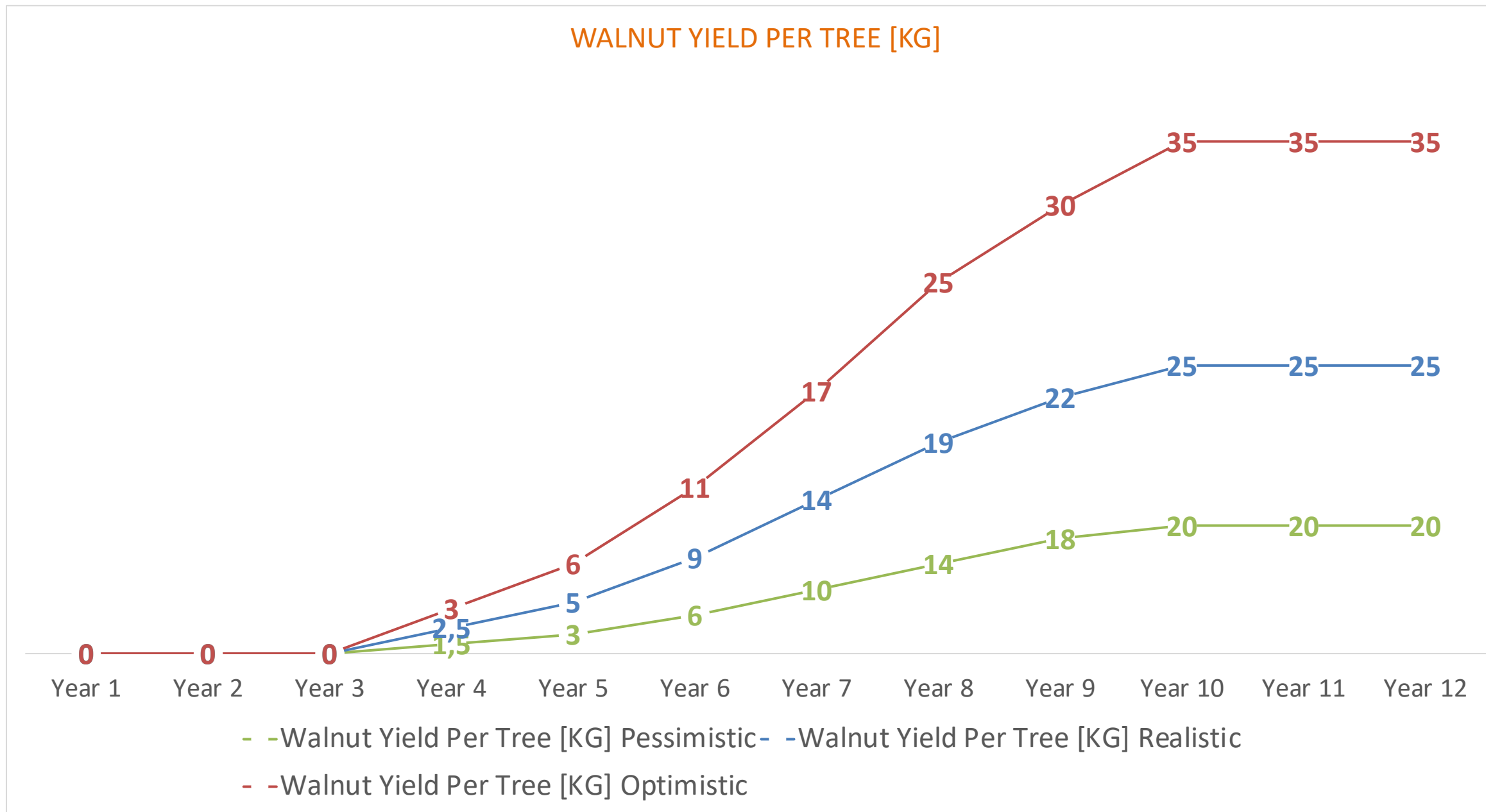


Walnut Yield / Tree



- The first three years are needed for the walnut trees to develop
- Chandler walnut trees reach full maturity in year 10 and can produce up to 35kg of in shell walnuts.
- The economic lifespan of a well managed Chandler walnut plantation is 40 - 60 years

WALNUT YIELD PER TREE [KG]



Years After Planting	Walnut Yield Per Tree [KG] Realistic	Walnut Yield Per Tree [KG] Optimistic	Walnut Yield Per Tree [KG] Pessimistic
Year 1	0	0	0
Year 2	0	0	0
Year 3	0	0	0
Year 4	2.5	3	1.5
Year 5	5	6	3
Year 6	9	11	6
Year 7	14	17	10
Year 8	19	25	14
Year 9	22	30	18
Year 10	25	35	20
Year 11	25	35	20
Year 12	25	35	20



Price History for Chandler Inshell Walnuts

- With both weather and market conditions outside of our control, forecasts should be based on long term historic trends.
- After adjusting for inflation the 20-year average price of walnut prices is 3.97\$/kg.



Year	FOB Export Price (\$ / kg.)	Inflation-Adjusted FOB Export Price (\$ / kg.)
1997	\$3.15	\$4.95
1998	\$3.11	\$4.81
1999	\$2.85	\$4.31
2000	\$2.20	\$3.22
2001	\$2.20	\$3.13
2002	\$1.70	\$2.38
2003	\$1.90	\$2.60
2004	\$2.40	\$3.20
2005	\$2.80	\$3.61
2006	\$2.70	\$3.38
2007	\$3.10	\$3.77

Source: ODEPA, BLS CPI, 2018 Data January-June

Year	FOB Export Price (\$ / kg.)	Inflation-Adjusted FOB Export Price (\$ / kg.)
2008	\$4.70	\$5.50
2009	\$2.80	\$3.29
2010	\$4.30	\$4.97
2011	\$4.60	\$5.15
2012	\$3.10	\$3.40
2013	\$4.60	\$4.98
2014	\$5.50	\$5.85
2015	\$4.40	\$4.68
2016	\$2.70	\$2.83
2017	\$3.69	\$3.79
2018	\$3.62	\$3.62

Source: ODEPA, BLS CPI, 2018 Data January-June

For current walnut market prices please visit:
<https://www.tridge.com/prices/collections/ENN-91422A10>

Cash Flow Forecast

Realistic - Scenario

THE WALNUT FUND - 10 Hectare Plantation (3000 Trees)

Max yield achieved 25kg/tree

Cash flow Forecast - Until 2035

Avg Sale Price 3.5\$/kg

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Income														
Investor Capital (3000 x 135\$)	\$405,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Walnut yield / tree					2.5	5	9	14	19.0	22.0	25	25	25	25
Price of inshell walnuts / kg					\$3.5	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5	\$3.5
Walnut Sales	\$0	\$0	\$0	\$0	\$26,250	\$52,500	\$94,500	\$147,000	\$199,500	\$231,000	\$262,500	\$262,500	\$262,500	\$262,500
Total Income	\$405,000	\$0	\$0	\$0	\$26,250	\$52,500	\$94,500	\$147,000	\$199,500	\$231,000	\$262,500	\$262,500	\$262,500	\$262,500
Expenses														
Land (10Hectares x 20000\$/Hectare)	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Walnut Saplings (3000Sapplings x 12\$/Sapling)	\$36,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Irrigation System (3000\$/Hectare x 10Hectares)	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fence (10\$/m x 2200m)	\$22,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land preparation (1000\$/Hectare x 10Hectares)	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$3,000	\$10,000	\$11,000	\$12,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000
Fertilizer	\$2,000	\$3,000	\$4,000	\$5,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Insurance	\$1,500	\$1,500	\$1,500	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Accounting services	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Property Tax	\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Total Expenses	\$305,500	\$16,000	\$18,000	\$20,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500
Dividend Payout														
Dividend payout to investors	\$0	\$0	\$0	\$0	\$3,750	\$30,000	\$72,000	\$124,500	\$175,875	\$104,250	\$120,000	\$120,000	\$120,000	\$120,000
Dividend payout to The Walnut Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,125	\$104,250	\$120,000	\$120,000	\$120,000	\$120,000
Total Dividend Payout	\$0	\$0	\$0	\$0	\$3,750	\$30,000	\$72,000	\$124,500	\$177,000	\$208,500	\$240,000	\$240,000	\$240,000	\$240,000
End of year Balance														
Balance	\$99,500	\$83,500	\$65,500	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000

Plantation Establishment

Tree Development

Return on Investment Period

Breakeven

Trees have reached maturity and The Walnut Fund begins to take dividend share of profit.

* Residual investor funds that are not utilized in plantation setup are kept as a safeguard for unforeseen expenses

Cash Flow Forecast

Optimistic - Scenario

THE WALNUT FUND - 10 Hectare Plantation (3000 Trees)

Max yield achieved 35kg/tree

Cash flow Forecast - Until 2035

Avg Sale Price 6\$/kg

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Income														
Investor Capital (3000 x 135\$)	\$405,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Walnut yield / tree					3	6	11	17	25	30	35	35	35	35
Price of inshell walnuts / kg					\$6.0	\$6.0	\$6.0	\$6.0	\$6.0	\$6.0	\$6.0	\$6.0	\$6.0	\$6.0
Walnut Sales	\$0	\$0	\$0	\$0	\$54,000	\$108,000	\$198,000	\$306,000	\$450,000	\$540,000	\$630,000	\$630,000	\$630,000	\$630,000
Total Income	\$405,000	\$0	\$0	\$0	\$54,000	\$108,000	\$198,000	\$306,000	\$450,000	\$540,000	\$630,000	\$630,000	\$630,000	\$630,000
Expenses														
Land (10Hectares x 20000\$/Hectare)	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Walnut Saplings (3000Saplings x 12\$/Sapling)	\$36,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Irrigation System (3000\$/Hectare x 10Hectares)	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fence (10\$/m x 2200m)	\$22,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land preparation (1000\$/Hectare x 10Hectares)	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$3,000	\$10,000	\$11,000	\$12,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000
Fertilizer	\$2,000	\$3,000	\$4,000	\$5,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Insurance	\$1,500	\$1,500	\$1,500	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Accounting services	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Property Tax	\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Total Expenses	\$305,500	\$16,000	\$18,000	\$20,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500
Dividend Payout														
Dividend payout to investors	\$0	\$0	\$0	\$0	\$31,500	\$85,500	\$175,500	\$198,000	\$213,750	\$258,750	\$303,750	\$303,750	\$303,750	\$303,750
Dividend payout to The Walnut Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85,500	\$213,750	\$258,750	\$303,750	\$303,750	\$303,750	\$303,750
Total Dividend Payout	\$0	\$0	\$0	\$0	\$31,500	\$85,500	\$175,500	\$283,500	\$427,500	\$517,500	\$607,500	\$607,500	\$607,500	\$607,500
End of year Balance														
Balance	\$99,500	\$83,500	\$65,500	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000

Plantation Establishment

Tree Development

Return on Investment Period

Breakeven

Trees have reached maturity, market prices and yield are higher than expected. ROI period is shorter.

* Residual investor funds that are not utilized in plantation setup are kept as a safeguard for unforeseen expenses

Cash Flow Forecast

Pessimistic - Scenario

THE WALNUT FUND - 10 Hectare Plantation (3000 Trees)

Max yield achieved 20kg/tree

Cash flow Forecast - Until 2035

Avg Sale Price 2\$/kg

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Income														
Investor Capital (3000 x 135\$)	\$405,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Walnut yield / tree					1.5	3	6	10	14	18	20	20	20	20
Price of inshell walnuts / kg					\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0
Walnut Sales	\$0	\$0	\$0	\$0	\$9,000	\$18,000	\$36,000	\$60,000	\$84,000	\$108,000	\$120,000	\$120,000	\$120,000	\$120,000
Total Income	\$405,000	\$0	\$0	\$0	\$9,000	\$18,000	\$36,000	\$60,000	\$84,000	\$108,000	\$120,000	\$120,000	\$120,000	\$120,000
Expenses														
Land (10Hectares x 20000\$/Hectare)	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Walnut Saplings (3000Saplings x 12\$/Sapling)	\$36,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Irrigation System (3000\$/Hectare x 10Hectares)	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fence (10\$/m x 2200m)	\$22,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land preparation (1000\$/Hectare x 10Hectares)	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$3,000	\$10,000	\$11,000	\$12,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000
Fertilizer	\$2,000	\$3,000	\$4,000	\$5,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Insurance	\$1,500	\$1,500	\$1,500	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Accounting services	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Property Tax	\$0	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Total Expenses	\$305,500	\$16,000	\$18,000	\$20,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500
Dividend Payout														
Dividend payout to investors	\$0	\$0	\$0	\$0	\$0	\$0	\$13,500	\$37,500	\$61,500	\$85,500	\$97,500	\$97,500	\$54,750	\$48,750
Dividend payout to The Walnut Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$42,750	\$48,750
Total Dividend Payout	\$0	\$0	\$0	\$0	\$0	\$0	\$13,500	\$37,500	\$61,500	\$85,500	\$97,500	\$97,500	\$97,500	\$97,500
End of year Balance														
Balance	\$99,500	\$83,500	\$65,500	\$45,000	\$31,500	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000	\$27,000

Plantation Establishment

Tree Development

Return on Investment Period

Trees have reached maturity on time, but due to lower than forecasted market prices and yield, return on investment has taken longer

Break even

* Residual investor funds that are not utilized in plantation setup are kept as a safeguard for unforeseen expenses