

Driftless Extracts LLC

(Driftless) is advancing a cannabinoid development near Lone Rock, Wisconsin to participate in the emerging hemp industry in the state and country. Our goal is to leverage the revenue generated in cannabinoids into the research and development needed to drive a wider hemp industry in North America. At the heart of this endeavor is a goal to revitalize agriculture with hemp as the centerpiece to a renewable future.



An update from The Driftless Team!

Infrastructure

Infrastructure acquisitions and updates:

- Orkel 850 Compaction Baler
- Kesir International low temperature, low agitation fully integrated solution
 - Three phase dryer (top page 3)
 - Integrated scissor chopper
 - Integrated hammer mill
 - Dust collection throughout all three phases
- Fosberg three phase stalk/stem separation system
 - Fully integrated flower isolating cyclone collector
 - Bast and fiber separation table
 - Dust collection fully integrated on all three phases
- Three phase electrical install
 - 1200 amp service, 460 volt service
 - 3 phase to single phase transformer
- 3000sq/ft concrete landing pad
- 6000sq/ft cold storage on site
 - 35 ton chiller with 33 degree interior service
 - 5" insulated foam sprayed on interior
 - 8" electric insulated interior/exterior service doors
- Greenhouse flower drying retro fit (top right page 2)



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2019 PLAN

GROWING

- 100 acres high cannabinoid content organic hemp
- Alternative cannabinoids
- Seed starts
- Seeding planting

CONSULTING

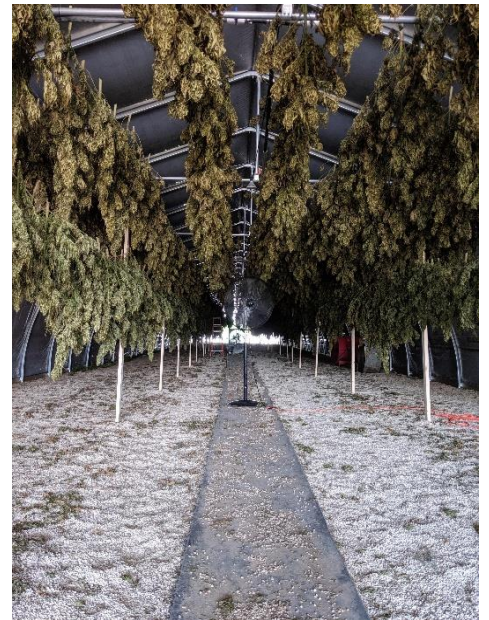
- Custom Spraying
- Agronomy Consulting

PROCESSING

- Contract biomass drying
- Grinding
- Compaction baling
- Bulk storage
- CBD testing

PRODUCTS

- Smokeable Flower
- Winterized Crude
- Distillate
- Isolate



Agriculture

The following agricultural items have been commenced or completed:

- Equipped transplanter with custom in-row drench fertility system fed by twin tractor saddle tanks
- Transplanted 94 acres of feminized hemp
- Planted 70 acres of non-feminized hemp
- Hosted 25 local growers for transplanting clinic in conjunction with C&M reps
- Third party analysis estimated more flower production than planned in proforma
- Continuously de-mated entire 94 acres of feminized production
- Harvested 3.5 acres by hand for smokeable flower harvest
- Finished fiber harvest with Driftless' custom fabricated harvester (pictured below)
 - Harvester prototype was successful in its first season
 - Total cost < \$40K
 - Custom built by team member Cody Pulvermacher
 - Secondary harvester in fabrication process





Corporate/Administrative Milestones

- Added Todd Wegner, former executive at Eurofins, to Advisory Board
- Engaged CW Hemp (#1 in US Market Share 2018) in dialogue for 2020 growing season
- Hosted Bluebird Botanicals (#6 in US Market Share 2018)
- Engaged Hammer Industries (largest hemp processor in US) for flower, biomass and extract purchase in 2019
- Late stage negotiations with Elixinol USA (#4 in market share 2018) for biomass and extract purchase 2019
- Hosted on-site visit with CV Sciences (#2 in market share 2018)
- Organic certification obtained for 129 of 164 acres of 2019 Driftless hemp production
- Organic certification for processing facility pending approval after successful on-site visit from NICS certifier



PUBLIC AWARENESS

- Front page of WI State Journal (Sunday 06/30/2019)
- Featured in Agri View, front page on 07/04/2019
- Featured in MMJ Daily
- Feature being prepared for Driftless Magazine (release in Sept.)
- Selected to speak on behalf of the burgeoning hemp industry in WI to the Ag Coalition
- Sales outreach commenced for private labeling across the state of WI

Ed Liegel

President &
CEO



Research and Development

- On-track to become one of the first seed-to-bottle traceable processor with USDA certified organic stamp on each stage of production
- Engaged third-party breeder to produce proprietary feminized seed line for sale for 2020 growing season
- Successfully setup and initiated CBD and THC testing lab
- Received an MOU from National Cannabis Fund for \$2M of long-term financing at 6.5%
- Successfully raised an additional \$500k from private investors at \$250/unit

We plan to continue hitting milestones and executing our business plan. Please visit our website driftextracts.com and like us on Facebook @DriftExtractsWI or on Instagram at driftless.extractswi

Regards,

A handwritten signature in blue ink that reads "Ed Liegel".

Ed Liegel
On behalf of The Driftless Team

DRIFTLESS EXTRACTS

34945 State HWY 130 Lone Rock, WI 53556
608-583-3294 · contact@driftextracts.com · Driftextracts.com