

Macrosource, LLC, a Delaware limited liability company, formerly known as Gavilon Fertilizer, LLC (“Gavilon”), and Stagecoach, LLC, a Minnesota limited liability company (“Stagecoach”), each own adjacent parcels of real property located in Shakopee, Scott County, Minnesota. A dispute concerning the location of the boundary line between the Gavilon property and the Stagecoach property, particularly the location of the east boundary line for the Gavilon property and the location of the west boundary line for the Stagecoach property, has arisen between the Parties, causing each Party to further dispute the nature and extent of the other Party’s ownership interest in its respective property (collectively, the “Dispute”).

To avoid the disruption, inconvenience, uncertainty, and expense associated with potential litigation of the Dispute, the Parties have reached an agreement to compromise and settle the claims between them relating to the Dispute, as described in a Purchase and Settlement Agreement between the Parties (as amended, the “Agreement”).

Pursuant to the Agreement, Stagecoach will transfer by deed certain property (as described in the Agreement, the “Property”) to Gavilon, in exchange for certain payment by Gavilon to Stagecoach as described in the Agreement.

In order to record the deed and effect the terms of the Agreement, the Parties are seeking to obtain any and all governmental approvals necessary or required by the City of Shakopee, the Scott County Surveyor, the Scott County Registrar of Titles and any other applicable governmental entities for creating the Property as a separate legal parcel and separate tax lot, conveying the Property to Gavilon, establishing the final boundary line between the Gavilon property and the Stagecoach property, and rezoning the Property to conform to Gavilon’s intended use, which is I-2 Heavy Industry.

In accordance with past discussions with Michael Kerski, the Parties understand that the City prefers the existing plat to be amended, rather than an RLS or other boundary line adjustment mechanism. Therefore, the Parties are submitting to the City of Shakopee the draft plat of Hentges Industrial Park 4th Addition attached hereto.

Pursuant to the Agreement, the Parties plan to sign final plat mylars, the deed and all other documents necessary to close the transaction on May 15, 2023.

The Property being transferred from Stagecoach to Gavilon consists of three small slivers of land that total less than 0.2 acres, as shown on the attached drawing. These relatively minor adjustments to the boundary line will provide Gavilon with sufficient clearance for the rail cars used on its existing rail line and preserve Gavilon’s use of the existing driveway.