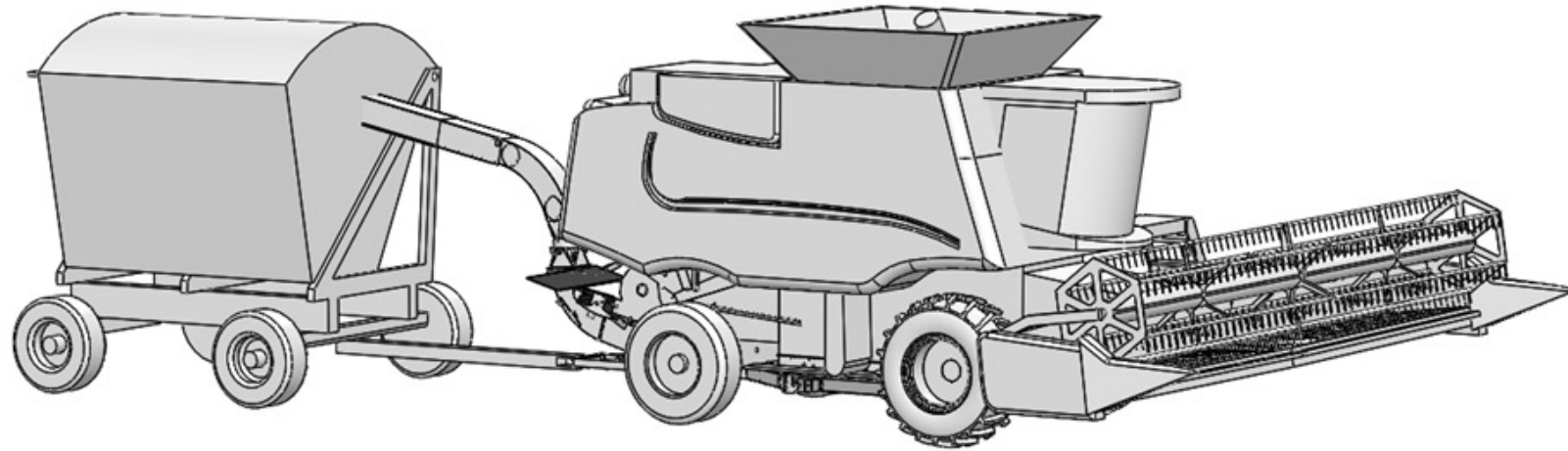


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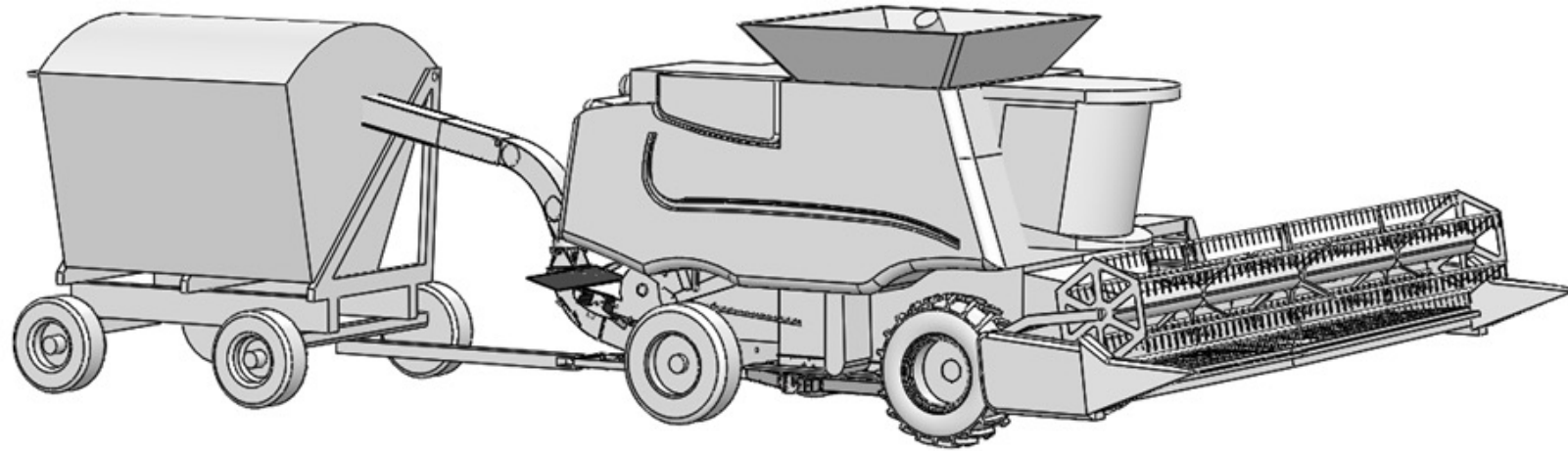
BIOMASS HARVESTING EQUIPMENT



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PROBLEMS

Declining farm income: Despite current high prices, costs have outpaced revenue. Equipment costs are astronomical, and inputs and manpower are more expensive than ever. Farmers are already overworked and underpaid, so \$60/ton isn't enough incentive. High-quality, low-cost feedstock shouldn't be the vernacular, just high quality, let the quality determine the price point to create interest. A range in quality will create a range in price, and farmers will gravitate to what pays more and produces more.

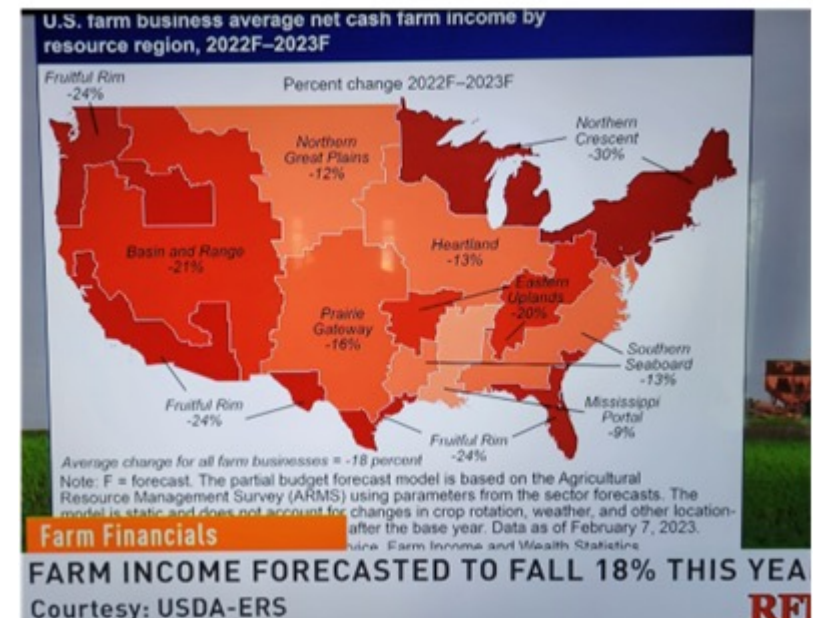
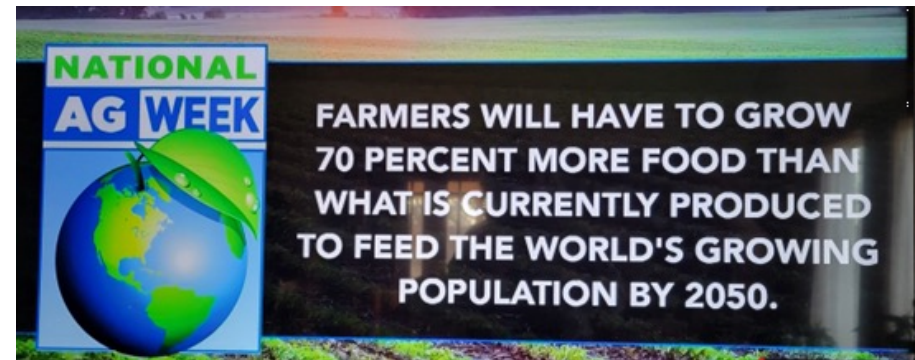
We're losing significant acres of farmland annually to urban sprawl: Over the next 30 years of proposed SAF development, that could amount to 40 million acres from a system that's already stressed.

Farmers are aging out of Agriculture and there aren't enough coming along to replace them: People are leaving agriculture because of the risks and expense.

Drought: An obvious problem we've been living with for a long time. Crops need water, and irrigating energy crops so more people can continue to fly cheaply?

Feeding a growing population: It's been estimated farmers will have to produce 60- 70% more food on the same amount of land, not accounting for acres lost. Hemp could provide grain and biomass.

No current wide-spread use of biomass residuals from crops ALREADY in production: Failure of the cellulosic ethanol era 15 years ago to address process difficulties, equipment and harvesting needs, collection and storage difficulties. There was little to no investment to build framework for now. FarmMax has been collecting cobs for 20 years during harvest, that should be an option for farmers that can't provide stover because of erosion and SOC issues. It's still biomass, taking corn cobs isn't problematic, and it can be done now to start building infrastructure for dedicated energy crops as they are developed. Learn to walk, then run.



There's going to have to be established support that cannot be compromised by changing political winds every 4 years.

FARM BILL: Tax breaks, incentives for FARMERS to cover the costs of harvesting existing material and establishing dedicated crops, paying for specialized equipment, storage facilities and cover potential lost revenue from committing to provide material to projects that could and will fail, because there will be a "weed out" period for the plethora of projects being proposed and funded. Billions were invested in cellulosic, with very little return and many failed projects. Corporate entities should promote cooperative creation and profit sharing for providing feedstock.

Discussions with some of these new projects have revealed the seemingly unrealistic expectations. One project getting a lot of attention wants to grow 50,000 acres of shrub willow for a biorefinery. To put that into perspective, that's 1/5 of the farmable acres in Nemaha County, Nebraska, where FarmMax is located. The talk is about "marginal acres" for production, but one of the main reasons acres are marginal is water. Crops can be engineered to grow in poor soil and with less water, but that takes time and there still has to be water.

The idea of oilseed cover crops is a great solution if farmers can be drawn into it in mass. The drawback is the seeds are very small, harvesting speed and crop loss out the back of the harvester will be an issue, but there are solutions.

- Farmland and farms benefit the environment and the world's population.
- Urban encroachment, caused by infrastructure and housing construction, is gobbling up valuable farmland. 1.3 million acres of farmland were lost in 2021.
- An estimated 2,000 acres of farmland are lost daily in the US alone, and the amount of arable land is finite.
- The world's population is expected to reach nearly 10 billion by 2050, which will require a 60-70% increase in crop production.
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- The loss of farms and arable land has serious economic consequences, including job loss, rising food costs and rising energy costs.
- The proposed price of biomass of \$60/ton isn't enough to justify the cost of production, harvesting and storage.