hartman Group 210608.pdf; GPR Organic Grainfed Proteins Prices List 210615.pdf; GPR Pasture Finishing Quality Metrics Chart.pdf; GPR Quality Attributes 210610.pdf

Bob – Hope you are doing well. When you have a few minutes, please review the attached documents. They provide further insight into the grainfed organic protein project we continue to work on. We recently received the results of a field test, comparing the quality outcomes of our pasture-based organic finishing process to a conventional feedlot finishing process. The results are enlightening. No surprise, our cattle finished at lighter weights (150 pounds less live weight was typical) without the added hormones and beta agonists. They also finished significantly better, as judged by USDA inspectors working with no knowledge of our test:



A sample price list is attached for your review, together with a description of our brand attributes, including a unique and revolutionary level of traceability and transparency not available anywhere in the protein industry today.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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DENNIS BREWER

From: DENNIS BREWER
Sent: Wednesday, June 16, 2021 11:58 AM
To: Jason Waseman
Subject: RE: Voicemail from (620) 314-1982

Thanks, Jason! I have an afternoon call with an SVP at Walmart about organic beef and pork. Keep your fingers crossed.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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From: Jason Waseman <[REDACTED]>
Sent: Wednesday, June 16, 2021 11:56 AM
To: DENNIS BREWER <[REDACTED]>
Subject: Fwd: Voicemail from (620) 314-1982

Please see below.

Regards,

Jason

Sent from my iPhone

Begin forwarded message:

From: Grasshopper <[REDACTED]>
Date: June 16, 2021 at 9:35:52 AM EDT
To: Jason Waseman <[REDACTED]>
Subject: Voicemail from (620) 314-1982

New Grasshopper Voicemail

Caller: (620) 314-1982

Extension: 3 - Logistics

Grasshopper #: (800) 956-9883

Timestamp: 6/16/2021 9:35:26 AM Eastern Daylight Time

Read Your Voicemail

"Yeah, this is Jacob Miller. I just got some questions on your organic beef raising organic beef. I am certified organic, and I just like to know little bit more information. I'm in located in the South West. I heard you are looking for more organic beef. I got your information through Dave Phillips, there at FedEx companies, here in Hutchison, Kansas. Any yeah. You'd like to talk to someone about this organic beef. I have more questions. Phone number 6, 2 0, 3 1 4, 982. Thank you. Bye."

[Play this voicemail](#) on your mobile phone or online
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Love Grasshopper? [Tell a Friend & spread the word!](#)

DENNIS BREWER

From: DENNIS BREWER
Sent: Wednesday, June 16, 2021 4:08 PM
To: Tyler Lehr
Subject: RE: Meeting on Organic Beef
Attachments: Organics Are Hot - Hartman Group 210608.pdf

Tyler – Thanks for your time today. I enjoyed meeting you and look forward to discussing the options in this space further with your team. I certainly agree that democratizing this product line over time is the best way to go. Input scarcity is the key constraint for the foreseeable future.

While organic products have grown from a few hippies in the 50s and 60s through the 1% barrier in the 80s to a mainstream set of products purchased regularly by 47% of consumers today, at only 6% overall food share, 3% for grainfed organic chicken (25% share growth last year alone), and basically 0% for beef and pork, there is a long way to go with this opportunity.

The pricing curve on organic food is certainly not the same as tech, but there are opportunities to reduce input prices over time. With the right resources or forward sales commitments, it is possible to capture cost savings by reducing the age at which animals are acquired, placing them on converted conventional growing operations (ranches are easily converted to organic status as hardly anyone uses chemicals). No added labor is required in the growing stage, only the finishing stage is different than conventional finishing.

Forward contracting will also incentivize transitions to organic grains both domestically and internationally, lowering the premiums there as well. Finally in-house case ready processing will definitely reduce costs significantly while providing the remarkable level of transparency we discussed.

As for the leap of faith aspect, I can tell you from eating our own “dog food” and from the evidence provided by our grading tests that this is a superior product. In-store demos can turn the corner with the taste issue and spread from there through word-of-mouth. Finally we know who organic consumers are, 81% of families with children, 47% of consumers overall. If this product is sold under our brand, we can connect with those consumers through our e-mail and social media operations, driving consumers toward your stores.

As Hartman Group explains, over 50% of people who actually buy organic products cite the price as a barrier. They buy it anyway - they say it is safer, higher quality, no trace chemical contaminants. Interestingly, according to Hartman Group, this is more a psychographic issue than an income issue, adoption is highest among Millennials. I can hook you up with a SVP at Hartman Group to discuss this further if you would like. Here is link to their recent take on organic (20 minute Vimeo):

<https://www.hartman-group.com/videos?opage=3#section1>

Thanks again!

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: Tyler Lehr <[REDACTED]>

Sent: Thursday, June 10, 2021 3:54 PM

To: DENNIS BREWER <[REDACTED]>

Cc: Lisa Hutchins <[REDACTED]>

Subject: Meeting on Organic Beef

Dennis,

I would like to learn more about your beef program and have some time to better understand the obstacles we face. Please let me know when you have time for a 30 minute meeting for introductions and your proposals.

Thank You,

Tyler Lehr

Merchandising SVP- Deli Services, Meat and Seafood

Phone 479-277-1897
[REDACTED]

Wal-Mart Stores, Inc.
702 Southwest 8th Street
Bentonville, AR 72716-0265

Save money. Live better.

DENNIS BREWER

From: DENNIS BREWER
Sent: Thursday, June 17, 2021 6:10 PM
To: Regan Caviness
Subject: RE: [EXTERNAL]Quotes - Second Request

Thanks for your reply.

Regards,
Dennis

Dennis Brewer

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Office: 800-956-9883

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From: Regan Caviness <[REDACTED]>
Sent: Thursday, June 17, 2021 6:00 PM
To: DENNIS BREWER <[REDACTED]>
Subject: Re: [EXTERNAL]Quotes - Second Request

We are booked us solid for a few weeks out. We will keep you in mind if anything shakes loose.

Regan Caviness

From: DENNIS BREWER <[REDACTED]>
Sent: Thursday, June 17, 2021 3:44:02 PM
To: Regan Caviness <[REDACTED]>
Subject: RE: [EXTERNAL]Quotes - Second Request

Hey, Regan, any news on our quotes - Utility beef slaughter and quarter for export, and Choice boxed boneless for local customers in Texas?

My customers both seem quite eager to move ahead as best I can tell. Let me know.

Thanks!

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

Direct: 201-669-4933

Office: 800-956-9883

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From: Regan Caviness <[REDACTED]>

Sent: Wednesday, June 16, 2021 8:14 PM

To: DENNIS BREWER <[REDACTED]>

Subject: Re: [EXTERNAL]Quotes - Second Request

I forwarded it on to our other salesmen. Waiting on them to get back. Thanks for checking.

Regan Caviness

From: DENNIS BREWER <[REDACTED]>

Sent: Wednesday, June 16, 2021 5:14:39 PM

To: Regan Caviness <[REDACTED]>

Subject: [EXTERNAL]Quotes - Second Request

Really? No interest in selling these products in your own backyard?

88 tons of each, Choice grade:

Beef Ribs with Bone

Beef Shank with Bone

Hindquarter, bnls

Whole carcass, beef

Beef offal

Beef omasum

You are welcome to quote or we can go to Kansas. Let me know on this and the 3550 head per month Utility grade slaughter and quarter.

Thanks.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

Direct: 201-669-4933

Office: 800-956-9883

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DENNIS BREWER

From: DENNIS BREWER
Sent: Thursday, June 17, 2021 9:50 AM
To: Bob Huskey
Subject: Grainfed Organic Beef and Pork Are In Line with Consumer Price Premium Expectations
Attachments: Organic Premiums Comparison NNJ 210616.xlsx

One of our other prospective customers was concerned about customer price perception when they saw our wholesale prices for the first time. So, we did a blind comparison with organic premiums in other categories for the comparable item at the same or very similar size. Our wholesale pricing provides space for typical or better department margins which are in the same range as most other organic foods, and significantly less than those in Dairy and Eggs, the most comparable category.

Detail of this survey from Bergen County, New Jersey on June 16, 2021, are shown below and on the attached spreadsheet. Note that the beef and pork product prices shown are for our grainfed organic beef and pork products. If you wish to change the markup/margin on the spreadsheet to match your own retail price and margin expectations for grainfed organic beef or pork, just change the number in the yellow highlighted cell and all prices and premiums for those items will recalculate. For example, 1.00 equals zero markup on our wholesale price.

| ORGANIC PRICE PREMIUMS | | | | | | |
|-------------------------|--------|---------------------|-----------|------------|--|------|
| | | | | | | |
| PRODUCE | | Conventional | Organic | Premium | | |
| Green Beans | Ounce | \$ 0.187 | \$ 0.332 | 1.78 | | |
| Romaine Lettuce, 3 pack | Pkg | \$ 2.440 | \$ 3.120 | 1.28 | | |
| Iceberg Lettuce | Head | \$ 1.280 | \$ 2.960 | 2.31 | | |
| Broccoli Slaw | | \$ 0.174 | \$ 0.249 | 1.43 | | |
| Average Premium | | | | | | 1.70 |
| | | | | | | |
| | | | | | | |
| DAIRY AND EGGS | | | | | | |
| Eggs | Dozen | \$ 1.210 | \$ 4.980 | 4.12 | | |
| Half and Half | Pint | \$ 1.340 | \$ 2.780 | 2.07 | | |
| Milk | Gallon | \$ 3.280 | \$ 5.880 | 1.79 | | |
| Cheese, Sharp Cheddar | Ounce | \$ 0.185 | \$ 0.395 | 2.14 | | |
| Cream Cheese | Ounce | \$ 0.103 | \$ 0.410 | 3.98 | | |
| Average Premium | | | | | | 2.82 |
| | | | | | | |
| CANNED VEGETABLES | | | | | | |
| Can Green Beans | Ounce | \$ 0.034 | \$ 0.091 | 2.68 | | |
| Can Corn | Ounce | \$ 0.053 | \$ 0.088 | 1.66 | | |
| Average Premium | | | | | | 2.17 |
| | | | | | | |
| STAPLES | | | | | | |
| Ketchup | Ounce | \$ 0.038 | \$ 0.087 | 2.29 | | |
| Yellow Mustard | Ounce | \$ 0.023 | \$ 0.168 | 7.30 | | |
| Average Premium | | | | | | 4.80 |
| | | | | | | |
| BAKERY | | | | | | |
| Whole Grain Bread | Ounce | \$ 0.124 | \$ 0.166 | | | 1.34 |
| | | | | | | |
| GRAINFED BEEF | | Markup on Wholesale | 1.35 | 26% Margin | | |
| Ribeye | Pound | \$ 13.970 | \$ 27.581 | 1.97 | | |
| Top Sirloin | Pound | \$ 8.940 | \$ 15.404 | 1.72 | | |
| Chuck Roast | Pound | \$ 6.470 | \$ 12.204 | 1.89 | | |
| Stew Meat | Pound | \$ 6.980 | \$ 12.582 | 1.80 | | |
| Country Style Ribs | Pound | \$ 8.970 | \$ 16.956 | 1.89 | | |
| Skirt Steak | Pound | \$ 8.420 | \$ 22.896 | 2.72 | | |
| Average Premium | | | | | | 2.00 |
| | | | | | | |
| GRAINFED PORK | | Markup on Wholesale | 1.35 | 26% Margin | | |
| Center Cut Loin Chops | Pound | \$ 4.780 | \$ 9.288 | 1.94 | | |
| Ribeye Chops | Pound | \$ 3.380 | \$ 7.358 | 2.18 | | |
| Picnic Ham, Smithfield | Pound | \$ 3.340 | \$ 3.308 | 0.99 | | |
| Butt Steak | Pound | \$ 3.180 | \$ 5.981 | 1.88 | | |
| Sirloin Chops | Pound | \$ 3.740 | \$ 5.886 | 1.57 | | |
| Average Premium | | | | | | 1.71 |

Thanks!

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

Direct: 201-669-4933

Office: 800-956-9883

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DENNIS BREWER

From: DENNIS BREWER
Sent: Thursday, June 17, 2021 10:37 AM
To: Joanne Labelle
Subject: RE: Big Sandy

Joanne - I most certainly will. Thanks again!

Regards,
Dennis

Dennis Brewer

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From: Joanne Labelle <[REDACTED]>
Sent: Thursday, June 17, 2021 10:32 AM
To: DENNIS BREWER <[REDACTED]>
Subject: Re: Big Sandy

OK Dennis I understand. Thanks so much for the update and do keep in touch if I can ever help in the future! Good luck with getting a finishing property in a milder climate I hope that works out -it sounds like your business is doing well!

Congratulations on all of that. Have a wonderful summer and keep in touch/ Especially if your thoughts turn to property again here for skiing and recreation!

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](tel:2083137669)
Office: toll free [888-354-8880](tel:8883548880)
FAX [208-354-8895](tel:2083548895)

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

On Jun 17, 2021, at 8:11 AM, DENNIS BREWER <[REDACTED]> wrote:

Joanne – We have dropped Big Sandy for now as our potential investors want us to focus on the finishing portion of our project on the West Coast. We need a milder climate for finishing operations. Thanks so much for your work on Big Sandy. Will be back to you if that changes or if something else pops up in the region. Still interested in summering and skiing there one of these days, I hope.

Thanks again!

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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<image001.png>

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DENNIS BREWER

From: DENNIS BREWER
Sent: Thursday, June 17, 2021 5:56 AM
To: Tyler Lehr
Subject: WMT Organic Price Premiums By Category
Attachments: WMT Organic Premiums Comparison 210616.xlsx

Tyler – Good morning. I promise not to haunt your every waking moment with another email. But take a minute to check out this one on organic price premiums.

All prices from the Supercenter located in North Bergen, NJ on June 16, 2021. Prices are on comparable sizes of the same house brand, or similar items, as noted. The spreadsheet is attached in case you want to change the 1.35 times markup (26% margin) on wholesale grainfed organic meat prices. Changing the markup number (1.0 equals no markup on the wholesale price) in the yellow highlighted cell changes all retail organic prices in that category and recomputes the margin % and premiums for that category.

| WALMART ORGANIC PRICE PREMIUMS | | | | | | |
|---|------------------------|---------------------|-----------|------------|--|-------------|
| PRODUCE | | Conventional | Organic | Premium | | |
| Green Beans, Marketside | Ounce | \$ 0.187 | \$ 0.332 | 1.78 | | |
| Romaine Lettuce, 3 pack | Pkg | \$ 2.440 | \$ 3.120 | 1.28 | | |
| Ice berg Lettuce | Head | \$ 1.280 | \$ 2.960 | 2.31 | | |
| Broccoli Slaw, Marketside | | \$ 0.174 | \$ 0.249 | 1.43 | | |
| | Average Premium | | | | | 1.70 |
| | | | | | | |
| DAIRY AND EGGS | | | | | | |
| Eggs | Dozen | \$ 1.210 | \$ 4.980 | 4.12 | | |
| Half and Half | Pint | \$ 1.340 | \$ 2.780 | 2.07 | | |
| Milk, GV | Gallon | \$ 3.280 | \$ 5.880 | 1.79 | | |
| Cheese, Sharp Cheddar, GV | Ounce | \$ 0.185 | \$ 0.395 | 2.14 | | |
| Cream Cheese, GV, Organic Valley | Ounce | \$ 0.103 | \$ 0.410 | 3.98 | | |
| | Average Premium | | | | | 2.82 |
| | | | | | | |
| CANNED VEGETABLES | | | | | | |
| Can Green Beans, GV | Ounce | \$ 0.034 | \$ 0.091 | 2.68 | | |
| Can Corn | Ounce | \$ 0.053 | \$ 0.088 | 1.66 | | |
| | Average Premium | | | | | 2.17 |
| | | | | | | |
| STAPLES | | | | | | |
| Ketchup, GV | Ounce | \$ 0.038 | \$ 0.087 | 2.29 | | |
| Yellow Mustard, GV | Ounce | \$ 0.023 | \$ 0.168 | 7.30 | | |
| | Average Premium | | | | | 4.80 |
| | | | | | | |
| BAKERY | | | | | | |
| Whole Grain Bread, Arnold | Ounce | \$ 0.124 | \$ 0.166 | | | 1.34 |
| | | | | | | |
| GRAINFED BEEF | | Markup on Wholesale | 1.35 | 26% Margin | | |
| Ribeye | Pound | \$ 13.970 | \$ 27.581 | 1.97 | | |
| Top Sirloin | Pound | \$ 8.940 | \$ 15.404 | 1.72 | | |
| Chuck Roast | Pound | \$ 6.470 | \$ 12.204 | 1.89 | | |
| Stew Meat | Pound | \$ 6.980 | \$ 12.582 | 1.80 | | |
| Country Style Ribs | Pound | \$ 8.970 | \$ 16.956 | 1.89 | | |
| Skirt Steak | Pound | \$ 8.420 | \$ 22.896 | 2.72 | | |
| | Average Premium | | | | | 2.00 |
| | | | | | | |
| GRAINFED PORK | | Markup on Wholesale | 1.35 | 26% Margin | | |
| Center Cut Loin Chops | Pound | \$ 4.780 | \$ 9.288 | 1.94 | | |
| Ribeye Chops | Pound | \$ 3.380 | \$ 7.358 | 2.18 | | |
| Picnic Ham, Smithfield | Pound | \$ 3.340 | \$ 3.308 | 0.99 | | |
| Butt Steak | Pound | \$ 3.180 | \$ 5.981 | 1.88 | | |
| Sirloin Chops | Pound | \$ 3.740 | \$ 5.886 | 1.57 | | |
| | Average Premium | | | | | 1.71 |
| | | | | | | |
| CHICKEN | | | | | | |
| Grainfed Chicken, Bnls, Sknls Breasts, Perdue | Pound | \$ 3.370 | \$ 5.940 | | | 1.76 |

You had expressed concern about retail price points, so we checked it out. As you can see, the average organic premium on both beef and pork are:

- In the normal range as compared other Walmart organic product categories,

- Similar to organic produce, and
- Significantly below organic dairy and eggs, which is the most comparable organic category.

Thanks!

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

Direct: 201-669-4933

Office: 800-956-9883

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DENNIS BREWER

From: DENNIS BREWER
Sent: Thursday, June 17, 2021 9:14 AM
To: [REDACTED]
Cc: Tyler Lehr
Subject: Thank You

Charles - Thanks for connecting me with Tyler Lehr. Tyler and I had a productive conversation about the current large scale market gap, sales potential, sales ramp, and organic customer capture opportunity for an early entrant in this growing space. We look forward to working through Walmart's decision process with your team.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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DENNIS BREWER

From: DENNIS BREWER
Sent: Friday, June 18, 2021 10:54 AM
To: Gross, Mark
Subject: Update

Mark - Just an FYI – We have the support of Walmart’s EVP Food, who runs their entire US grocery operation with its 26% market share. We are in early stages with SVP protein merchandising and 2 VPs on discussions revolving around product ramp rate and minimum sales commitment on these pork and beef products. We have located a finishing site in southern Oregon and a harvesting/case ready facility site near Redding (north central), California. Our initial focus is on the West Coast as California is 35% of the US market and an early adopter marketspace.

Next steps with Walmart are discussions around product quality, yield, market acceptance with SVP and 2 VPs, then back to EVP for final look. This will take 2 months or so most likely. Walmart strongly endorses our transparency and traceability initiatives. Quality is scientifically proven through field study as superior to feedyard beef, grades higher at 73% high choice versus 48% high Choice for feedyard beef. Yield is about 90- 100 pounds lower carcass weight on same feeding period (120 days). Retail price point is in line with other organic premiums. Organic dairy is 2.82 times, organic produce is 1.7 times. We can get to 2.0 times on beef and 1.7 times on pork, so we are consistent with other fresh organic products.

We are proposing a sales ramp which will meet 12% to 15% of Walmart’s California only sales gap in this organic protein space over 7 years. We went in aggressive on closing this gap, got pushback from SVP, so we scaled it back to a very conservative minimum commitment level. Proposed levels shown below. This will require \$40 million in advances over 2 years, \$80 million over 5 years to support operations. After 2024, some of this could be bank debt.

| | 2021 | 2022 | 2023 | 2024 |
|---|------|---------------|---------------|-------------|
| Option 1: Walmart Sales Commitment | \$ - | \$ 22,680,966 | \$ 40,140,294 | \$ 59,076,1 |
| Option 2: Cumulative Walmart Sales Royalty | | | | |
| on \$30 million sub debt, due 2028 | \$ - | \$ 756,032 | \$ 2,094,042 | \$ 4,063,2 |
| | | | | |
| | | | | |

Option 1 is the minimum Walmart sales commitment to securitize and secure the \$80MM of advances required over 5 years. Requires no advances from Walmart. Assumes we pay sales royalties to lender rather than interest. 2% royalty on total sales, with 100% payback of principal as soon as 5 years, no later than 7 years. This helps to reduce early negative cash flows, thus reducing total initial advance required.

Option 2 as proposed to Walmart presumes \$30MM of sub debt from them with prime debt from others to close the \$50 million advances gap we need to fill over 5 year to get to the \$80 million total. No minimum sales commitment required.

Our other funding options have not panned out thus far. A few passes and declines, mostly no response to multiple approaches, as expected.

Will update again when there is material news.

Thanks.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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DENNIS BREWER

From: DENNIS BREWER
Sent: Friday, June 18, 2021 8:12 AM
To: Tyler Lehr
Subject: Modified Sales Ramp

Tyler – One last issue for the moment, then I will await connecting with your VPs on this opportunity. Among the issues you mentioned was your discomfort with our initial sales ramp. Here is another cut at a sales ramp which may match up a bit better with your expectations. As mentioned, the current California organic protein gap is about \$5.4 billion (36% of the nationwide \$15B gap). At 22% Walmart share, this is a present day \$1.2B Walmart organic protein sales gap. With current growth rates in the organic space, this gap will double over the next 7 years. It strikes me that covering about 12% of the Walmart California sales gap 7 years from now will not be any kind of stretch for your organization, though obviously that is your decision, not ours.

| | 2021 | 2022 | 2023 | 2024 |
|--|------|---------------|---------------|-------------|
| Option 1: Walmart Sales Commitment | \$ - | \$ 22,680,966 | \$ 40,140,294 | \$ 59,076,1 |
| Option 2: Cumulative Walmart Sales Royalty on \$30 million sub debt, due 2028 | \$ - | \$ 756,032 | \$ 2,094,042 | \$ 4,063,2 |
| | | | | |
| | | | | |

Hopefully, this comes somewhat closer to your thinking on the rate of a reasonable sales ramp. We can run additional sales ramp scenarios relatively quickly when the time is right. Just let me know and we will make it happen.

This particular sales ramp requires \$30 million of sub debt over the first two years, then is self-sustaining. We can certainly securitize a firm minimum sales commitment, turn to you for sub debt support, or work with a third party to bring this to market. The obvious risk with this third option is that we lose control of market allocation.

In my opinion, it would be best for Walmart to have some claim on our production to maintain a position as a leading early entrant in this center of plate space. This grainfed organic protein line will attract and retain organic consumers, such as the 81% of Millennials who complain about organic prices and buy it anyway - because they believe it is better for their families. We have clearly shown these products are at price points which are in line with other organic premiums. This grainfed organic protein line should take off as the high quality and taste (73% premium Choice, 27% low Choice) of these products are demoed in-store and word spreads through word of mouth and social media.

We are fully capable of accelerating market awareness and penetration using low cost, highly targeted email and social media resources aimed at regional organic consumers as these products are rolled into Supercenters. Then in 2024, we will add revolutionary retail package level traceability, in the hottest organic market in the country, with your Supercenters continuing to have first claim on these high quality organic beef and pork products.

I'll leave it at that and look forward to connecting with your VPs as discussed.

Thanks for your continued interest and consideration, Tyler.

All the best.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

Direct: 201-669-4933

Office: 800-956-9883

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DENNIS BREWER

From: DENNIS BREWER
Sent: Saturday, June 19, 2021 8:32 AM
To: Steve Summers
Subject: Sixth Request For Deboning Pricing and Capacity

Steve – Please provide customary and usual deboning price and capacity asap.

Thanks!

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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Office: 800-956-9883

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DENNIS BREWER

From: DENNIS BREWER
Sent: Monday, June 21, 2021 10:50 AM
To: Steve Summers
Subject: Thanks

Steve – Thanks for your call. My calm, professional demeanor rarely fails me, but it did over the past few days, my apologies! Busy this morning but will call later on. Thanks for your patience.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

Direct: 201-669-4933

Office: 800-956-9883

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DENNIS BREWER

From: DENNIS BREWER
Sent: Tuesday, June 22, 2021 10:26 AM
To: Jason
Cc: Raymond Poon; daniel lonergan rmc
Subject: RE: 回复:RE: 回复:RE: 回复:Deboning plant

Well, it usually takes 12 tries to reach someone you don't know without a referral, and 25-28 tries to convert them to an actual sale. That is what the research and our experience tells us. The second sale is vastly easier than the first. Hang in there.

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:
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From: Jason <[REDACTED]>
Sent: Tuesday, June 22, 2021 10:23 AM
To: DENNIS BREWER <[REDACTED]>
Cc: Raymond Poon <[REDACTED]> daniel lonergan rmc <[REDACTED]>
Subject: 回复:RE: 回复:RE: 回复:Deboning plant

Hi Dennis,

Understood. I'll see what I can do. Most of my prospects are not replying from the pass 2 weeks after I sent them the quotations. I'll have a detailed report this week for your information.

Best,
Jason

-----原始邮件-----

发件人："DENNIS BREWER" <[REDACTED]>

发送时间：2021年6月22日(星期二) 晚上10:19

收件人："Jason" <[REDACTED]>

抄送："Raymond Poon" <[REDACTED]> daniel lonergan rmc "<[REDACTED]>

主题：RE: 回复:RE: 回复:Deboning plant

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Jason - No problem. Thanks for your efforts. Ports in Southern China are backed up in any case now due to the recent Covid shutdown in Yantian. It would be good to have this resource available in various east coast regions as it will make us more competitive but you can out it on the back burner for now.

Look forward to your status update.

Thank you.

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:

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From: Jason <[REDACTED]>
Sent: Tuesday, June 22, 2021 10:16 AM
To: DENNIS BREWER <[REDACTED]>
Cc: Raymond Poon <[REDACTED]> daniel lonergan rmc <[REDACTED]>
Subject: 回复:RE: 回复:Deboning plant

Hi Dennis,

Apologizes for the late replay.

I've been looking for deboning plant around Tianjin, however, I am not able to find any suitable ones. I'll keep looking but I'll need more time as I do not have any friends or connection in Tianjin.

Regarding to the sales report, please allow me to send it by the end of this week.

If you have any question, please feel free to contact me.

Best,

Jason

-----原始邮件-----

发件人："DENNIS BREWER" <[REDACTED]>

发送时间：2021年6月21日(星期一) 晚上9:16

收件人："Jason" <[REDACTED]>

抄送："Raymond Poon" <[REDACTED]> daniel lonergan rmc "<[REDACTED]>

主题：RE: 回复:Deboning plant

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Jason – Good day. I am checking to confirm if you need to continue looking for a deboning plant. Probably a good idea to have some in our pocket even if this particular contract is not finalized.

Also, please update your progress on sales prospects as it has been a while since a report has been sent.

Thanks, Jason. Have a good week.

Regards,

Dennis

Dennis Brewer

Chief Executive Officer

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From: Jason <[REDACTED]>
Sent: Friday, June 11, 2021 8:14 AM
To: DENNIS BREWER <[REDACTED]>
Cc: daniel lonergan rmc <[REDACTED]> Raymond Poon <[REDACTED]>
Subject: 回复:Deboning plant

Hi Dennis,

Understood. I'm still looking around, this will take some time and I'll keep you updated ASAP.

Best,

Jason

-----原始邮件-----

发件人 : "DENNIS BREWER" <[REDACTED]>
发送时间 : 2021年6月10日(星期四) 晚上11:34
收件人 : "Jason" <[REDACTED]>
抄送 : "daniel lonergan rmc" <[REDACTED]> Raymond Poon <[REDACTED]>
主题 : Deboning plant

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Jason – The deboning contract will be for 12 months minimum. We will ship to the deboning plant twice each month. We anticipate a volume of 30-50 FCL per twice monthly shipment if the plant can handle it.

Regards,

Dennis

Dennis Brewer

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DENNIS BREWER

From: DENNIS BREWER
Sent: Wednesday, June 30, 2021 8:01 AM
To: [REDACTED]
Subject: FW: Gannett Peak Ranch

Allison - One more key fact – we are in a designated Opportunity Zone in the Lakeview, Oregon area.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer
Direct: 201-669-4933
Office: 800-956-9883

www.GannettPeakRanch.com
<http://www.sheldonbeef.com>
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GANNETT PEAK RANCH

Schedule a call at your convenience here:
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From: DENNIS BREWER
Sent: Wednesday, June 30, 2021 7:48 AM
To: [REDACTED]
Subject: Gannett Peak Ranch

Allison – re 2PM today....

A bit of background for our call later today. First revenue for our sub, Gannett Peak Ranch, is December. We are expecting to move 150,000 pounds of organic grainfed beef and pork in December, achieve profitability that month, and ramp from there. 2022 revenue will be \$18 million plus without outside capital.

We are in discussions with grocery and food service organizations of various sizes. Most of them are in the “show me” mode, some will run a test once product is available, make a judgement, then deploy from there. These entities range from Walmart (SVP, protein merchandising is our contact) to local grocers and restaurant groups. This marketplace is worth about \$15 billion in the US, based upon the 6% overall sales of organic foods (\$56 billion) as compared to the current 0.6% (\$1.8B) share of \$300B in retail total protein sales. Virtually all existing sales are for organic grainfed

chicken (\$1.2B) and organic ground beef (about \$400MM), plus a very small amount of organic grassfed beef and a tiny bit of organic grassfed pork.

An independent university test compared our pasture-based grain finishing method to conventional feedlot beef. We came out on top with 70% higher grading scores, per the USDA inspectors who inspected both our lot and the feedyard lot. A very unbiased test, with same cattle batch sizes, from the same ranch, run at the same time, same weather conditions, through the same processing plant. Our pastured, grainfed pigs will provide comparable quality organic pork.

We are very confident in our product quality due to years of direct experience eating our own “dog food.” My college apartment was a favorite hangout due to the excellent selection of steaks, roasts, burgers, and chops! We ate well. Yes, we developed this process decades ago when there was no premium for organic beef and pork. That is why I am so confident in this method. My dad supervised, I used the business end of the shovel, and we figured out the process together. It’s more complicated than grassfed grazing or conventional feedlot finishing, it goes against some industry norms, but it is based in science and experience. And the quality of the results speak for themselves.

We are also confident in the scale of the opportunity in this space. We are doing a soft opening now, with a limited social media marketing rollout which started a few days ago. Direct to consumer pre-orders start in September. Once we have momentum, we will be making major investments including expanding the number of organic livestock in the finishing process. We will also be adding a case ready plant so we can provide package level traceability to consumers, simplify fulfillment and logistics, lower the cost of these value-added processes, and further improve customer service and success. We are focused on the West Coast at this point as 50% of US organic sales currently occur in California, Washington, and Oregon.

Once purchased, we will have pasture finishing capacity available at our ranches in Lake County, Oregon for up to 100,000 animal units per year. That pasture finishing capacity will get us to around \$550MM in revenue. Up to \$4 million of investor funds would be used in the property acquisition. Additional investment would be used to build infrastructure on the ranches such as inbound feed supply logistics, in-house feed milling, field delivery, and handling facilities to increase livestock receiving and shipping capacity. In later stages, we will also construct and startup our case ready plant and distribution facility in Redding, California, and expand on our current Asia-facing export capabilities. Japan, Korea, and China are all excellent export destinations for high quality organic products, including proteins.

More information is on our website link below. You can connect with our social media at the bottom of the Home page as well.

I look forward to our discussion!

Regards,
Dennis

Dennis Brewer

Chief Executive Officer
Direct: 201-669-4933
Office: 800-956-9883

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GANNETT PEAK RANCH

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