



INVESTOR UPDATE LETTER

YEARS END 2020

What a year it has been. Tony and I started thinking about doing the CBG thing early last year. I don't remember quite how I pulled James into the project but am certainly glad I did. I remember talking with Jeff Petty who introduced me to Ha Do who was instrumental in our efforts. He also introduced me to the 80 acres of farmer Will McBride's we first considered renting. Will wanted nothing to do with a contract between us and would not sign a working agreement. He also insisted we pay the \$45,000 that was not paid by the previous land user from the failed attempt at planting CBD there the year before, 2019. While at Will's farm in early June, Ha Do introduced us to a seasoned team with Vigor CBD headed up by Joe Trinh and his team. We had a good view of the property and started planning.

James had agreed to come out and manage operations. While he was on Zillow looking for an apartment or room to rent in or near Wiggins he found the 150 organic hemp farm for sale in Wiggins, just two miles from Will's farm. It certainly got our attention. I did not want to purchase any farm but would be interested in a lease with an option to purchase. Thank God, we didn't buy it. It only had half of the water represented by the seller that greatly diminished the amount of harvestable crop we could grow as water is key in growing hemp. We got by but it was not without many challenges. Yet, we made great contacts in the industry, learned a great deal, and did harvest a crop which is just beginning to be processed this week. By processed, I mean turning the prepared biomass into Isolate. It is not without disappointment. It took us so long to get it from harvest to this point that the price for the isolate has plummeted. We will still make modest profits but when we were thinking we could provide up to four times the investment by our supportive investors has changed with not being at the market with the isolate when it was averaging \$9,000 per kilo. Today we are looking at about \$2-2,500 per kilo for the time being. Thus, our returns will be less than half of what we were anticipating. Compounding the problem is that the last \$200,000 that we raised was very costly money.

However, since I (Phil Allen) control 55% of the shareholder vote as well as have the support of the other three board members in my decision to, as much as possible, give our standard investors twice their investment before the founders take their share of the distributions. It is very sobering with the hope and expectations that we all had. Yet, we are proud and pleased that we have been able to do as well as we have and we are looking to a new season which will be much more profitable and with less risk in raising the required capital required for the season operations. The management team is still weighing various options for 2021 but we will not formalize our plans until about mid-February when we really have an accurate feel for our profits for this year and just how best to move forward with what knowledge, insights and industry relationships we have gained over the past year.

Given what costs we still have to cover, we are probably going to need another \$50,000 to ensure our completion of the extraction and the related efforts with the seeds we harvested which have measurable value if we can afford to analyze, classify and package them for sale. We may be forced to sell them cheaply as it may be too costly for us to undertake that aspect of the harvest. Worst case, it's still funds



which will help the cause. I have a couple of prospects for the necessary funding, but it is likely to be fairly costly money. Fortunately, we are not giving away equity with the costly money we raised to date, as we want to protect the equity of our investors as best we can.

Not only have we had to deal with lots of operating challenges, but the banks are not taking kindly to any cannabis businesses, even though hemp is perfectly legal with the signing of the Farm Act Bill of 2018. We are in the process of working with a smaller, more “friendly to hemp companies” bank than the larger banks that still shun legal cannabis companies such as Summit. We should know if we qualify within the next 7-10 days. It seems it’s always something challenging us that we really didn’t expect.

Through it all our great operations Team which consists mostly of James and Tony while I focus most of my time on funding and compliance, along with the support of our wonderful investors, we have and will continue to conquer our difficult challenges and remain true to our cause and hopeful that this New Year will be well within our abilities to achieve good long-term successes. When things quiet down, Tony and I will be cleaning up Walker Lane Exploration (WKLN) and getting its audits done and everything compliant with the SEC, Edgar and the OTC Markets. Until now, I had not considered putting Summit into that public vehicle but it might be a consideration come spring when we can see more clearly what the future holds for Summit.

All along I have been committed to taking care of the investors who invested in Walker Lane since I took it over in January of 2018. In fact, the 55% of Summit Farm and ranch was structured so that I got 30% of the 55% and the Walker Lane investors got 40% of that 55% in exchange for a proxy vote given to me so I always controlled the destiny of the company. I have had to give away some of those shares to ensure funding at times. Those shares also had to surrender the proxy vote to me so we/I have not lost control of the Company. Certainly, there will be modest distributions to the Walker Lane stockholders. They will be less than I had hoped as you can very well see from how things have unfolded. Yet, they still own shares in WKLN which we will be merging with another company in the late spring or early summer which will give a good chance of a good return within a year or so of that merging.

I think this is about all that is specific and relevant enough for Year’s End and New Year Investor Update Letter. I am always accessible by cell or email if you have any questions that I may answer. I want to be as transparent as possible.

I want to take this time to thank all of our patient and supportive investors for your continuing belief and support in our efforts to finally bring a good return on your investments. I am thankful for all of the many good happenings (blessings) we have enjoyed in this journey. I am expecting a very good New Year and wish you all the very best as we move forward with hope and gratitude.

Sincerely, Phil Allen, President and Chairman