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Annual Benefit Report
of
Regenerative Renderings, SBC
A Minnesota Specific Public Benefit Corporation

March 29, 2018

Regenerative Renderings was incorporated on July 16, 2017 as a Specific Benefit Corporation under Minnesota's Public Benefit Corporation Act (the "Act"). Pursuant to Section 304A.101 of the Act, Regenerative Renderings specific public benefit purpose as stated in it's Articles of Incorporation is:

To create high value and high quality products in ways that are ethical and respectful to the animal, and support regenerative farmers, ranchers and agricultural systems.

Throughout this report, Regenerative Renderings will be referred to as RR or may refer to itself as "we", or "our" or "us."

OUR STORY

Most people are familiar with organic milk, grassfed beef and free-range eggs. Consumer support for these kind of more sustainable and ethical animal products has grown dramatically in recent years. Yet this same differentiation has not been applied to the highly useful byproducts - like leather or tallow - that come from the "other half" of the animal.

Despite the importance and value of byproducts, there hasn't yet been a commercial effort to separately process these materials that come from regenerative, organic, or other more sustainably raised animals. While the meat from these animals goes to high demand markets, the other half gets combined with materials from conventional livestock operations and other rendering streams. This significantly reduces its potential value for consumers, but especially hurts the producers that humanely raise the animals and the smaller scale slaughter plants that support them, as they are only getting higher value for half the animal.

We believe people want more ethical and sustainable animal byproducts for the same reason they value the food items:

- they want to know livestock are respected and humanely treated throughout their lives
- they believe that healthy, well-raised animals result in higher quality, healthier products
- they support organic, regenerative and other more sustainable farming and ranching systems

So we founded a company – Regenerative Renderings – in 2017 to fill this gap. We are establishing a state-of-the-art processing facility to segregate and produce sustainable animal byproducts. We intend to increase the value of the byproducts market and to share that value with our supply chain, specifically the farmers, ranchers and tribes raising the livestock in ethical and respectful ways under regenerative systems.

With regard to the period covered by this report, from our founding in July 16 to December 31, 2017, RR pursued the specific public benefit purpose stated in its Articles of Incorporation in the following ways:

- Our business development research and outreach focused on identifying best ways to connect into and support regenerative farming systems and markets, and to ensure that the sustainable livestock sectors include credible animal welfare criteria. To that end, we engaged regenerative farmers, ranchers and livestock aggregators in direct discussions about current market opportunities and potential for added value from byproducts. We also reviewed existing sustainability standards for animal humane criteria.
- We met and talked with key supply chain partners, including meat processors, product and retail company representatives, marketing companies and investors regarding current supply chain challenges in regenerative food and farming, and ways byproducts can provide better support for the overall systems and benefits back to producers.
- We participated in major national meetings associated with regenerative agricultural systems criteria, market development, and supply chain connections to be able to influence and understand how byproducts can be involved.
- We developed a business plan and began pursuing a launch strategy for the company, that has at its foundation an established financial premium over conventional market prices paid to regenerative producers and supply chain partners for byproduct materials.

The following is a description of how we believe we succeeded in achieving the goals of our specific public benefit purpose.

- Created a business plan that appears viable from the start with a premium included for regenerative producers.
- Connection with multiple producers that express support for (and expect to see a benefit) from RR being part of the regenerative supply chain.

The following is a description of what prevented us from achieving the specific public benefit purpose, to the extent that we did not pursue or create the specific public benefit in this reporting year.

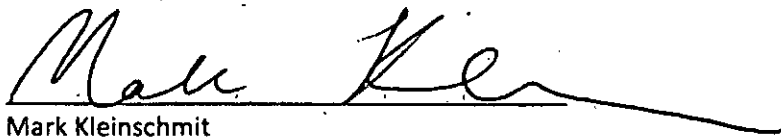
- We made significant progress in our first 6 months to advance RR, through establishment of a well-designed business plan and actionable strategy for business development that includes support for producers. However, as we were just starting, no byproducts were actually produced in 2017, which restricted our ability to achieve our goal of financially supporting regenerative animal producers.

CERTIFICATION BY THE BOARD OF DIRECTORS

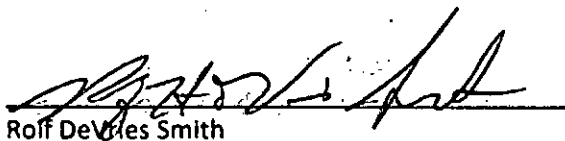
The undersigned, being all the directors of Regenerative Renderings, hereby acknowledge and certify that we have reviewed and approved the enclosed Annual Benefit Report.



James Kleinschmit



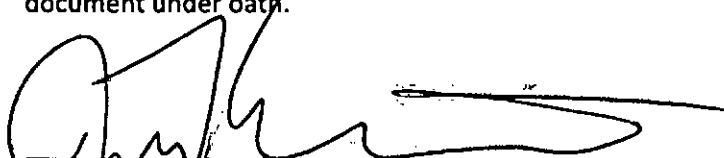
Mark Kleinschmit



Rolf DeVries Smith

SUBMISSION:

I, the undersigned, certify that I am the Chief Executive Officer of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have provided all required information and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.



James Kleinschmit
CEO



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Steve Simon

Steve Simon
Secretary of State