

DENNIS BREWER

From: DENNIS BREWER
Sent: Thursday, June 24, 2021 8:55 AM
To: Todd DeMatteo
Cc: Emma Link; Marcks, Grant
Subject: RE: Sheldon Beef

Todd – Thanks.

Emma – Wide open, Monday morning is usually quietest around here.

Grant -Thanks again for the intro.

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: Todd DeMatteo <[REDACTED]>

Sent: Thursday, June 24, 2021 8:49 AM

To: DENNIS BREWER <[REDACTED]>

Cc: Emma Link <[REDACTED]> Marcks, Grant <[REDACTED]>

Subject: Sheldon Beef

Hi Dennis – sorry for the delay in follow-up. Please let us know your availability for a call on Monday or Tuesday. Emma will coordinate schedules and details.

Best regards,

T

Todd M. DeMatteo
Senior Executive Director

Bankers Capital International

244 Fifth Avenue (C-19 Address)
New York, NY 10001

Dir: 212.298.3535

Cell: 860.805.0078

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DENNIS BREWER

From: DENNIS BREWER
Sent: Friday, June 25, 2021 7:16 AM
To: [REDACTED]
Subject: Blocked

My IP address is completely blocked from Facebook. I put up a business FB page for Gannett Peak Ranch, our new grainfed organic protein brand yesterday and was thereafter completely blocked. I am also dennisbrewer735, a not very active FB member. So, please have the algorithm or the geniuses who wrote it, unblock my accounts and IP address.

Thanks!

Regards,
Dennis

Dennis Brewer

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Office: 800-956-9883

www.GannettPeakRanch.com
<http://www.sheldonbeef.com>
<https://sheldonfoods.com/>



GANNETT PEAK RANCH

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DENNIS BREWER

From: DENNIS BREWER
Sent: Saturday, June 26, 2021 5:31 PM
To: Abt Trading Inc.
Subject: RE: meat offers
Attachments: Vacuum Packed Beef Subprimal.jpg

Walter- Good day. See below – best we can do right now:

1) can you please download in your cell phone the whatsapp application which is free and send me a message so we can chat on it easily

thank you

my whatsapp number is 305 4393049

Will do this on Monday. Already working all weekend, no time.

2) mr George says that what he needed is usd 4.49 per lb instead of usd 4.69 per lb at least to start with the 4 containers to Texas

see the best you can do please, we want to open the door

We can do this only if customer pays all freight. That will add back 17 cents per pound, so there is not much point in this exercise. We have one rule – we only work for people we can make a profit on. Our margins are tight and the plants are running flat out and will not budge on pricing. This is peak season – summer barbeques raise meat demand each and every year. Plus restaurants are reopening and restocking, making this year even busier than usual. Your customer has no bargaining power right now – same problem we have at the moment.

3) he received the photos of the quarters bone in for Dubai, but he needs at least some photos of deboned cuts and how are packed for the Texas customer

Pack is identical to bone-in, vacuum bagged. Picture attached. The cuts are all bagged this same way.

4) the Texas customer also as to find for him four Omasum salted containers Halal

No chance, sorry, they simply don't exist. Way too few cattle slaughtered Halal to come anywhere close to this. 10-12 pounds per head of omasum, thus 176,000 pounds would require 16,000 head. Just not possible.

Regards,
Dennis

Dennis Brewer

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GANNETT PEAK RANCH

Schedule a call at your convenience here:

<https://calendly.com/ceosheldonbeef>

From: Abt Trading Inc. <[REDACTED]>

Sent: Saturday, June 26, 2021 5:07 PM

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

Subject: meat offers

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 Dennis

1) can you please download in your cell phone the whatsapp application which is free and send me a message so we can chat on it easily

thank you

my whatsapp number is 305 4393049

2) mr George says that what he needed is usd 4.49 per lb instead of usd 4.69 per lb at least to start with the 4 containers to Texas

see the best you can do please, we want to open the door

3) he received the photos of the quarters bone in for Dubai, but he needs at least some photos of deboned cuts and how are packed

for the Texas customer

4) the Texas customer also as to find for him four Omasum salted containers Halal

regards

Walter/ABT

DENNIS BREWER

From: DENNIS BREWER
Sent: Saturday, June 26, 2021 12:11 PM
To: [REDACTED] Chris Canchola; Ibrahim Abdelsayed; Brad Kumin; Jason Waseman; Jon Nickless
Cc: Jason; daniel lonergan rmc; Raymond Poon
Subject: For Your Information

Gannett Peak Ranch:

<https://www.facebook.com/gannettpeakranch>

<https://www.instagram.com/gannettpeakranch/>

www.gannettpeakranch.com

Sites above came up yesterday afternoon. Small budget ad campaigns are running on FB and IG to drive site awareness. 2% conversion rate on ads so far, not bad.

No Walmart reaction on Gannett Peak Ranch offering to date, will let this rest a few weeks as we build FB/IG followers and website traffic, then reengage with them.

Sheldon Foods - Still waiting on potential contract orders in Texas and Venezuela. China progressing on leads but no conversions to firm commitments yet.

Regards,
Dennis

Dennis Brewer

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DENNIS BREWER

From: DENNIS BREWER
Sent: Sunday, June 27, 2021 5:48 PM
To: [REDACTED]
Subject: 96195 Old Wells Lane Lake County OR

Brandon - Would the seller accept a \$1.9 million second lien position on the property for 3 years? \$2.9 million purchase price, \$1 million cash to seller at closing. Interest only at 4% per year until balloon payment on third anniversary of closing. We never tour prior to knowing a deal can be struck as it wastes too much time. Once we have a deal on paper, we would tour promptly to be able to sign a firm, final deal, and work toward closing shortly after Labor Day.

Questions:

- How wet is the ground in the Spring? Will it support the weight of a mid-size tractor at all times after thaw?
- When are cattle typically turned out?
- When can you begin planting?
- Is water available adequate to irrigate all season?
- What is priority of ranch's claim on ditch water rights?
- What are annual dues and/or any capital assessments due to ditch company?
- Is ditch company a mutual/coop company?
- What is current status of perimeter and cross fences, water sources, irrigation pumps and piping, facilities – excellent, good, fair, poor?
- Is there any farm equipment or livestock they wish to sell in addition to the property? If so, please provide details, age, model year, hours, etc.

About our company: We are working toward fulfilling orders for grainfed organic beef and pork beginning in December, so our resources are concentrated there at the moment. We also run a protein trading operation focused on China. We have two offices there, near Hong Kong and in Shanghai. See our websites listed below for more information. We are also on Facebook and Instagram as Gannett Peak Ranch if you use those.

Thanks.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer
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Gannett Peak Ranch

The Global Brand for
Case Ready
Grainfed Organic Protein

1210 Citiv Place
Edgewater NJ

n. 201-669-4933

Dbrewer@sheldonbeef.com

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Executive Summary

\$15 Billion Market Opportunity

The organic protein market grew 25% in 2020, to \$1.7 billion, during a pandemic. Grainfed organic chicken led the way with \$1.2 billion in sales. Other proteins, such as grassfed beef and pork, had solid growth. Note the key difference, grainfed chicken, grassfed beef and pork.

It's no secret that North American consumers prefer the taste, texture, and marbling of grainfed protein over grassfed protein, whether the product is chicken, beef, pork, lamb, goat, turkey, buffalo, venison, or any other protein. Grainfed conventional protein IS a \$280 billion business because we all like the taste. By comparison, the organic protein market has just 0.6% market share.

Organic chicken comprises 70% of total organic protein sales. Chicken is 17.6% of conventional protein sales. Organic chicken is 3% of all chicken sales, 0.4% of all protein sales. Nearly all organic poultry is finished on grain based organic chicken feed for that great grainfed taste.

Organic beef and pork, our primary target markets, combined for about \$400 million of organic sales in 2020. About \$220 million of that (55%) was organic ground beef. The grassfed organic beef and pork cuts share (steaks, chops, roasts, and so forth) was around \$180 million (45%). Together they total 1% of all beef and pork sales. Only 39% of total beef industry sales are ground beef. Clearly, grassfed organic cuts are not as attractive to consumers.

What happens when we introduce grainfed beef, pork, and other pastured animals to the organic consumer? If better tasting (grainfed) organic beef, pork, lamb, and goat products were available today, the 6% overall market share of organic foods would equate to \$16.8 billion in grainfed organic protein sales, nearly ten times the current \$1.7 billion. Organic beef and pork sales would be in the \$10.5 billion range and organic specialty proteins, such as bacon, smoked ham, lunchmeat, and jerky would be in the \$4.5 billion range.

If this were a simple transition, it would already be done. After all, a \$15 billion hole to fill in the organic protein market is plenty of incentive. There are several key technical barriers to overcome, ranging from developing a pasture-based grain finishing process which complies with organic regulations, to the availability of organic livestock and grains, to the details of how the product must be processed and packaged for retail sale.

The good news is that we have successfully innovated to overcome each of these challenges. The journey to \$15 billion in additional organic protein sales won't happen overnight, but we can make huge strides in the next few years. We implement novel but well-proven processes, equipment, and technologies, which are protected by IP so they cannot be easily imitated. We team with organic producers in our network to ramp production of animals and grains. Together with numerous other innovations, and by listening to the

consumer, instead of fighting them as the conventional industry does (more on this point later), we have a clear path forward to extraordinary growth in grainfed organic beef, pork, lamb, and goat.

Our Path to Success

Gannett Peak Ranches leverages our proprietary methods and technologies to transform the current grassfed organic protein market with branded case ready pasture raised grainfed organic protein. We will build a vertically integrated consumer branded \$1 billion sales business with extremely strong cash flow over 7 years using proprietary methods and technologies.

This opportunity calls for a creative combination of the old and the new in a single enterprise. It has been a long time in the making. It calls on our many years of individual and combined experience with everything from animal health and nutrition to modern pasture regeneration techniques, to retail packaging technology, product placement, marketing, finance, logistics, and information systems, as well as a great working knowledge and strong connections in protein retailing.

Our excellent results are the product of this knowledge and experience, and these five key elements:

- Our proprietary pasture-based grain finish feeding system.
- Our product line's great grainfed taste.
- Our consumer branding approach and strategy.
- Our innovative processing system, infinitely expandable, scales with demand, avoids the extremely high initial cap ex of traditional processing methods.
- Our "sticky" producer to consumer application of blockchain technology, including software-based IP and process IP.

The details of each of these key elements is spelled out in the body of this Business Plan.

Our Company, Customers, and Consumers

Gannett Peak Ranches is a complete line of branded grainfed organic protein products – beef, pork, lamb, and goat. It combines the best of two existing well established, well-watered ranches for an 8,625 acre grainfed organic finishing operation in Lake County, south central Oregon. The area has a moderate climate suitable for keeping even cold-sensitive pigs outdoors, and the ranches have 3,335 acres of water rights for organic pastures ideally suited to our proprietary pasture-based grainfed organic finishing operation. We can carry 5 animal units per acre on these watered pastures and 2 animal units on the other dryland pastures year round. With three turns per year, we can finish over 80,000 animal units per year. An animal unit equals 1,000 pounds, one beef steer/heifer, or 4-5 pigs.

We have the right recipe to provide that great grainfed taste. And we have the right set of experienced team members with ability to execute in this basically empty grainfed organic protein marketplace and for the magnitude of the North American opportunity.

We grow, finish, and sell branded Gannett Peak Ranches Case Ready Grainfed Organic Protein. Case ready means the product is packaged for retail sale. All the retailer has to do is put it in their meat display case. This is important because few supermarkets have the certified in-store facilities and staff training needed to cut and package organic proteins. It's an expensive process to get the training, certification, and special packaging required for these products.

Consumers constantly ask for organic products. 47% of consumers buy some organic foods regularly, including 81% of families with children. Retailers carry organic foods for their great margins and to avoid losing that 6% organic share of the food business to a competitor down the street. Also, it is important to note that **the quality and selection of meats carried is consistently a key reason consumers cite for choosing one grocery store over another**. So, we have a built-in fan base of consumers (47% of consumers), particularly in major urban centers and edge cities on both coasts. And we have motivated grocers who are constantly seeking an edge over their competitor.

We have strong, durable connections with many of these retailers from local organic coops to some of the largest grocers, warehouse clubs, and other protein retailers in North America and Asia. Our people have worked in the protein industry, finished millions of livestock; are familiar with the tools of the coming blockchain revolution in food safety and traceability; are experts in domestic and international logistics; know the best organic grain producers, processors, packaging suppliers, specialty ag equipment manufacturers who can work to our designs; and the millions of other details needed to make this work well and seamlessly for our retailer customers and their consumers.

Business Mission and Objectives

Mission Statement

Be the global grainfed organic protein brand recognized around the world for high quality and exceptional taste. Develop a values rich reputation for square dealing and excellent returns to stakeholders, including customers, consumers, team members, shareholders, and community.

Business Model

Our grainfed organic protein production business model is based upon extending the organic trend for all types of protein products from grassfed organic to grainfed organic. This will gain much broader consumer acceptance than grassfed has due to its superior grainfed taste. We will further distinguish our protein by offering complete traceability for every single retail package sold to consumers.

Objectives

- Complete acquisition and financing of two Lake County, Oregon ranches in Summer 2021. Separate brochures are available on request with details on each ranch.
- Restock Lake County ranches with organic feeders from our existing organic producer network in the West and Midwest. Begin organic beef revenue operations 10 days after closing, targeting first revenue in December 2021. Revamp selected fencing, water distribution, and facilities; add specialized equipment to support organic pig revenue operations 60 days after closing.
- Continue to protect intellectual property inherent in our pasture-based grain finishing system.
- Use regional harvesters and further processors in northern California and Nevada to process, finish cut, and package case ready protein products until our California case ready plant is completed.
- Broaden and deepen West Coast distribution and market penetration over time to maximize West Coast market share, then begin eastward North America expansion and Asia-focused international expansion.

Keys to Success

- Focus on grainfed organic protein markets.
- Continue to build out our low cost, heavily integrated supply chain of organic producers, feed producers, processors, and distribution capabilities.
- Sustain a fair price reputation with customers and consumers.
- Provide exceptional customer service working toward 24 hour/7 day coverage.
- Maintain our proprietary pasture-based feeding system, while adding animal health and performance monitoring technology systems.
- Continue food tech innovations in packaging and farm to fork blockchain traceability.
- Develop the specialized tools and facilities required to provide a unique leading edge consumer experience building toward a high tech, high touch capabilities set.

Company Ownership and Legal Entity

The Company is to be a C corporation registered in Oregon, initially to be 100% owned by the Sheldon Beef Inc, which in turn is 90% owned by Dennis Brewer, its CEO. There are six other shareholders, including several team members, who own the remaining 10% of Sheldon Beef.

Location

Gannett Peak Ranches is currently headquartered in Edgewater, NJ across the Hudson River from Manhattan.

Market Analysis

Our target market is a select slice of retail consumers who require or desire grainfed organic protein products. This segment includes organic consumers in the North American market who prefer hormone and antibiotic free products which are humanely raised over conventionally raised beef charged with growth promoting hormones, feed additives, and antibiotics. 47% of consumers, including 81% of families with children, regularly buy some organic foods. As we expand to other global markets, such as China, we will emphasize and target those customers seeking high quality grainfed organic protein and its excellent taste profile and finish. Our international competition is generally ordinary grassfed beef choices from local suppliers and from exporters in countries such as Brazil and Australia.

Table 1: Importance of factors on choice of meat shopping outlet, average for all consumers

Considerations	Extremely	Very	Motivated	Somewhat	Not at all
Meat Offerings	22.7%	37.0%	26.0%	11.2%	3.1%
Superior Products (taste and flavor)	47.2%	34.1%	14.8%	2.9%	1.1%
Safety	47.0%	28.9%	15.5%	6.0%	2.6%
Local producers	8.8%	16.4%	30.5%	24.7%	19.6%
Convenient location	26.6%	36.6%	23.5%	9.7%	3.6%
Aesthetic	13.7%	29.7%	32.2%	16.5%	7.8%
Family/friend suggestion	7.5%	21.6%	35.9%	21.3%	13.7%
Reasonable prices	42.2%	35.7%	15.2%	5.0%	1.9%

We rely on retail grocery chains, warehouse clubs and, to an extent, their online presence, to reach these prosperous and emerging consumers, both here and internationally. For many North American consumers, our fairly priced products are not luxury items, they are lifestyle choices. The channels we use are the strongest mode of distribution for our products. Power retailers reach more people than any other global channel.

Successful relationships with power retailers require excellent execution capabilities and a sophisticated knowledge of the systems and processes they use. We have the required skill set, and the technology expertise to back it up and cement these relationships. The availability of both blockchain technology and web-based high capability platforms on a subscription basis mean they are affordable for companies like ours. The level of sophistication required to make consumer, retailer customer, and supplier relationships work in ways that were not economically feasible in the past is readily available. It can also be customized to our unique requirements.

Market Segmentation

Our North American consumer focus is the price/value range which includes grassfed natural and organic protein products. This is a psychographic consumer profile, not so much an income/age demographic consumer profile. As mentioned before, 47% of consumers, and 81% of families with children regularly buy organic foods. Our future global consumer is an upper middle-class consumer who values the quality and taste of grainfed beef over grassfed beef. Both North American and international consumers value product purity and choose organic to avoid micro-contaminants in their protein.

Top 5 Reasons for Buying Organic Food & Beverages

(Among Organic Purchasers)

Safer for me/my family	39%
To avoid pesticides/other chemicals	38%
To avoid antibiotics/growth hormones	33%
Higher quality	32%
To avoid GMOs	31%

Source: *Organic and Beyond 2020* report, The Hartman Group

Table 2: Importance ratings for various production practices, average for all consumers

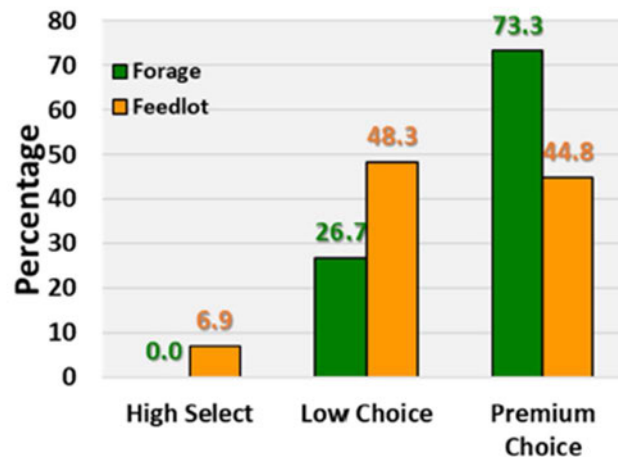
Practice	Extremely	Very	Motivated	Somewhat	Not at all
Open Range	14.7%	18.1%	26.7%	22.4%	18.2%
No Antibiotics	22.0%	23.3%	23.6%	18.3%	12.7%
No Hormones	29.0%	20.7%	22.1%	16.9%	11.2%
Natural	18.9%	21.1%	28.9%	19.8%	11.3%
Organic	9.2%	12.3%	24.3%	26.7%	27.6%
Grassfed	11.7%	18.9%	29.2%	22.3%	17.9%
Protects Streams	11.9%	15.5%	28.5%	23.8%	20.3%
Protects Endangered Species	12.8%	16.8%	25.6%	24.2%	20.5%
Humane Treatment	24.8%	19.7%	27.6%	17.0%	10.9%
Traceable to Producer	21.0%	24.0%	26.0%	16.5%	12.5%
Country of Origin	24.1%	25.2%	24.7%	14.5%	11.5%

For more independent organic consumer insights from North America, the Hartman Group, based in Seattle is a leading source of consumer research. You can see some of their insights at:

https://www.hartman-group.com/search?query=organic&_token=6XYCkAmi65DyVkGkFZwUvkNBw4yGZHiGQLS6PwIY&search=organic&page=1

Grainfed Taste

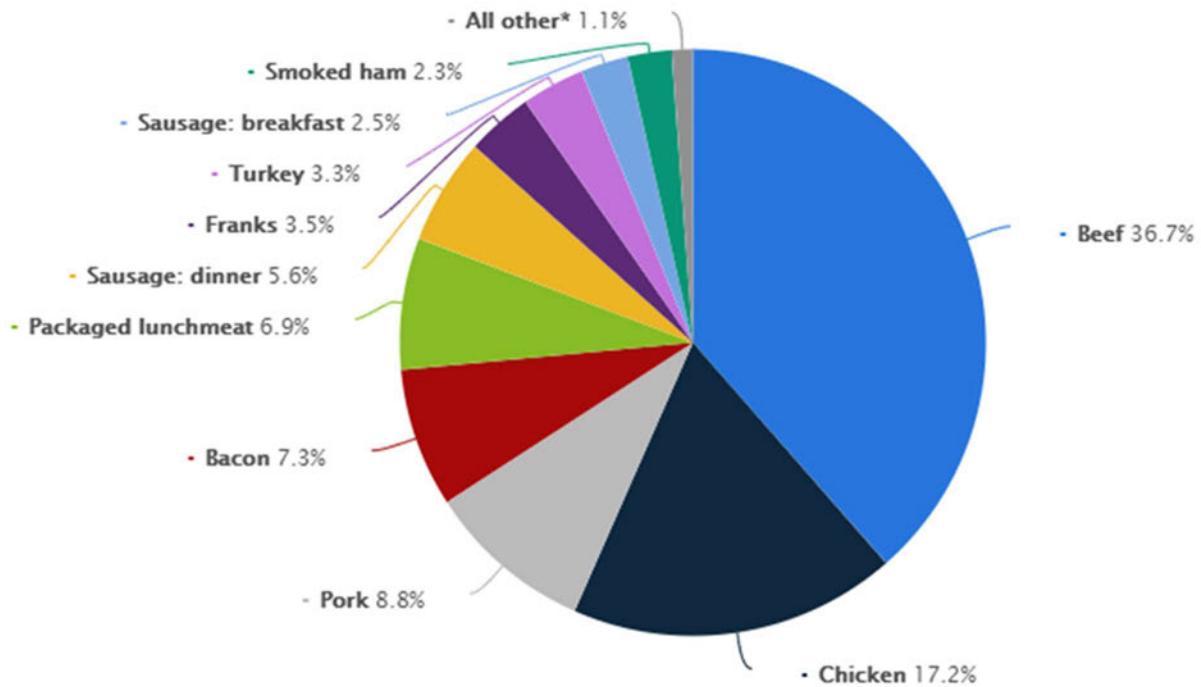
Organic enjoys 6% of overall market share for food products, but only 0.6% for organic proteins – chicken, beef, pork, lamb, and goat. It's not the price, it's the grassfed taste. Simply put, the taste issue is why very few retailers carry any organic protein besides ground beef. See the chart below for the quality impact of our organic grain-based pasture finishing method – beats the feedyard approach by a mile!



Competition

Indirect North American competitors include Cargill, JBS, National, and Tyson, all major forces in the conventional beef business. Each has a small presence in natural proteins and limited grassfed offerings. We compete most directly with the unconcentrated organic grassfed beef industry and most specifically with the very small grassfed organic beef producers and packers. Conventional protein market shares by protein line are shown in the table on the next page.

Conventional Protein Market Shares at Retail



Organic protein shares are substantially different from the conventional market. Organic chicken is by far the dominant share of protein sales, at 70%, \$1.2 billion. Much of the rest is organic grassfed ground beef. A modest amount of grassfed beef and pork cuts are available. Combined, beef and pork products are 18% to 22%, \$300 to \$375 million, of this \$1.7 billion market. Other specialty organic protein products, such as sausage, smoked hams, and packaged meats are not often available nor are they widely distributed. Clearly, there are huge opportunities in this space, particularly in beef and pork. Those are our target markets. With time, we can extend into specialty organic proteins and perhaps, one day, into fresh and frozen pre-packaged organic meals.

International Sales Potential

Future international markets are shown on the map below. You will note that China is a high potential market over time. When the time arrives that we are able to export in sufficient quantity from existing operations, we will be able to leverage our current sales presence there to good effect. We are also in the very early stages of exploring a production opportunity with a partner based in North America. He is co-owner of a moderate size grassfed cattle operation in southern China and has strong commercial and family ties to the country.



Sheldon Foods, operated by the same management team, has established sales and administrative offices in China. Over time, we will enlist our team there to begin Chinese market penetration of high-end grocers and food service, including restaurants and hotels seeking a unique premium organic protein menu offering.

Sales, Marketing, and Customer Service

Our sales and marketing activities are focused on two outcomes – raising consumer awareness of our unique, great tasting grained organic protein line, and managing our retailer relationships. Email campaigns, social media, and targeted in-store demos will get the word out to consumers at low cost, is highly effective, and is consistent with our ability to roll out supply into various geographical regions. As for retailer relationships, we know which chain banners and coops have the greatest sales potential.

Dennis Brewer, our CEO, lived and worked in the regional markets on the West Coast for 30 years, in the Northeast market for the past 15 years, and started in grocery in the 1970s, before college. Brad Kumin, our CRO, worked in sales and marketing at protein giant Tyson right out of college, and has continued his protein career for the past 15 years. Throughout his career, his geographic scope has been nationwide, so he knows the North American market well. Their detailed biographies are included later in this Business Plan.

Customer Interaction and Support

Maintaining a professional presence, and a reputation for excellent customer service is critical to the Company's success with its very sophisticated retailer customer base. We operate a separate international protein trading business with suppliers in North and South America, offices in China, and international customers, mostly in Asia. Our relationships extend from upscale regional grocers in the US to the largest international chains doing business globally.

Our relationship managers and support team will provide personal contact as needed. As part of our blockchain technology rollout across our businesses, we will leverage customized self-service portals for customer research and inquiries using a web-based platform. This will provide immediate access to critical customer information such as order locations in the logistics process, and organic certification and food safety documentation. In 2024 we will be able to provide package level traceability support to consumers as well. This ability is truly revolutionary in the protein business and will help us retain retail customers regardless of where they choose to shop.

Service

By mid-2022, we will provide 24 hours by 5 days per week live customer service personnel to assist customers in the entire sales and fulfillment process from quote to cash, including the complex logistics and regulatory requirements in each of our markets. These specially trained personnel will be supported by a web-based portal, also eventually directly accessible by customers, providing up to date order, shipment, and customs information. During the second half of 2023, these blockchain based applications will be integrated with NetSuite ERP system to provide systematic transparency and traceability.

Sales, Marketing, and Service Budgetary Allocation

We have established a 5% of revenue budget for sales, marketing, and customer service activities. Our relative price point per unit is high. The conventional protein industry spends about 4% of revenue on these activities, including expenditures by retailers. Since we have a substantial price premium, we are effectively spending at a much higher rate per unit of sales when compared to the conventional industry at its lower price point. So, effectively, these funds buy us many more consumer exposures to our products.

We establish long term customer relationships, so this level of funding is appropriate to our consumer market penetration strategy and our ability to develop and manage retailer relationships. Our existing retailer contacts will easily absorb our initial ability to supply the West Coast regional markets.

Marketing

Sales and marketing rely currently heavily on connections the CEO and CRO have developed over the years with upscale specialty and power retailers in North America. Our Sales and Marketing team works under the leadership of our CRO, Brad Kumin, a highly experienced food industry sales and marketing executive. As the Company matures, these daily activities related to these customers will increasingly be managed by other team members to free executives to focus on the continuing growth of the Company domestically and internationally.

The Company will develop its grainfed organic case ready brand for distribution in North America and around the world. The brand will feature premium cuts in customized skin tray packaging to ensure long product life, an outstanding appearance, and maximum freshness. Since we provide all proteins except chicken, consumers can easily shop for the variety of organic proteins they want simply by relying on our brand. This program will be backed by a first-in-class global consumer loyalty program and traceability to encourage the stickiness of our brands in retailer refrigerated cases around the world.

As the Company develops its Gannett Peak Ranches retail brand, we will employ team members skilled in loyalty program development and administration, web-based technologies, and social media to foster a strong consumer connection. We will also create and maintain service-oriented web-based and blockchain systems to support retail merchandising of our products.

Advertising and Promotion

Our current campaign with power retailers is a one-to-one approach to sales and marketing. We work to obtain high level meetings with our targeted retailers in the US market, and use technology, including email and Zoom to develop a close presence with the power retailers in other countries. We develop a sales and marketing force to work with local outlets, while maintaining a corporate market presence, consistent messaging approach, and logical sequence of local promotional events.

As we build out our branded case ready product distribution, we target consumers in the region where the case ready product is being distributed using native language and culturally appropriate email, social media, and point of purchase marketing and promotion, including store level demos during the introductory phase. This requires a strong understanding of alternative media formats, including social

media. Since we offer a complete line of organic grainfed protein, we can cross-sell and upsell our protein lines to retailers and to individual consumers using localized and personalized communications strategies.

Pricing Philosophy

Our pricing is double the retail price of conventional proteins and comparable, but lower, than grassfed proteins. Since it is offered in retail case ready form, we capture much of the margin available in the value chain. As volumes grow, we will replace contract processors to capture margin, simplify logistics and fulfillment, and to implement innovative traceability technology not currently available anywhere in the protein marketplace.

Durable Organic Price Premium

The premium for organic is very well established by a wide variety of other organic products. Organic brown eggs are 3.8 times the price of conventional white eggs. Organic milk and produce are 1.7 times the conventional price. Other organic dairy prices are up to 3 times the conventional price. All have been mass distributed through your neighborhood grocer for at least 20 years. Detail shown on next page.

ORGANIC PRICE PREMIUMS, WEEK OF JUNE 15, 2021							
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			
Iceberg 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		1.4	29% Margin			
Ribeye	Pound	\$ 13.970	\$ 30.318	2.17			
Top Sirloin	Pound	\$ 8.940	\$ 16.932	1.89			
Chuck Roast	Pound	\$ 6.470	\$ 13.415	2.07			
Stew Meat	Pound	\$ 6.980	\$ 13.831	1.98			
Country Style Ribs	Pound	\$ 8.970	\$ 18.639	2.08			
Skirt Steak	Pound	\$ 8.420	\$ 25.169	2.99			
	Average Premium						2.20
GRAINFED PORK	Markup on Wholesale		1.4	29% Margin			
Center Cut Loin Chops	Pound	\$ 4.780	\$ 10.210	2.14			
Ribeye Chops	Pound	\$ 3.380	\$ 8.088	2.39			
Picnic Ham, Smithfield	Pound	\$ 3.340	\$ 3.636	1.09			
Butt Steak	Pound	\$ 3.180	\$ 6.574	2.07			
Sirloin Chops	Pound	\$ 3.740	\$ 6.470	1.73			
	Average Premium						1.88
CHICKEN							
Grainfed Chicken, Bnls, Sknls Breasts, Perdue	Pound	\$ 3.370	\$ 5.940				1.76

Since our product lines will taste right to the grain trained consumer, many more people will adopt organic proteins, buy our proprietary grainfed taste and pay the premium. While the price premium is the most frequently cited deterrent to buying organic, including by more than 50% of organic consumers, they prefer the quality, wholesomeness, safety, and lack of manmade chemicals in their food, so they buy it anyway.

Example Organic Protein Prices

See the table on the next page.

Gannett Peak Ranches

Grainfed Organic Proteins Pricing - Week of June 15, 2021

			Comparative				
			Non-Organic				
BEEF	USDA Average	Organic	Grassfed	PORK	USDA Average	Organic	Comparative
	Conventional	Wholesale	Wholesale		Conventional	Wholesale	Non-Organic
	Retail Price	Case Ready	Boxed Beef		Retail Price	Case Ready	Pastured Pork
							Boxed Pork
Bone-In Ribeye Roast	\$ 9.08	\$ 18.16		Whole Bone-In Loins	\$ 2.69	\$ 5.38	
Bone-In Ribeye Steak	\$ 10.36	\$ 20.72	\$ 23.11	Bone-In Cc Loin	\$ 1.69	\$ 3.38	\$ 11.85
Bnls Ribeye Roast	\$ 8.52	\$ 17.04	\$ 19.36	Loin Roast Bnls	\$ 2.33	\$ 4.66	\$ 10.11
Bnls Ribeye Steak	\$ 11.35	\$ 22.70		Rib End Roast B/In	\$ 2.17	\$ 4.34	
T-Bone Steak	\$ 10.97	\$ 21.94		Sirloin End Roast B/In	\$ 1.65	\$ 3.30	
Porterhouse Steak	\$ 11.78	\$ 23.56		Sirloin Roast Bnls	\$ 1.28	\$ 2.56	
Tenderloin	\$ 14.61	\$ 29.22	\$ 28.18	Rib End Chops B/In	\$ 2.76	\$ 5.52	
Filet Mignon	\$ 19.31	\$ 38.62		Sirloin Chops B/In	\$ 1.71	\$ 3.42	\$ 10.24
Loin, Bnls		\$ -		Cc Chops B/In	\$ 2.96	\$ 5.92	
Bone-In Strip Steak	\$ 9.03	\$ 18.06		Assorted Chops B/In	\$ 2.19	\$ 4.38	
Bnls New York Strip Steak	\$ 11.54	\$ 23.08	\$ 28.69	Rib Chops Bnls	\$ 3.03	\$ 6.06	
Beef Backribs	\$ 2.93	\$ 5.86	\$ 9.94	Sirloin Chops Bnls	\$ 2.42	\$ 4.84	
Sirloin Roast		\$ -		Cc Chops Bnls	\$ 3.82	\$ 7.64	
Sirloin Steak	\$ 6.34	\$ 12.68	\$ 18.24	Smoked Chops	\$ 3.99	\$ 7.98	
Bnls Sirloin Roast	\$ 4.14	\$ 8.28		Tenderloin, Fresh	\$ 3.84	\$ 7.68	
Bnls Sirloin Steak	\$ 5.25	\$ 10.50		Tenderloin, Marinated	\$ 4.94	\$ 9.88	
Sirloin Tip Roast	\$ 4.19	\$ 8.38		Backribs	\$ 3.75	\$ 7.50	\$ 11.70
Sirloin Tip Steak	\$ 5.23	\$ 10.46		Picnic Fresh B/In	\$ 1.36	\$ 2.72	\$ 9.06
Bnls Top Sirloin Roast	\$ 5.32	\$ 10.64		Porketta	\$ 3.20	\$ 6.40	
Bnls Top Sirloin Steak	\$ 7.14	\$ 14.28		Butt Fresh B/In	\$ 1.99	\$ 3.98	
Top Round Roast	\$ 4.35	\$ 8.70	\$ 12.43	Butt Roast Bnls	\$ 3.18	\$ 6.36	\$ 8.51
Top Round Steak	\$ 5.68	\$ 11.36		Pork Steak	\$ 2.46	\$ 4.92	
Bottom Round Roast	\$ 4.57	\$ 9.14	\$ 11.75	Country Style Rib B/In	\$ 2.28	\$ 4.56	
Bottom Round Steak	\$ 4.94	\$ 9.88		Country Style Ribs Bnls	\$ 2.78	\$ 5.56	
Eye Of Round Roast	\$ 5.24	\$ 10.48	\$ 12.14	Spareribs	\$ 3.26	\$ 6.52	\$ 7.81
Eye Of Round Steak	\$ 4.94	\$ 9.88		St. Louis Style Spareribs	\$ 3.46	\$ 6.92	
Rump Roast	\$ 4.43	\$ 8.86		Ham, B/In	\$ 7.87	\$ 15.74	
Rump Steak		\$ -		Ham, Spiral	\$ 5.74	\$ 11.48	
Chuck/Shldr/Arm Roast	\$ 5.02	\$ 10.04		Ham, B/In Butt	\$ 1.72	\$ 3.44	
Chuck/Shldr/Arm Steak	\$ 5.22	\$ 10.44		Ham, B/In Shank	\$ 1.21	\$ 2.42	
London Broil	\$ 4.78	\$ 9.56		Ham, Bnls	\$ 4.22	\$ 8.44	
Brisket	\$ 4.97	\$ 9.94	\$ 10.32	Ham Steak	\$ 3.51	\$ 7.02	
Brisket, Flat	\$ 6.99	\$ 13.98		Sliced Bacon, 1 Lb Pkg	\$ 5.88	\$ 11.76	\$ 11.55
Corned Beef Brisket	\$ 4.99	\$ 9.98		Pre-Cooked Bacon	\$ 20.32	\$ 40.64	
Corned Beef Flat	\$ 4.99	\$ 9.98		Canadian Bacon	\$ 5.00	\$ 10.00	\$ 13.43
Beef Short Ribs	\$ 6.98	\$ 13.96		Ground Pork	\$ 3.37	\$ 6.74	\$ 8.15
Flat Iron Steak	\$ 7.31	\$ 14.62		Bkfst Sausage, 1 Lb Roll	\$ 3.63	\$ 7.26	
Flank Steak	\$ 9.70	\$ 19.40	\$ 16.39	Bkfst Sausage,		\$ -	
Minute/Cube Steaks	\$ 5.38	\$ 10.76		Link/Patty	\$ 4.19	\$ 8.38	
Stew Meat	\$ 5.18	\$ 10.36	\$ 9.92	Pre-Cooked Sausage	\$ 5.39	\$ 10.78	
Ground Round	\$ 4.99	\$ 9.98		Dinner Sausage	\$ 3.90	\$ 7.80	
Ground Chuck	\$ 3.71	\$ 7.42		Italian Sausage	\$ 4.17	\$ 8.34	\$ 9.18
Ground Sirloin	\$ 4.28	\$ 8.56		Chorizo	\$ 3.23	\$ 6.46	
Ground Beef 90% Or More	\$ 4.97	\$ 9.94	\$ 9.45	Deli Ham	\$ 6.47	\$ 12.94	
Ground Beef 80-89%	\$ 3.42	\$ 6.84		Pkg/Slcd Ham, 1 Lb/Less	\$ 6.09	\$ 12.18	
Ground Beef 70-79%	\$ 2.64	\$ 5.28		Deli Cooked Pork Roast		\$ -	
Beef Patties	\$ 5.52	\$ 11.04	\$ 9.97	Deli Cooked Spareribs		\$ -	
Tri-Tip	\$ 6.56	\$ 13.12	\$ 12.95	Deli Cooked Backribs		\$ -	
Skirt Steak	\$ 9.42	\$ 18.84	\$ 15.05	Pulled Pork		\$ -	
				Feet	\$ 0.99	\$ 1.98	\$ 5.40
				Neckbones	\$ 1.66	\$ 3.32	

Proprietary Production Methods

Background

As every farmer, rancher, and feedlot operator knows, you can't finish commodity livestock in a pasture – they walk it off, they eat too much grass, they need growth promotants, etc. These statements of conventional wisdom are all true for a commodity where you must squeeze every penny out of your costs and grow your animals bigger faster - which is how the vast amount of meat is raised. But what about, for example, Wagyu, a popular premium beef these days? Twice as long in the feedyard and a lot more fat in the meat. Some people love it and happily pay the 85% premium it fetches today.

But you can't confine organic livestock during grazing season. Organic livestock can only be fed grain during the last 120 days before harvest, a much shorter period than feedlot confined livestock are often fed. So, applying conventional wisdom, the feedyard is out, grassfed is in for organic beef.

The problem with this solution is obvious. Most North American consumers don't like the grassfed taste, it's strange. And they don't know how to cook grassfed because it's too lean. So, except for organic ground beef, these products languish in the grocer's meat case. Grassfed ground organic protein products sell (think organic hamburger at 55% of sales revenue) while organic protein cuts like steaks, chops, and roasts don't.

So, to sum up, conventional wisdom says a feedlot is the only place you can put on the weight and get the marbling for grainfed taste, according to ranchers and cattlemen. Organic livestock cannot be confined in grazing season. The only obvious answer for organic is grassfed, but it doesn't sell very well.

Why Isn't Grainfed Organic Protein Already Out There?

Organic certification has been around since 2002 and premium pricing for organics has been around since at least the 1950s. But organic protein is still only available in the now unfamiliar grassfed form. The real barrier to grainfed organic protein has been a lack of innovation.

Ranchers and farmers are conservative people. Most of the innovation in the ag sector these days comes from big companies, like John Deere (though this one guy did figure out the steel moldboard plow tore up the prairie like no wooden moldboard could in 1837), JBS, or Tyson or, on occasion, iconoclastic tech outsiders (ag tech). Farmers and ranchers don't do it because their margins are too slim, they cannot put the money together or convince their banker, they are in their 60s and could lose their income or their farm, etc.

Conventional wisdom, risk aversion, and no suitable equipment are among the actual principal barriers. These are classic barriers to innovation in most domains. Nothing new about that. But these barriers can

and have been defeated. With some experimentation, we figured out how to give consumers the great grainfed taste they really want using pasture based finishing.

First, let's stipulate that the grain feeding of organic livestock is more costly and complicated, required a good deal of thought and some failed experiments to achieve, and that you can't readily find the right equipment. It also requires a good deal more human labor than watching livestock graze, and animals gain only 75% to 90% as fast as in a feedyard. Innovation is risky, can be expensive, and much of the time, it doesn't work out. So, to date this has not been done on commercially on a large scale. But neither had any building taller than 3 or 4 stories been built before iron and then steel frames. A physical innovation and great imagination made it possible.

For organic protein, which has excellent margins and a built-in market expectation of premium prices, pasture based grain finishing is a great fit. This is true despite the added cost and complexity, mostly because the resulting grainfed organic product tastes right so it will SELL.

Our Proven Pasture-Based Grain Finishing Process

Over 40 years ago, our CEO's family raised cattle on a few hundred acres. Not a big place, but they did something that has not otherwise been done. They developed a pasture-based method of grain feeding livestock. The livestock gained weight, sold well, customers were happy, and the family avoided the expense of investing in a feedlot. They did it with cattle, pigs, and sheep. There was no such thing as organic protein in those days, so there was no premium for the extra work. But the meat tasted great and sold well - the most important elements of success in the protein business.

The CEO family secret? Well, think about your kids – do they prefer candy or vegetables? Right, ours do too. We give our livestock organic grain in the morning, carefully measured out so they can eat their fill, but not so much it gets wasted. After a grain breakfast, they are let into a fresh plot of grass to eat and lounge as they choose. They gain weight about 75% to 90% as fast as in a feedyard. As required by USDA certified organic regulations, there are no weight inducing growth promotants, hormones, or antibiotics used in this process. Because they are fed organic grains, our livestock do develop that great grainfed taste without overdoing the fat. The net result is pure organic protein with the taste we all expect.

Of course, it's not quite as simple as it sounds. We use specialized pasture feeding equipment, some of our own design, and specialized processes and methods to get the results we require. We use modern grazing techniques to maximize our irrigated pastures. Our people are with our livestock every day, so they get a much closer look than do commodity cattle or hogs in a large-scale conventional finish feeding operation. And, of course, no growth promotants, hormones, or antibiotics are ever used on organic animals. We do treat ill livestock with antibiotics if required, but they are removed from our herds or flocks, and sent down the road. Finally, our irrigated organic pastures are extremely well cared for, such that they regenerate themselves very quickly for high productivity.

Our Unique Plant Design and Package Level Traceability

We begin organic harvesting in December 2021 with a network of contracted harvest and case ready operations. These local contractors are smaller operations inspected by USDA. Since these operations are small, they have higher unit costs and prices than larger establishments. So, we will be paying premium prices and have more challenging logistics since these plants typically process only one species. So, to fill an order for beef and pork, for example, we will likely have to coordinate processing and movement across four different plants (2 harvest and 2 finish cut processors) in a region which can span a few hundred miles.

This is a reasonable way to get started as it reduces the immediate capital investment needs. Our introductory pricing will easily absorb this added cost and logistical complexity. The smaller scale of our initial operations will make it possible to oversee this complexity relatively easily. But it is not the long term path to excellent service, and it will cut a few days off our 28 day shelf life. It is definitely more expensive than our own operations will be when scale is adequate to absorb the capital investment.

To process our grainfed organic animals as volume grows, we will construct two case ready plants. Case ready plants do the final cutting and packaging to finished cuts ready to be placed in the retailer's refrigerated display cases. As mentioned, very few retailers have the store level organic certification and staff training to cut and package organic proteins. In any event, the industry as a whole is increasingly moving toward case ready products, like the pre-packaged chicken most of us purchase from our local grocer. These plants will facilitate rapid growth, simplify logistics, and reduce costs.

The case ready plants will be located in rural areas near Redding, California, and in Anderson, Indiana, northeast of Indianapolis. The Redding plant will be ready in Summer 2024 and the Anderson plant in Summer 2026. Both locations have reasonable access to skilled labor pools of adequate size and are strategically located for efficient logistics to serve large regions and population centers. A 12 hour drive from those two locations will reach most of the markets with target populations we are likely to serve. Since this is a fresh product, it is better if time to market is measured in hours, not days, so retailers have most of the 28 day shelf life to sell these products.

Our case ready plants will be unique to our mode of processing and traceability. Using a cell-based form of production, with a master butcher overseeing each operation, a 4 person cell will reduce a quarter beef to finished cuts in about 15 minutes. These cuts are placed in totes, conveyed to a central location where they are held with the same cut from several other production cells. When enough portions of that cut are accumulated, totes are released in a slug to a packaging system for placement in retail ready packaging. Once packaged, they are case packed and sent to our refrigerated warehouse for order fulfillment.

This process is unique in two ways – cell-based production instead of line-based production, and tracing technology that is integrated into the process so we can provide complete traceability of every retail cut.

Cell-based production emulates an efficiently run butcher shop. Production lines are more efficient than cells when running at their designed production rate. But production lines do not perform efficiently

except at full capacity. They are all or nothing investments at a set production rate. They require a fixed number of people doing mind-numbing repetitive tasks regardless of how many units are being processed. By contrast, we can add production cells and staff at a rate which matches our growing sales and production requirements. Our jobs are more satisfying to our team members. We can vary species and other facets of operations for order fulfillment flexibility as demand changes. We can also help our team members grow and learn over time. Training and promoting people from processors to master butchers, supervisors, equipment technicians, etc. provides an enriching job environment. This avoids the high cost of 60% to 100% annual turnover which is typical on the conventional meat plant production line.

Organic regulations require traceability from birth. The cow, sow, or nannie must be on organic feed from 3 months before birth. All vaccinations, feeds, etc., must be tracked throughout the animal's lifetime. We extend that traceability through our harvesting and processing operations.

This extremely unique competitive advantage is the effective result of our cell-based production approach and our proprietary use of blockchain and other tracking technologies. Simply put, we extend existing traceability requirements for each animal all the way to the consumer's packaged product. Using their smartphone, they scan the QR code on the package.

This serialized QR code puts cut specific traceability information in the palm of their hand. They can see the animal's geographic, nutritional, and medical history, meet the team that processed their specific cut, and understand every aspect of the handling process, get recipes and cooking recommendations, find out how many calories they are feeding their children in that portion size, and so forth. These attributes, together with the assurance of our brand, the USDA organic seal, humane handling certification, regenerative farming practices certification, and our clear packaging tray, provide the total transparency consumers are seeking,

Conventional Industry Practices and Attitudes Are Ripe for Disruption

This form of traceability is impossible in the existing line-based plants which comprise 100% of today's protein harvesting and processing plants. Animals are anonymous from birth through processing. Once harvested, portions of animals go to specialized lines for further breakdown and then wholesale packaging. They are identified by production lot in plants, today's batch. That is the best a line-based plant can do.

The Big Protein industry has put up strong resistance to animal id and any changes in animal welfare standards. It took USDA from 1990 to 2002 to enact organic regulations, in large part due to industry and political obstruction. Ranchers defeated the USDA's animal identification regulations in a years-long legal and political battle. Pork producers have fought animal welfare changes voted in by consumers in their largest market (California) to the Supreme Court, where they are likely to lose. These new rules go into effect next January. They don't have time to meet these requirements if the new rules are upheld, as they likely will be. 2022 will be the year of the California pork shortage as 98% of pork is sourced out of state.

Big Protein has hundreds of millions of dollars invested in a single plant. They use workers to perform mind-numbing jobs only because they can't replace them with robots due to the natural variation from carcass to carcass. They are currently suing to increase line speeds and seeking to replace federal inspectors with employees they can fire at will. This industry is a \$280 billion behemoth of commodity processing. They all like it done their way and will fight their best customers to keep things the way they are. They fight government regulation at every turn. Nothing about that attitude is going to change much anytime soon.

As we know, people are increasingly skeptical of this industrial food complex. The organic industry has evolved from a few skeptical hippies and other strange people in the 1950s and 60s to take 6% share (a little over \$60 billion) from the massive food industrial complex in North America. 47% of people regularly buy some organic foods, including 81% of families with kids, despite the significantly higher prices. They want to know their food is safe, where it came from, how it was raised and processed. We supply those answers real time, right on the phone they use at their grocery retailer or during online shopping.

Organic Supply Chain, Suppliers, Vertical Integration Plans

Livestock Supply and Sourcing

The Company sources its organic animals for finishing from its existing network of organic cattle and pig producers in the West and Midwest. We select these suppliers based upon animal availability and reputation, and their ability to meet the stringent quality and documentation requirements for organic certified livestock. We pay these suppliers upon shipment from their location.

Organic cattle are available today from two sources – ranchers and dairymen. Ranchers currently raise and sell finished grassfed cattle, some natural and a few organic, at 27-30 months to artisan processors, and Big Protein companies like JBS. These ranchers can fully convert to organic in less than a year as they rarely, if ever, apply synthetic chemicals on their land. They do need to work through the certification process and maintain compliance with organic rules. The process is unfamiliar and can be confusing. Also, there is no available software to help them do this, so few have tried to do it. We will provide that critical bridge to our organic producers.

As you know, every dairy cow has a calf each year. A few of these calves are held back to replace older dairy cows, but most are culled. The culls are fed milk replacer for a few weeks, weaned, and sold. They lose their organic status in the process and become conventional cattle for finish feeding. By feeding these organic calves out of the organic milk tank on the dairy until early weaning, then holding them until 400 pounds (3 months from birth), these calves can become weaned calves, fetching 35% higher prices for the organic dairy farmer.

We buy organic cattle from ranches and dairies to finish them. So, we do not have to own millions of acres of cow/calf operations to raise them from birth. There are about 39,000 organic beef cows and 337,000 organic dairy cows in the US. Hotspots for organic dairies are California, Wisconsin, Texas, and Colorado. Organic pork is concentrated in Iowa. We bring the beef at 750 pounds and pigs at 40 pounds west to Oregon for finishing and processing. By early 2026, we will place organic protein finishing facilities in the Midwest as well, supporting our second case ready plant which opens in Summer 2026.

Organic Feed

We use regionally grown organic corn, soybeans, wheat, other organic grains, minerals, and supplements in our organic feed. Working with an animal nutritionist, we can vary the diet over time based upon both price and performance. This provides optimum animal performance and cost control over the many tons of feed our livestock will consume each day. Some feed suppliers offer credit terms up to 30 days.

Organic Harvesters and Further Processors

Once our proprietary organic grain finishing process is complete, we use protein harvesters and further processors located within 200 miles, so we do not have to transport finished livestock great distances. Long distance transport of finished animals reduces both yields and quality. Protein is 67% water, so the less time in the truck, the better. Animals are harvested, then shipped to plants which finish cut and package the products for distribution. These harvest plants and case ready plants offer payment terms to 30 days.

We will use these contractors to process our products until Summer 2024. This approach to processing is comparable to co-manufacturing, commonly used by smaller and mid-size brands in all parts of the food business. Once volume is achieved, we bring this entire process in-house with the construction of the case ready plants.

Organic Handling and Distribution

Truck transportation for domestic shipments is provided by various carriers to retailer warehouses throughout the US. Last mile distribution will continue to be done by the grocery chain's own internal logistics services group and by food service distributors.

Once sufficient volume is available, export shipments will be routed by various carriers to port-based refrigerated/frozen public warehouses in the Los Angeles area. Shipments are transloaded to ocean containers, inspected for completeness, and sealed for shipment. All these suppliers are on industry standard terms.

Supply Chain Vertical Integration Plans

A key element of our long-term strategy is the hybrid vertical integration of the organic cattle raising cycle into our proprietary production operations. As our grainfed organic retail network expands in store and online, we will expand our organic livestock procurement, grain buying, and our networked producer model to additional organic producers. These farms and ranches will be used for organic production of younger animals to feed into our finishing operations.

Over time, we will be able to convert an increasing number of natural beef producers to organic producers. Motivated by economics, these producers will recognize organic production is more profitable, though more challenging, for all members of our proprietary organic supply chain. We will supply key technology to these producers, leveraging our systems investment for the benefit of all, providing efficiency and convenience while raising switching cost for upstream and downstream members of our supply chain.

Financial Management

The Lake County, Oregon ranches are well-established, profitable enterprises. We are focused on:

- Adding value through organic certification
- Meeting the specific needs of our retailer customers and organic protein consumers
- Sustaining fair prices in the marketplace
- Maintaining competitive advantage through our unique finishing process, proprietary processes and technology, continuing innovation, hybrid vertical integration, and successful cost control

Our summary financial projection is shown toward the end of this Business Plan. A more detailed look at this mid-range scenario is available using our separately provided Excel-based seven year pro forma financial.

Sustained organic price premiums allow us to build liquidity and incremental debt capacity. We will be able to eliminate most short-term debt under either scenario. We will use funds to engage in industry development activities. We will provide technical assistance and co-invest with experienced operators in organic livestock operations to increase the number of calves, piglets, lambs, and kids. We will also assist technically in the three year transition of farmland from conventional to organic grains production using regenerative farming techniques.

Strategy and Implementation

- Sustain existing ranch operations as we increase organic grainfed protein production – the ranches will continue current profitable operations, gradually migrating from natural to organic over the next three years.
- Backward integrate to control organic protein production costs – Add owned organic feeder livestock, and directly contracted organic grain supplies.
- Maintain fair, competitive pricing – Monitor conventional, natural, and grassfed organic pricing. Maintain fair pricing in the face of the scarcity of our novel grainfed organic market product line in North America.
- Build the branded case ready business – Develop our Gannett Peak Ranches branded protein business, using in-store demos, social media, email, localized search-based advertising, and other consumer marketing and promotion.
- Provide exceptional customer service and support to retailers – Build on a reputation for excellent service and local support. Provide support for logistics, retail promotion, merchandising, and the store level expansion of selection. Leverage contract merchandising services and capabilities on a regional basis.
- Secure broad and deep distribution – Systematically expand production, sales, and marketing capabilities to provide deep distribution. Promote cross-selling and upselling opportunities by using fair pricing as a tool to support promotion and strong retailer customer margins at regular price points.
- Expand the reach of the case ready business – Beginning in 2024, expand the branded case ready beyond the US into major regional markets in China, preparatory to country and continent-wide implementations.
- Develop and maintain leading edge systems for retailer and consumer customer support – Leverage existing blockchain and web-based technologies with industry leading process innovation, including retailer service and self-service portals. Add loyalty-based systems for consumers during 2023 and beyond.

Implementation: Critical Events Sequence

The key activities we will begin executing in 2021 are:

1. Summer 2021 – Conclude definitive purchase agreements for both Lake County, Oregon ranches. Order specialized pasture feeding equipment for organic finishing operations. Begin required pasture fencing and configuration changes for pig growing and finishing operations.
2. September 2021 – Purchase organic beef feeders for finishing.

3. October 2021 – Purchase organic feeder pigs and grower pigs for finishing.
4. December 2021 – Ship initial lots of grainfed organic beef and pork to processors.
5. April 2022 and beyond – Begin rollout of blockchain technology across US supply chain, beginning with our ranches and backward integrating to our producer network to reduce organic record keeping and paperwork burden on all parties.
6. June 2022 and beyond – Expand our retailer base. Lock up our organic case ready plant site for future use. Begin detail design of our production cell-based organic case ready processing plant to facilitate consumer level blockchain tracing of individual retail packages.
7. June 2023 - Begin construction on Redding, California organic case ready plant to work toward replacing elements of the capacity constrained regional organic processing network. The plant will also provide opportunities to capture additional margin, improve customer service, reduce logistics complexity, and introduce consumer level traceability, a first in the protein industry.
8. September 2024 – Complete Redding case ready plant expansion. Begin rollout of comprehensive blockchain technology, including rancher production system, consumer level traceability and loyalty programs.
9. September 2025 – Begin construction on second case ready plant in Indiana. Complete rollout of comprehensive blockchain technology, including rancher production system, consumer level traceability and loyalty programs.
10. September 2026 - Complete construction on second case ready plant in Indiana. Begin aggressive East Coast market expansion.

Management

Dennis Brewer is the Company's Founder and CEO. The Operations Vice President is Jon Nickless. Our Logistics Vice President is Jason Waseman. Other team members include Brad Kumin, CRO, Ibrahim Abdelsayed, CFO and Controller, and Chris Canchola, our CIO. Each of these key people has 15-40 years of experience in their area of focus. Additional quality people will be added as the business grows.

Dennis Brewer, CEO

Dennis Brewer, Chief Executive Officer, brings Board-level experience in natural and organic foods, together with extensive operations, business process, supply chain, logistics, technology, and sales experience. Dennis has more than 40 years of business experience, both as a C-level executive founding and growing companies, and as a consultant to Global 1000 companies with sales in the tens and hundreds of billions. He has helped dozens of businesses improve their supply chain operations. He is past Chair of the Board of Puget Consumers Coop, a \$300 million organic and natural retail food grocery chain based in Seattle, Washington. He was a founding Director of NutraSource, a rapidly growing wholesaler of organic and natural food in Seattle, Washington, with customers throughout the Pacific Northwest and in Alaska. Dennis was also Chair and Director of TechAmerica, a high technology trade association.

Dennis has led and managed several mid-sized companies over the years, with up to 300 employees. He was a Manager of Consulting services for Deloitte, working in financial services, government, logistics, and distribution. He has extensive retail grocery experience and connections with power retailers, as well as strong business development skills. He farmed and raised livestock at the family farm in his younger years and after college graduation. He worked with his father to develop the basic pasture-based finishing method we will be using for all organic livestock. By combining modern satellite-based health technology and pasture management methods with old-fashioned best practices in animal husbandry, organic livestock perform well, and provide excellent taste and quality to consumers. He holds an MBA and BA in Business Administration and was a CPA from 1980 - 1987.

Jon Nickless, Vice President of Operations

Jon Nickless is Vice President of Operations. Jon has over twenty-five years of experience in the procurement and finishing of cattle for large scale feedyard operations. As General Manager, he managed two independent cattle feeding operations, participated in management of 12,000 acre farm, executed an operations restructuring, and rebuilt the management team. He coordinated cooperation between farming and feeding operations, participated in Natural and NHTC programs (ID Preserved), facilitated commodity procurement and transportation, and oversaw harvest and construction projects.

As General Manager of a 30,000 head capacity operation, Jon operated a very profitable custom cattle feeding and farming operation, dramatically improved cattle performance, developed a successful

management team, remodeled facilities to improve efficiencies, implemented environmental compliance program, developed statistics-based quality control programs, and developed detailed departmental reporting and communication systems. Jon holds a BS in Agricultural Management Technology with a minor in Business Administration.

Brad Kumin, Chief Relationship Officer

Brad Kumin is our Chief Relationship Officer. He leads the sales and marketing team. Brad has 15+ years of retail and foodservice sales, marketing, and customer service experience. Brad led all sales direction, marketing, branded and private label, forecasting, category management and all P&L for a \$600MM division of a \$15B global food products company. He spearheaded budget creation and sales goal attainment. Brad has led sales teams, growing sales at quadruple the industry average rate. He has been responsible for the growth, management, brand positioning, and analysis of specialty protein and food categories for retail and foodservice.

For Tyson, he managed several brands with combined sales of over \$200 million. He has created, designed, and managed all aspects of a new product line launch for a sliced meat category, achieving over 200% category growth. Brad launched industry leading state of the art packaging and products for a sliced meat line. He was responsible for the brand and product integration of two acquired companies with combined sales of over \$200 million. Brad realigned a pork protein product line based on competitive parity and long-term strategic vision, while leading sales and support teams. Brad holds a BA in Business Administration – Marketing and MBA.

Ibrahim Abdelsayed, Chief Financial Officer

Ibrahim Abdelsayed is our Chief Financial Officer and Controller. He is an executive leader with 20 years of experience in all facets of accounting, financial management, financial analysis, and controllership within progressive, fast-paced corporations. Ibrahim is skilled in collaborating with other senior management, stakeholders, vendors, and staff to achieve business and financial objectives. He has been instrumental in streamlining and improving processes, employee development, enhancing productivity, and implementing technology solutions.

Ibrahim has expertise in budgeting, forecasting, variance analysis, and internal reporting. He is technical proficient in Microsoft Dynamics Great Plains, ERP SAGE 500, Oracle, MAS Intelligent, Crystal Reports, QuickBooks, MS Office, SOX compliance, EBITDA reporting, and computerized accounting. He holds a BA degree, as well as CMA and CFM certifications.

Jason Waseman, Vice President of Logistics

Jason Waseman is Vice President, Logistics. He has 30 years of experience in logistics operations, including transportation, warehousing, import/export, and the handling of perishables. Jason worked at Penske Logistics and UPS before changing directions from dry goods to fresh produce. He worked for Best in Category companies including Eurofresh Farms as Director of Distribution and Logistics, and Monrovia Nursery Company as Director of Logistics and Procurement. Eurofresh Farms, a \$240 million greenhouse produce grower/shipper was, at that time, the largest greenhouse operation in America,

shipping over 600 million pounds annually from 320 acres under glass. While there he was instrumental in developing the supply chain during a period of aggressive growth from 40 acres to 320 acres. He was also a key team member in the implementation of two ERP systems, as well as TMS and SQF systems. His work increased shelf life and integrated cross border packaging programs.

Jason has managed departmental budgets over \$30 million. He has many years of experience in all modes of transportation including ocean freight, rail, air transport, and truckload and LTL services. Jason's diverse background includes all areas of supply chain - procurement, distribution, and S&OP. He also has extensive experience in project management and team building. He has been involved with managing many challenging perishable agricultural commodities in rural areas lacking a labor force. Jason has a BA in Finance and is a certified transportation broker.

Chris Canchola, Chief Information Officer

Chris Canchola is our Chief Information Officer. He has extensive experience in leading medium to large projects and has proven expertise developed through 11 full life cycle SAP implementations, and 2 major upgrades. He has over 19 years of experience and extensive business knowledge. Chris has worked with all facets of Supply Chain, Financial and Business Intelligence processes, with focused attention on the mid to large retail and manufacturing markets. Chris works with various methodologies, including Agile (Scrum), Waterfall, PMI – PMBOK based, and SAP's ASAP. Chris started as an Analyst, then Developer, was promoted to Development Lead, followed by IT Applications Manager.

Chris has a demonstrated ability to lead large implementation teams of up to 60 team members. With very strong verbal and written communication skills, he is able to influence and direct a large team to attain a common goal. His working knowledge of PMI Best Practices and standards provides an excellent intellectual and practical basis for all aspects of complex projects. He has performed functional Solution Reviews and Project Assessments from a PMO perspective for projects that were off track or in jeopardy of missing critical timelines. Chris holds a BS in Computer Science.

Summary Financial Projection

Mid-Range Case:

BALANCE SHEET (As of December 31)	2021	2022	2023	2024	2025	2026	2027	2028
Cash	\$ 200,129	\$ 1,577,084	\$ 10,548,050	\$ 3,450,359	\$ 9,977,673	\$ 23,759,461	\$ 22,357,339	\$ 21,765,676
Accounts Receivable	\$ -	\$ 1,208,798	\$ 1,528,103	\$ 2,774,914	\$ 7,382,031	\$ 12,779,809	\$ 24,981,828	\$ 70,034,267
Inventory - Feeders	\$ 1,085,805	\$ 1,205,604	\$ 2,087,501	\$ 3,633,664	\$ 7,198,818	\$ 13,737,461	\$ 33,005,484	\$ 97,178,470
Inventory- Feed, Miscellaneous	\$ -	\$ 57,359	\$ 73,232	\$ 120,261	\$ 294,732	\$ 556,898	\$ 1,161,678	\$ 3,364,214
Current Assets	\$ 1,285,934	\$ 4,048,845	\$ 14,236,886	\$ 9,979,197	\$ 24,853,254	\$ 50,833,629	\$ 81,506,329	\$ 192,342,627
Ranch Equipment	\$ 2,113,193	\$ 2,302,275	\$ 2,799,068	\$ 3,848,361	\$ 8,595,688	\$ 16,896,642	\$ 38,060,096	\$ 88,098,025
Case Ready Plant Equipment	\$ -	\$ -	\$ 1,082,805	\$ 2,632,950	\$ 4,956,105	\$ 10,496,460	\$ 25,829,055	\$ 44,591,890
Enterprise Transport, Technology, FF&E	\$ 250,000	\$ 1,070,000	\$ 2,350,000	\$ 4,450,000	\$ 7,330,000	\$ 10,930,000	\$ 15,550,000	\$ 22,570,000
Less: Accumulated Depreciation	\$ (113,447)	\$ (527,372)	\$ (1,249,576)	\$ (2,497,046)	\$ (4,819,743)	\$ (9,001,506)	\$ (17,279,771)	\$ (34,621,694)
Net Equipment	\$ 2,249,747	\$ 2,844,903	\$ 4,982,297	\$ 8,434,265	\$ 16,062,050	\$ 29,321,596	\$ 62,159,380	\$ 120,638,221
Ranch Land and Improvements	\$ 8,970,948	\$ 9,524,257	\$ 10,111,692	\$ 10,735,359	\$ 11,397,493	\$ 12,100,465	\$ 28,302,458	\$ 71,161,690
Case Ready Plant - Bldg, Land, Utilities	\$ -	\$ -	\$ 6,026,545	\$ 9,643,550	\$ 15,064,245	\$ 27,991,740	\$ 63,767,795	\$ 107,547,742
Less: Accumulated Depreciation	\$ (12,153)	\$ (41,319)	\$ (128,829)	\$ (310,962)	\$ (631,267)	\$ (1,241,903)	\$ (2,699,340)	\$ (5,538,057)
Net Land and Improvements	\$ 8,958,796	\$ 9,482,937	\$ 16,009,408	\$ 20,067,947	\$ 25,830,471	\$ 38,850,302	\$ 89,370,913	\$ 173,171,375
Total Assets	\$ 12,494,477	\$ 16,376,686	\$ 35,228,592	\$ 38,481,410	\$ 66,745,775	\$ 119,005,527	\$ 233,036,622	\$ 486,152,223
Accounts Payable	\$ -	\$ 114,718	\$ 146,464	\$ 240,521	\$ 589,464	\$ 1,113,796	\$ 2,323,355	\$ 6,728,429
Short Term Debt - Inventory	\$ -	\$ 740,786	\$ 1,349,582	\$ 2,814,812	\$ 7,169,883	\$ 13,194,049	\$ 19,764,245	\$ 33,061,994
Current Liabilities	\$ -	\$ 855,504	\$ 1,496,046	\$ 3,055,333	\$ 7,759,347	\$ 14,307,845	\$ 22,087,600	\$ 39,790,423
Long Term Debt - Equipment	\$ 780,163	\$ 1,187,217	\$ 2,806,224	\$ 4,692,901	\$ 7,119,040	\$ 11,601,091	\$ 23,004,210	\$ 43,451,790
Long Term Debt - Land	\$ 5,771,226	\$ 5,983,448	\$ 10,054,414	\$ 12,523,695	\$ 16,120,470	\$ 24,480,870	\$ 57,215,501	\$ 111,359,340
Long Term Liabilities	\$ 6,551,389	\$ 7,170,666	\$ 12,860,638	\$ 17,216,597	\$ 23,239,510	\$ 36,081,961	\$ 80,219,711	\$ 154,811,131
Sub Debt	\$ 6,400,000	\$ 6,400,000	\$ 6,400,000	\$ -	\$ -	\$ -	\$ -	\$ -
Shareholder's Equity	\$ (456,912)	\$ 1,950,517	\$ 14,471,908	\$ 18,209,480	\$ 35,746,918	\$ 68,615,721	\$ 130,729,311	\$ 291,550,669
Total Liabilities & Shareholder's Equity	\$ 12,494,477	\$ 16,376,686	\$ 35,228,592	\$ 38,481,410	\$ 66,745,775	\$ 119,005,527	\$ 233,036,622	\$ 486,152,223
Current Ratio		4.7	9.5	3.3	3.2	3.6	3.7	4.8
Debt/(Equity + Sub Debt)	1.10	0.96	0.69	1.11	0.87	0.73	0.78	0.67
Available Debt Capacity at 1:1	\$ (608,301)	\$ 439,065	\$ 6,661,689	\$ (1,821,928)	\$ 5,337,525	\$ 19,339,711	\$ 30,745,355	\$ 103,677,545

INCOME STATEMENT	2021 (5 months)	2022	2023	2024	2025	2026	2027	2028
Sales Revenue - Case Ready Beef	\$ -	\$ 13,821,352	\$ 16,444,216	\$ 23,263,662	\$ 66,993,265	\$ 119,268,083	\$ 221,225,264	\$ 541,305,887
Sales Revenue - Case Ready Pork	\$ -	\$ 4,495,143	\$ 5,408,760	\$ 7,221,158	\$ 11,452,972	\$ 26,806,433	\$ 63,841,912	\$ 176,507,310
Sales Revenue - Acquired Crops - Zeman	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Sales Revenue	\$ -	\$ 18,316,495	\$ 21,852,976	\$ 30,484,820	\$ 78,446,237	\$ 146,074,515	\$ 285,067,176	\$ 717,813,198
COS - Organic Livestock	\$ -	\$ 3,289,989	\$ 3,920,214	\$ 5,175,617	\$ 10,154,756	\$ 18,897,323	\$ 36,334,654	\$ 87,305,869
COS - Organic Finishing	\$ -	\$ 1,311,684	\$ 1,567,028	\$ 2,171,185	\$ 5,261,164	\$ 10,047,320	\$ 20,134,585	\$ 51,419,924
COS - Organic Processing	\$ -	\$ 4,772,136	\$ 5,697,169	\$ 7,532,586	\$ 15,272,466	\$ 28,213,564	\$ 55,667,085	\$ 141,002,803
COS- Crop Harvest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Labor & Support	\$ 44,460	\$ 220,008	\$ 303,008	\$ 566,831	\$ 1,126,736	\$ 2,169,544	\$ 4,897,622	\$ 13,846,682
Livestock Trucking	\$ 290,896	\$ 1,384,595	\$ 1,574,164	\$ 2,210,868	\$ 5,087,772	\$ 9,712,638	\$ 20,229,926	\$ 52,348,446
Utilities, Fuel, Maintenance	\$ 54,883	\$ 146,929	\$ 162,257	\$ 187,041	\$ 274,174	\$ 431,280	\$ 870,444	\$ 2,161,459
Depreciation - Equipment	\$ 113,447	\$ 413,925	\$ 722,204	\$ 1,247,470	\$ 2,322,697	\$ 4,181,763	\$ 8,278,266	\$ 17,341,923
Depreciation - Improvements	\$ 12,153	\$ 29,167	\$ 87,509	\$ 182,133	\$ 320,305	\$ 610,636	\$ 1,457,436	\$ 2,838,717
Operating Expenses	\$ 515,839	\$ 11,568,433	\$ 14,033,555	\$ 19,273,731	\$ 39,820,070	\$ 74,264,068	\$ 147,870,017	\$ 368,265,823
Operating Profit	\$ (515,839)	\$ 6,748,063	\$ 7,819,421	\$ 11,211,089	\$ 38,626,167	\$ 71,810,448	\$ 137,197,159	\$ 349,547,375
Overhead Salaries and Expenses	\$ 424,479	\$ 1,465,320	\$ 1,966,768	\$ 3,048,482	\$ 7,844,624	\$ 14,607,452	\$ 28,506,718	\$ 71,781,320
Sales, Promotion, Marketing	\$ -	\$ 915,825	\$ 1,092,649	\$ 1,524,241	\$ 3,922,312	\$ 7,303,726	\$ 14,253,359	\$ 35,890,660
Insurance, RE Taxes, Misc.	\$ 31,794	\$ 219,727	\$ 253,134	\$ 327,633	\$ 715,221	\$ 1,270,635	\$ 2,481,068	\$ 6,227,393
Sub Debt Sales Royalty	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ 272,108	\$ 715,851	\$ 913,097	\$ 983,522	\$ 1,147,663	\$ 1,780,285	\$ 3,424,673	\$ 6,427,137
Pre-Tax	\$ (1,244,220)	\$ 3,431,340	\$ 3,593,774	\$ 5,327,212	\$ 24,996,348	\$ 46,848,351	\$ 88,531,342	\$ 229,220,865
Taxes	\$ (287,308)	\$ 1,023,912	\$ 1,072,382	\$ 1,589,640	\$ 7,458,910	\$ 13,979,548	\$ 26,417,752	\$ 68,399,506
After-Tax Profit	\$ (956,912)	\$ 2,407,428	\$ 2,521,392	\$ 3,737,572	\$ 17,537,438	\$ 32,868,803	\$ 62,113,590	\$ 160,821,359
EBITDA	\$ (846,512)	\$ 4,590,283	\$ 5,316,584	\$ 7,740,337	\$ 28,787,013	\$ 53,421,034	\$ 101,691,717	\$ 255,828,642

Grainfed Organic Protein Quality Attributes



Gannett Peak Ranches

Grainfed Organic Protein Quality Attributes

City
Edgewater

n. 201-669-

Dbrewer@sheldonbeef

Our Meat Quality

- USDA Organic certified.
- USDA Choice grade.
- Grainfed taste.
- Fully traceable from birth to individual retail package by late 2024.
- Familiar grainfed taste without excessive fat.
- Vacuum packed for maximum quality, 28 day fresh shelf life.
- Can be frozen without fear of freezer burn for 12-18 months.

Our Retail Packaging

- Clear trays used to give consumer a complete view of the cut they are buying – top, bottom, sides.
- Safe for freezer use with no additional steps required.
- Completely recyclable consumer packaging, including film and clear container.
- Containers typically made from recycled material.
- Secure, reusable outer packaging replaces cardboard boxes.

Our Harvesting and Processing Practices

- Humane handling at all times.
- Certified organic facilities.
- Smaller plants for individual handling.

Our Case Ready Plants

- Will provide 100% farm to fork traceability for every individual retail package to a specific carcass by late 2024. Ground beef is tracked by production lot instead of individual carcass due to mixing and packaging requirements.
- Will show the specific history of that package including all animal handling and feeding. information, introduces processing team, provides cooking and serving recommendations to consumer on their phone, tablet, and PC.

Our Organic Livestock

- 80% enteric methane emission reduction with 0.5 to 3.5 ounces of seaweed each day, so our finished cattle emit only 80 pounds of methane during their lifetime, not the usual 400 or so pounds.
- Pasture based finishing, animals graze every day, and are never confined.
- Grain feeding period limited to 120 days.
- Feed is custom blended at our farm, carefully controlled feed quantities, never force fed.
- Mob grazing for productivity and optimum long-term pasture health, leading to maximum carbon sequestration.
- Manure in pasture, not concentrated locations.
- No antibiotics.
- No animal based feed additives.
- No hormones.
- No growth promotants.
- Strong biosecurity measures for animal health.
- Sick animals treated and removed.
- All animals are handled safely and gently at all times.

Our Farming and Ranching Practices

- Carbon sequestration by growing grass and root systems, natural supercharge of pasture fertility through mob grazing.
- Electric vehicles, farm equipment, and pumps used where possible.
- Humane handling practices are used at all times.
- Renewable power.
- Reusable containers.
- Rail where possible instead of truck.
- Sustainable water use.
- Regenerative agriculture practices.

Our Team Members

- Team members wages, full benefits, good working conditions are well above industry standards.
- \$17 per hour minimum wage.
- Advancement opportunities with company growth bring training and higher pay.
- Education benefits and reimbursement.
- Paid team member medical and life insurance benefits.
- Medical and life insurance benefits available at reduced cost for family members.
- Flexible schedules and paid time off, family leave policy.
- Affordable quality family housing for workers in remote locations available through the company.

Our Suppliers

- Organic hay and grains sourcing certified organic.
- Livestock sourcing certified organic, humane handling.
- Regional supplier base used where possible.
- Additional regional suppliers being developed to reduce logistics carbon footprint.

Our Logistics Practices

- Move animals the shortest possible distance as few times as possible.
- Use electric over the road vehicles where possible.
- Use rail for feed transport where feasible to reduce carbon footprint.

Our Company

- Will be certified as a B Corporation in 2022.
- Humane handling certified.
- Regenerative ag certified.
- Majority owned by our team members, not outsiders.
- Uses 100% renewable energy.
- Aims to waste nothing.

Our Management and Supervisory Practices

- Diversity emphasis.
- Equal opportunity for all regardless of current skill level, race, religion, or heritage.
- Safe and positive work environment for all people.
- Safe space for LGBTQ+.
- Anti-racist policies, practices, and training.
- Problem solving, practical approach to issues every day.
- Respect for differing viewpoints.
- Welcoming environment.
- High performance and compassion side-by-side in our everyday practices.
- Support for team members in difficult situations and circumstances.
- No tolerance for abuse of any kind at any time, immediate corrective action.
- Patience, understanding, and respect for others, regardless of title, position, or life circumstance.
- Delegate responsibility to individuals and teams to help them grow and develop new skills, abilities, and judgement.
- Don't assume, know.
- We coach our team, we don't boss.

Ours as A Team

- Ours means we own it – good, bad, or indifferent.
- When we own it, we want to make it better than before.
- Good judgement and ever better outcomes result from learning and improving. Bad judgement and poor outcomes result from endless repetition, ignoring outcomes, and from lack of understanding, assumptions without evidence, rigidity, and inflexibility. Learn, grow, and make it better. Every day.

Packaging Details

- Clear padless trays.
- Full wrap linerless label (2-3 inches wide) with USDA organic seal, brand, cut, traceability, and sell by information placed vertically on the left side of the package. Label awaiting USDA approval.
- Tray presented in landscape orientation in refrigerated case, i.e., long side of package at top and bottom when stacked.



DENNIS BREWER

From: DENNIS BREWER
Sent: Monday, June 28, 2021 11:07 PM
To: Jason
Subject: RE: Re:Status please

Yes, that is the nature of a sales funnel. Keep putting prospects in the top, most will disqualify themselves, what is left will be the real deal. Just takes time and effort to work the process.

Thanks.

Regards,
Dennis

Dennis Brewer

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

www.GannettPeakRanch.com

<http://www.sheldonbeef.com>

<https://sheldonfoods.com/>



GANNETT PEAK RANCH

Schedule a call at your convenience here:

<https://calendly.com/ceosheldonbeef>

From: Jason <[REDACTED]>
Sent: Monday, June 28, 2021 10:23 PM
To: DENNIS BREWER <[REDACTED]>
Cc: raymondp <[REDACTED]> daniel lonergan rmc <[REDACTED]>
Subject: Re:Status please

Hi Dennis,

Understood. I will try to make more calls now and try to connect with more contacts now. It's been tough after the exhibition since last month. Most of the prospects I've been contacting has been disappeared either not replying my message or not answering my calls.

WEEKLY UPDATE

PROSPECTS UPDATE

Mr. Yao

- Have been purchasing China beef recently

YongHui Superstores

- Still need time to consider, does not have any issue with currently price they are purchasing

BianTou

- In contact, will let us know if they are interested with any cuts

Ben

- Meeting with Ben and is interested with low to mid range price of beef as he has been importing the Australia Wagyu beef

Walmart

- No update

WEEKLY CONCLUSION

- Will contact more with Ben and see if we are able to work together as he has 45 butcher shops in China

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

Best,
Jason

----- Original -----

From: "dbrewer" <[REDACTED]>
Date: Mon, Jun 28, 2021 09:33 PM
To: "Jason" <[REDACTED]>
Cc: "raymond" <[REDACTED]> "daniel lonergan rmc" <[REDACTED]>
Subject: Status please

Jason – Discouraged? Please remember it takes 25-28 contacts to convert a prospect to a sale. Suggest making a personal weekly connection by phone with everyone on your list. Just sending out a price list and waiting for a reply won't get you there. Please update status and next steps on all your prospects.

Thanks.

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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<https://calendly.com/ceosheldonbeef>

DENNIS BREWER

From: DENNIS BREWER
Sent: Monday, June 28, 2021 9:33 AM
To: Jason
Cc: Raymond Poon; daniel lonergan rmc
Subject: Status please

Jason – Discouraged? Please remember it takes 25-28 contacts to convert a prospect to a sale. Suggest making a personal weekly connection by phone with everyone on your list. Just sending out a price list and waiting for a reply won't get you there. Please update status and next steps on all your prospects.

Thanks.

Regards,
Dennis

Dennis Brewer

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GANNETT PEAK RANCH

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<https://calendly.com/ceosheldonbeef>

DENNIS BREWER

From: DENNIS BREWER
Sent: Tuesday, June 29, 2021 2:43 PM
To: Brandon Hutchison
Subject: RE: 96195 Old Wells Lane Lake County OR
Attachments: Lake County 3559 AC MOL LOI 210629.pdf

Brandon – Thanks for sending the recent appraisal with the other information. Based upon the appraisal and a discussion with our financing team, we are willing to modify our offer as follows:

We are proposing a \$3.35MM purchase price for your listing 3,559 acres MOL in Lake County, Oregon, with payout as follows:

- At August 17 closing \$1,100,000 cash, plus \$2,250,000 Secured Subordinated Note, interest only, 6.5% interest rate, due September 2024, secured by second lien interest in land and improvements.
- Monthly interest only payments of \$12,187.50 through August 17, 2024.
- Payment of \$2.25 million on August 17, 2024 to retire the Secured Subordinated Note.

The goal of this above asking price offer is to provide a very strong incentive for the Sellers to accept our terms. There would be no other reason for us or anyone else to do this on a property which has been sitting for 3 years. Any subsequent offer to the Sellers is likely to be significantly lower than this offer. We do want to commence revenue operations as soon as we can. Simply put, we expect to generate more gross margin in a single month than the amount this offer is above asking price. That is our incentive to do this.

We have attached a Letter of Intent for signature. This offer and the LOI expire July 2, 2021 at 5PM PDT, if unsigned. We agree to tour within 7 days of receipt of the signed LOI, and make a firm final commitment within 72 hours of the completion of the tour.

As previously mentioned, this is an installment sale, so capital gains taxes would be due on the \$1.1 million down payment, and on the \$2.25 million Note, once those payments are actually received.

We will be using the ranch for pasture-based grain finishing of organic cattle and hogs, so we will have positive monthly cash flow beginning in December 2021. We do not anticipate any issues with servicing and retiring the Secured Subordinated Note from cash flow. Since we finish on grain over a 3-4 month finishing cycle, and do not rely on grazing for most of the livestock's diet, there is very little pressure on the grass. But since organic livestock generally cannot be confined, this is the most efficient way to comply with organic regulations and put the finish on these livestock. We turn the livestock every 3 to 4 months as their finishing cycle is completed. The net result is that our revenue from the same number of acres is much higher than an ordinary ranching operation. When you add in the significantly higher value of each organic animal, it makes for a very profitable form of ranching. That is the basis of our confidence in our ability to service and retire the Secured Subordinated Note as scheduled.

Thanks, Brandon.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

Direct: 201-669-4933

Office: 800-956-9883

www.GannettPeakRanch.com

<http://www.sheldonbeef.com>

<https://sheldonfoods.com/>



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From: Brandon Hutchison <[REDACTED]>
Sent: Tuesday, June 29, 2021 12:38 PM
To: DENNIS BREWER <[REDACTED]>
Subject: Fwd: 96195 Old Wells Lane Lake County OR

Hello Dennis, Please see the answers to your questions below in [blue](#). I've attached some additional property information including a brochure, 2021 appraisal, and aerial map.

Thank you for sending the email this morning to clarify your proposal. When I spoke with the seller yesterday it sounded like they wanted to cash out at closing at \$3.2m. If anything changes there I will be sure to let you know.

 [Aerial Feature Map.pdf](#)

 [Lake 3559.45 Agri-Access 2021 Appraisal.pdf](#)

 [Lake 3559.45 Schedule B.pdf](#)

Thank you,



BRANDON HUTCHISON | BROKER - LAND SPECIALIST
SERVING NORTHEAST OREGON | LICENSED IN OR
MOBILE: 541.620.4143 | **OFFICE:** 406.570.8830

WHITETAIL PROPERTIES REAL ESTATE, LLC
1285 N ROUSE AVE BOZEMAN MT 59715 | CORPORATE OFFICE - (406)-570-8830
WHITETAILPROPERTIES.COM



[Click here to view the Oregon Real Estate Initial Agency Disclosure Pamphlet](#)

----- Forwarded message -----

From: **DENNIS BREWER** <[REDACTED]>

Date: Sun, Jun 27, 2021 at 2:47 PM

Subject: 96195 Old Wells Lane Lake County OR

To: [REDACTED] <[REDACTED]>

Brandon - Would the seller accept a \$1.9 million second lien position on the property for 3 years? \$2.9 million purchase price, \$1 million cash to seller at closing. Interest only at 4% per year until balloon payment on third anniversary of closing. We never tour prior to knowing a deal can be struck as it wastes too much time. Once we have a deal on paper, we would tour promptly to be able to sign a firm, final deal, and work toward closing shortly after Labor Day.

Questions:

- How wet is the ground in the Spring? Will it support the weight of a mid-size tractor at all times after thaw? [Yes when not flood irrigated. Flood irrigation is controlled.](#)
- When are cattle typically turned out? [Around the first of May](#)
- When can you begin planting? [Around April](#)
- Is water available adequate to irrigate all season? [This depends on the year. This year being as dry as it is they have had to utilize some of the artesian wells for irrigation.](#)
- What is priority of ranch's claim on ditch water rights? [Please see pages 47 through 60 of the attached appraisal where you will find the priority dates and other water rights info. I'm still trying to get in contact with Brian Mayer \(Lake Co. Water Master 541-947-6038\) to confirm the water rights data.](#)

- What are annual dues and/or any capital assessments due to ditch company? [No ditch company associated with this property](#)
- Is ditch company a mutual/coop company?
- What is current status of perimeter and cross fences, water sources, irrigation pumps and piping, facilities – excellent, good, fair, poor? [Good/Fair](#)
- Is there any farm equipment or livestock they wish to sell in addition to the property? If so, please provide details, age, model year, hours, etc. [The seller said there is some farm equipment that he may consider selling but does not currently have a list put together.](#)

About our company: We are working toward fulfilling orders for grainfed organic beef and pork beginning in December, so our resources are concentrated there at the moment. We also run a protein trading operation focused on China. We have two offices there, near Hong Kong and in Shanghai. See our websites listed below for more information. We are also on Facebook and Instagram as Gannett Peak Ranch if you use those.

Thanks.

Regards,

Dennis

Dennis Brewer

Chief Executive Officer

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Whitetail Properties Real Estate, LLC DBA Whitetail Properties, DBA Whitetail Properties Real Estate.

In the States of Nebraska & North Dakota DBA Whitetail Trophy Properties Real Estate LLC.

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WI - Jeff Evans, Broker. Licensed in FL, OH & PA - Jefferson Kirk Gilbert, Broker. Licensed in TX &

NM - Joey Bellington, Broker. Licensed in IN - Bill Minor, Broker. Licensed in AL, GA, LA, & MS -

Sybil Stewart, Broker. Licensed in TN - Tim Burnette, Broker. Licensed in TN - Bobby Powers,

Broker. Licensed in AR - Anthony Chrisco, Broker. Licensed in NC, SC, VA - Chip Camp, Broker.

Licensed in NC - Rich Baugh, Broker. Licensed in MI - Edmund Joel Nogaski, Broker. Licensed in

MD, WV - Debbie S. Laux, Broker. Licensed in ID, MT, OR, UT, WA, & WY - Aaron Milliken,

Broker. Licensed in NY - John Myers, Real Estate Broker. Licensed in OK - Dean Anderson, Broker.

Licensed in KY - Derek Fisher, Broker

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DENNIS BREWER

From: DENNIS BREWER
Sent: Wednesday, June 30, 2021 3:16 PM
To: Gross, Mark
Subject: Opportunity Zone
Attachments: GPR Pasture Finishing Quality Metrics Chart.pdf; WMT Organic Premiums Comparison 210616.xlsx

Mark – We have relocated our site search from northern California to Lake County, Oregon, near where the borders of California, Oregon and Nevada meet. We have lower land prices and a much better water situation there. We are also in an Opportunity Zone, which means we can offer capital gains tax deferrals or outright elimination to investors. If you know of a source with an Opportunity Zone investment bias, we would be interested in picking up the discussion with them.

I'm sure you are aware of this investment strategy. As a refresher, here is an excerpt explaining Opportunity Zones from a fund we are talking to:

What are the tax advantages of investing in the [Sustainable Ag Opportunity Zone Fund](#)?

1) Temporary Deferral - Capital Gains from the sale of any asset (if reinvested in 180 days) are deferred until the sale of the new investment, or December 31, 2026, whichever is earlier.

What Capital Gains qualify?

- Capital assets such as securities and other investment assets
- Long-term and short-term capital gains qualify
- Section 1231 gains - Trade or business property held for more than one year
- Ordinary gains such as inventory gain is excluded
- Section 1245 and 1250 recapture excluded
- Section 751 "Hot Assets"
- Unrecaptured Section 1250 gain
- Section 1256 contracts

2) Step Up in Basis - Any investment reinvested and held for 5 years gets a tax basis increase of 10%, and any investment held for 7 years gets a tax basis increase of 15%.

3) Permanent Exclusion - Investments held for 10 years will pay no capital gains tax on post-acquisition gains. This permanent exclusion applies only to the gains accrued in the [Sustainable Ag Opportunity Zone Fund](#).

How is an Opportunity Zone different than a 1031 Exchange?

Tax deferrals can be sustained indefinitely through 1031 exchanges, but in the case of Opportunity Zones, taxes on capital gains are deferred until 2026. Opportunity Zones also provide a different level of flexibility for investors. For example, you do not have to roll 100% of the proceeds of a sale into an Opportunity Zone investment. Investors may opt to deploy varying amounts of a capital gain into a new Opportunity Zone investment (though tax benefits of the program only apply to the portion of gain reinvested).

We are currently making offers on 2 ranches totaling 8,625 acres, all of which can be used for pasture-based organic grain feeding. We can turn up to 100,000 animal units per year on the two ranches, about \$550 million revenue. We have also put up a website and started a very modest social media promotion in the last few days. We've reached about 1,600 Millennials on the West Coast on \$25 in the past few days, so that approach shows some early promise. We will begin ramping this social media campaign up to something serious in mid-August before taking direct to consumer pre-orders in September. We are also talking to restaurant groups, independent grocers, chains, Walmart, etc. Most are in the "show me" mode. Some will test the product as soon as it is available and make rollout decisions thereafter.

Objective tests show our finishing method provides superior quality beef. We grade 70% higher than feedlot beef, per a university test graded by USDA. Also, our organic premiums are right in line with those of other fresh organic products, including dairy and produce. These dairy and produce organic price premiums have held up for decades. See attached pdfs for further information.

Fiera Comox, NGEN, and Manna Tree have expressed interest in an expansion round of \$15MM to \$25MM once sales momentum is established. We are talking to others about \$2MM to \$10M to start. This can be staged to progress, of course. The Opportunity Zone tax deferral may be enough to kick the first round off soon.

Let me know if you think the Opportunity Zone angle has merit with anyone in your orbit who might have a startup mentality – an aggressive Family Office, etc. Note that this would need to be a VC style deal, minority equity in the 20% range. No interest in a PE takeover leaving the founding team with a paltry stake, and subject to extractive dividend plays which would inhibit growth. We are able to offer a 4% dividend from cash flow after the first year if that is desired, as it will have a modest impact on growth.

Thanks, Mark.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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DENNIS BREWER

From: DENNIS BREWER
Sent: Wednesday, June 30, 2021 7:00 PM
To: [REDACTED]
Subject: Lake County Oregon OZ Project Funding
Attachments: Lake 3559.45 Brochure.pdf; Lakeview 5000 acDavies-PlusOneRanches-FactSheetAugust2020_ca48.pdf; GPR Pasture Finishing Quality Metrics Chart.pdf; WMT Organic Premiums Comparison 210616.xlsx

Good morning - **74% IRR on a \$10MM investment** at a VERY conservative TTM EBITDA multiple of 6 times. Publicly traded companies in similar organic spaces trade at a 70% premium (21.9 times TTM) to their branded processed packaged food peers (12.8 times TTM). If you want to take a look, here are some salient facts:

We are in process on two farm-based organic finishing facilities in Lake County, Oregon. They are in the Opportunity Zone which surrounds the small, rural town of Lakeview, the county seat. We will be pasture finishing organic grainfed beef and pork, a novel product which will be in high demand in our target markets. These two locations, totaling 8,625 acres and about a mile apart, will finish 100,000 animal units each year, \$550 million revenue.

Looking to finance these 2 ranch purchases in Lake County, Oregon. One mile apart, 8,625 acres, 3335 irrigated. Offers in process, not yet accepted. \$8,525,000 offered on \$9,150,000 asking. Will be used for organic grainfed finishing of beef and pork. Looking for best possible LTV/rate combination, primarily to be used as LOC. There will be sub debt on these places, notes back to current owners, if they accept offers. Details in attached LOIs.

March appraisal of smaller property (3,559 acres) shows land right at \$1,000 per acre. Adding a quality 3,000 sf residence on the 5,066 ranch to this \$1,000 per acre appraised value brings total likely appraisal to \$9 million plus across both properties. We are bringing \$500K of new money and good credit. Target close August 17.

WE ARE DEFINING THE CATEGORY WITH THIS EXTENSIVE PRODUCT LINE

TASTE THE OPPORTUNITY

Organic grainfed chickens sell extremely well, up 25% during the pandemic to about 130 million chickens purchased, \$1.2 billion in sales. Have you tried finding grainfed organic beef or pork? It does not exist. Grass fed organic beef and pork are mainly boutique items sold by individual ranches and markets, with some feeble sales attempts by the Big Four packers who dominate the conventional space which, except for organic ground beef, might as well not exist.

Grainfed organic chicken is 3% of the total chicken market, catching on and taking share. Organic grassfed proteins have a tiny 0.6% share of the overall protein market, including that 3% organic chicken share. This huge disparity, a \$15 billion gap in organic protein share when compared to the 6% overall share for organic foods, is the result of the unfamiliar taste of grassfed. With our grainfed organic protein offering, the huge market share gap will begin to close.

EXCELLENT PRODUCT QUALITY, NOT BECAUSE WE SAY SO

Pasture-based grainfed products taste better than conventional feedyard beef and pork as demonstrated by their USDA grading scores. A blind test yielded 73% premium Choice and 27% low Choice from a hybrid finishing approach similar to our unique pasture-based finish feeding system. Conventional feedyard beef, using feeder cattle from the same herd, finished at the same time in a conventional feedyard, graded 45% premium Choice, 48% low Choice and 6% Select. This process costs more than conventional feedyards, for sure, but gives better quality. My family raised beef, pork, and lamb this way 40 years ago, so I know it well.

RETAIL ORGANIC CONSUMERS AND ORGANIC PRICES

Organic premiums for other fresh organic products are 70% for produce and 70% to 180% for dairy. Our grainfed organic beef and pork will price at a 100% premium to conventional products, right in line with these other fresh organic categories. We'll be taking \$5 deposits on organic consumer pre-orders. Organic consumers have a deep, psychographic connection to food. It's for themselves, their children, their families. 81% of Millennials buy organic food regularly, 47% of the rest of us do the same. So, yes, we make money from December on. Our focus is on building, not creaming, the market, while becoming self-sufficient as quickly as possible. We're selling stuff that costs \$6 to raise for \$10, not the other way around.

We integrate tech where it makes sense and adds value for our customers, like 100% package level traceability for consumers using a serialized QR code and their smartphone, but we don't do tech for its own sake. Our blockchain based tracking from birth will be revolutionary in the food business, will help us retain our critical supply chain partners, and is enabled by a comparably innovative, highly scalable approach to processing case ready proteins. It is part of our unique commitment to and value proposition for consumers concerned about transparency and being able to trust the food they serve their families, is safe, high quality, healthy, and wholesome, that the food is produced ethically, and that the people, animals, soils, and grasses that supply that food are well treated and contributing to a better planet, not degrading it to a worse one.

AVAILABILITY

First availability will be in early December. We are aiming for 210,000 pounds of beef and 110,000 pounds of pork to be available that month (\$6 million if it is all online sales). With adequate financing, we have the ability to scale 8-10 times during 2022. Our initial focus is the US West Coast which includes the #1, #2, and #4 organic sales states. Ours is an omni-channel strategy. We are in discussions regarding strategic partnerships with leading grocery sellers (retail and ecommerce) in the western US, and key high-end food service distributors, among others.

OUR TEAM

Fifteen to forty years of experience in strategy, management, operations, logistics, technology, agricultural and animal husbandry practices (the working end of the shovel), and organics. The former Chair of PCC Natural Markets, a pioneering organic foods retailer with 58,000 members and \$300 million of sales. The former Chair of TechAmerica in the Pacific Northwest and a member of their national Board. A startup pioneer in practical application of laser optic technology at major airlines, banks, insurance companies, and utility companies. A family farmer who co-innovated pasture-based grain finishing. The leader of an engineering firm which designed and implemented the technologies for manufacturing the Delta IV heavy lift rocket. A supply chain and fulfillment pioneer who designed the first flexible automated distribution systems and facilities for online retail grocery fulfillment. Those are a few highlights from my resume.

The rest of the team has raised 1.5 million livestock, pioneered identity-preserved animal finishing programs, managed thousands of acres of farmland, helped introduce frozen yogurt to North America, run sales and marketing for a \$200 million specialty protein business, led app development and full cycle systems implementation in retail and wholesale grocery, engaged in submarine special operations for the US Navy, and managed domestic and international perishable products. No room for all their great accomplishments here. Very active, very focused, tight knit, straight talking, humble, and globally experienced.

WE HAVE EXISTING CONNECTIONS IN THE NEXT ORGANIC PROTEIN MARKET AS WELL

Our team is scattered across the US and China. We've been working remotely and internationally for years. We run an Asia focused protein trading operation with people and partners in the Americas and China. We have long-running connections with power retailers in North America and China. We have 40 years in this space, from barely breaking 1% in the 1980s to 6% today. We first worked here when it was mostly the clog wearing hippies and other counter-culture folks in coops and buying clubs. Now, it's 81% of Millennials with families and 47% of the rest of us, from Walmart to specialty grocers and online, taking share every year from conventional, industrial foods. We know this space very well.

NEXT STEPS

We're moving ahead either way, early investor dollars or none. We can scale faster with funding, of course. We don't do pitch decks. We do serious, transparent conversations. We do have a 40 page Business Plan and reams of backup documentation available. If you an interest, let's talk. We're happy to answer any questions.

We have additional detail on our proprietary finishing process, package level traceability, and expansion plans available in an online Teams data repository.

IRR: 74% on an Opportunity Zone investment at a low EBITA multiple!

Thanks for your interest.

Regards,
Dennis

Dennis Brewer

Chief Executive Officer

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