

Jonathan Belcher

From: Jonathan Belcher
Sent: Wednesday, October 16, 2019 2:08 PM
To: James Richardson
Cc: harry@virginiacoalenergy.com
Subject: FW: Va Project - Update letters - Proprietary and Confidential
Attachments: 20191016 Letter to VCEDA, 15 Oct 2019 Proprietary and Confidential.pdf; APEX Letter Proprietary and Confidential.pdf

FYI...confidential

Jonathan S. Belcher
Executive Director/General Counsel
Virginia Coalfield Economic Development Authority
P.O. Box 1060
Lebanon, Virginia 24266
Phone (276) 889-0381
Website: www.e-Region.org

From: Lala Korall <lala@eurobusdev.com>
Sent: Wednesday, October 16, 2019 12:24 PM
To: Jonathan Belcher <jonathan@vaceda.org>
Cc: 'Lala' <lala@ideals-llc.com>; lala@eurobusdev.com
Subject: Va Project - Update letters - Proprietary and Confidential

PROPRIETARY AND CONFIDENTIAL

Hello Jonathan,

I hope you are well.

I am requesting on behalf of 8F Fund and Project Jonah to meet with the Project Committee and the VACEDA Board on November 21st for the approval of the request in the letter.

Attached please find the following documents in preparation of the above meetings.
Let me know if you or other committee and/or Board members have additional questions.

Please find attached letters:

- Update on the project from 8F
- Apex letter: the administrator and third party independent provider of 8F Aquaculture Fund I LP confirming commitments and funds for October 15th, 2019.

Apex Fund Services, established in 2003, is one of the world's largest specialist fund administration and middle office solutions providers. Apex has continually improved and evolved its product suite by surrounding these core administrative services with additional products spanning the full value chain; from information delivery and regulatory



October 15, 2019

Mr Jonathan Belcher
Executive Director - VCEDA
527 Main Street
Lebanon 24226, VA

Proprietary and Confidential

Dear Mr Belcher,

On behalf of 8F Asset Management, Pte. Ltd.'s ("8F AM"), this letter is to update you on the progress of fundraising 8F Aquaculture Fund I (the "Fund"), which will fund Dominion Aquaculture LLC and in turn the vertically integrated aquaculture facility to be located in Tazewell and Russell counties, Virginia (the "Virginia Facility") as well as progress to date in order to secure the land and move forward with the project.

The Fund has raised to date ca. US\$ 147 million, onboarding an additional USD55.75m, with additional investors finalising their due diligence of US\$117.25m, leading the Fund to reach its target of USD 320m by year end 2019. Our investors are all leading corporates, public pension funds, insurers, sovereign wealth funds, investment companies and high net worth individuals. I hope that our progress with regards to all of these capital raising milestones, will give you comfort, that our fund raising process is well underway and all the required equity financing for the Virginia Facility has been secured.

The co-investment between Fund and AquaMaof's in Poland, Pure Salmon Poland, has moved beyond a proof of concept facility and is now producing commercially viable 4-5kg Atlantic salmon that has been tested across the world by retailers, leading chefs and restaurants as well as industry experts, with generally very good feedback received. In addition, the quality of the fish has secured a 10,000 ton per year off take in Japan by one of the leading fresh food distributor and importer. Finally, Pure Salmon Poland has now started selling its production across Europe.

At the local level, the first phase, namely the survey of the 2 properties has been completed. In addition, the Fund is in advanced stages of approving the geotechnical engineering and drilling tasks, which is an important due diligence item to be completed on the land. Once the land due diligence is completed, the fund will look to complete the required permitting and the acquisition of the land. As the Fund continues to work on all of the above items, our current timeline forecasts a start of the final engineering and design of the facility by the end of Q1 2020. Once the design completed, the Fund through its US entity, will look to engage construction providers in order to start construction by end of Q3 2020, leading to significant financial commitments.

Based on the progress achieved and the Fund's above outline of the timelines, we respectfully request for the loan closing deadline of the VACEDA loan, per your letter dated Aug 22, 2017 to be extended through December 31, 2020, at which point all contingencies should have been fulfilled.

8F AM, with our partner AquaMaof, remains strongly committed to its vision of becoming a leading global producer of land-grown Atlantic salmon and commencing the construction of the Virginia Facility rapidly.

Finally, please be assured that we will continue to update you as key project milestones are achieved.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Sarah Ho'.

Sarah Ho
CFO
8F Asset Management Pte. Ltd.

Jonathan Belcher

From: Jonathan Belcher
Sent: Friday, March 20, 2020 1:58 PM
To: Goodwin, Katherine; Hurt, Lindsay
Subject: RE: Project Jonah

P.S. We have extended the loan closing deadline a couple of times at their request, and the current deadline is 12/31/2020.

Jonathan S. Belcher
Executive Director/General Counsel
Virginia Coalfield Economic Development Authority
P.O. Box 1060
Lebanon, Virginia 24266
Phone (276) 889-0381
Website: www.e-Region.org

From: Jonathan Belcher
Sent: Friday, March 20, 2020 1:56 PM
To: Goodwin, Katherine <KGoodwin@vedp.org>; 'Hurt, Lindsay' <LHurt@vedp.org>
Subject: Project Jonah

Please see attached.

Confidential
Working Papers

Jonathan S. Belcher
Executive Director/General Counsel
Virginia Coalfield Economic Development Authority
P.O. Box 1060
Lebanon, Virginia 24266
Phone (276) 889-0381
Website: www.e-Region.org

VIRGINIA COALFIELD ECONOMIC DEVELOPMENT AUTHORITY

P.O. Box 1060
527 East Main Street
Lebanon, Virginia 24266



Telephone: 276/889-0381
Fax: 276/889-1830
Jonathan S. Belcher • Executive Director

August 22, 2017

Confidential

Mr. John Schiering, Chief Operating Officer
Ms. Lala Korall, Vice President
Dominion Aquaculture, LLC
1928 Front Street
Richlands, Virginia 24641

Dear John and Lala:

I am writing to inform you that at a meeting of the Board of the Virginia Coalfield Economic Development Authority ("VCEDA") held on August 17, 2017, the VCEDA Board approved up to a Ten Million (\$10,000,000.00) (U.S.) loan to Dominion Aquaculture, LLC ("Project Jonah") to be used for workforce development and training (as specified below), for a vertically integrated aquaculture facility to be located in Tazewell and Russell Counties, Virginia, subject to the following basic terms and conditions:

1. The loan shall be due and payable in eighty-four (84) consecutive monthly payments, with the first monthly payment to begin three (3) years from the date of the promissory note (the "Note"). Provided, however, that on each annual anniversary date of the Note, beginning with the fourth annual anniversary date of the Note and ending on the tenth annual anniversary date of the Note, that Project Jonah has at least two hundred (200) full-time employees in the VCEDA region with an average full-time wage of at least \$50,000 per year, eight percent (8%) of the outstanding balance of the Note shall be forgiven and converted into a grant. If Project Jonah fails to meet any of the foregoing employment milestones on the specified dates, then the loan forgiveness amount for that particular milestone is void and shall no longer apply. If as provided above, Project Jonah qualifies for loan forgiveness, and the outstanding balance of the Note at the time of such loan forgiveness is less than the amount to be forgiven (as provided above), then the amount forgiven shall be adjusted and reduced to the outstanding balance of the Note at the time of the forgiveness, and in no event shall Project Jonah be entitled to a grant or a carry-over for any excess between the amount to be forgiven and the outstanding balance of the Note.



Mr. John Schiering
Ms. Lala Korall
August 22, 2017
Page 2 (Confidential)

2. Notwithstanding anything to the contrary, per the Guidelines for the VCEDA Coalfield Regional Opportunity Fund, Project Jonah shall warrant the performance of at least 80% of the jobs (200 full-time) and private investment (\$212 million) over a thirty-six (36) month period as represented in the letter from Project Jonah dated August 1, 2017. If Project Jonah does not meet at least 80% (160 full-time jobs and \$169.6 million private investment) of the foregoing private investment and new jobs commitment, then Project Jonah shall immediately repay to VCEDA that part of the loan that is proportional to the shortfall.
3. The interest rate shall be 0% until the third annual anniversary date of the Note, at which point, it will be 2.125% thereafter.
4. This loan shall be funded from the VCEDA Coalfield Regional Opportunity Fund. The term "workforce development and training" as used above shall have the same definition as in Section 3(c) of the Guidelines for the VCEDA Coalfield Regional Opportunity Fund.
5. VCEDA shall be provided with a copy of an MOU between Southwest Virginia Community College and Project Jonah concerning workforce development and training, which MOU shall be acceptable to VCEDA.
6. This loan shall not be closed until, and this loan approval is specifically contingent upon, collateral for the loan being determined that is acceptable to the VCEDA Board, and the approval of the VCEDA Board at a duly called meeting of the VCEDA Board.
7. This loan shall not be closed until, and this loan approval is specifically contingent upon, Project Jonah providing written evidence satisfactory to the VCEDA Board of the closing and availability of at least \$110 million (U.S.) of private funds for the project in Tazewell and Russell Counties, Virginia, and the approval of the VCEDA Board at a duly called meeting of the VCEDA Board.
8. This loan shall not be closed until, and this loan approval is specifically contingent upon, Project Jonah providing written evidence satisfactory to the VCEDA Board that at least \$25 million (U.S.) in non-VCEDA, private funds have been expended on site development, facilities construction, and/or equipment at the project location in Tazewell and Russell Counties, Virginia (excluding engineering and permitting fees), and the approval of the VCEDA Board at a duly called meeting of the VCEDA Board.

Mr. John Schiering
Ms. Lala Korall
August 22, 2017
Page 3 (Confidential)

9. This loan shall not be closed until, and this loan approval is specifically contingent upon, VCEDA's receipt of an updated letter of support for the project from the Virginia Economic Development Partnership ("VEDP"), which shall be satisfactory to the VCEDA Board.
10. The loan closing fee on this loan shall be reduced to one-half percent (1/2%), as an additional incentive to the project.
11. The loan closing deadline on this loan shall be December 31, 2018. If the VCEDA loan agreement has not been signed by that date, then this loan approval shall automatically expire.
12. The loan disbursement deadline on this loan shall be three (3) years from the date of the loan agreement.

The foregoing is non-binding and is not intended as a legal agreement or as formal loan documentation, but only as information of the VCEDA Board's action on August 17, 2017. Please keep us apprised of the status of the contingencies listed above and the project. After all of the above contingencies have been satisfied and the VCEDA Board has authorized the closing of the loan, then formal loan documentation will be drafted and sent to you, along with a list of any remaining items needed for closing (e.g., company borrowing resolution, etc.). In the meantime, if you have any questions whatsoever, please do not hesitate to let me know.

Sincerely,



Jonathan S. Belcher
Executive Director/
General Counsel

VIRGINIA COALFIELD ECONOMIC DEVELOPMENT AUTHORITY

P.O. Box 1060
527 East Main Street
Lebanon, Virginia 24266



Telephone: 276/889-0381
Fax: 276/889-1830
Jonathan S. Belcher • Executive Director

November 19, 2018

Confidential

Mr. John Schiering, Chief Operating Officer
Ms. Lala Korall, Vice President
Dominion Aquaculture, LLC
P.O. Box 42393
Henrico, Virginia 23242

Dear John and Lala:

I am writing in response to the request for the list of items that would be needed in order to close on the up to \$10,000,000.00 loan approved on August 17, 2017 by the Board of the Virginia Coalfield Economic Development Authority ("VCEDA") to Dominion Aquaculture, LLC ("Project Jonah"). The loan closing deadline is currently December 31, 2019, so the following list of items would be needed prior to that date in order to close the loan before the expiration of the loan approval:

1. **MOU with Southwest Virginia Community College:** VCEDA shall be provided with a copy of an MOU between Southwest Virginia Community College (SWCC) and Project Jonah concerning workforce development and training, which MOU shall be acceptable to VCEDA.
2. **Determination of Collateral for the Loan:** The loan cannot be closed until, and the loan approval is specifically contingent upon, collateral for the loan being determined that is acceptable to the VCEDA Board, and the approval of the VCEDA Board at a duly called meeting of the VCEDA Board. (My suggestion here is to begin with staff level discussions which can then be presented to the VCEDA Board for their consideration. Once the collateral has been determined and agreed to by the VCEDA Board, there will be additional, typical due diligence requirements depending upon the nature of the collateral. For example, if the collateral includes a lien on real estate, under VCEDA project policies, VCEDA will need to be provided with a lender's title insurance policy which will need to include affirmative mechanic's lien coverage, a copy of a Phase I environmental assessment report on the subject real estate, and a copy of the deed to the real estate and any current survey. If the collateral includes machinery, tools, and/or equipment, then VCEDA will need to be provided with a UCC-1 search and a



Mr. John Schiering
Ms. Lala Korall
November 19, 2018
Page 2 (Confidential)

certificate from your attorney certifying VCEDA's lien position on the machinery, tools, and/or equipment.)

3. **Availability of Private Funds:** The loan cannot be closed until, and the loan approval is specifically contingent upon, Project Jonah providing written evidence satisfactory to the VCEDA Board of the closing and availability of at least \$110 million (U.S.) of private funds for the project in Tazewell and Russell Counties, Virginia, and the approval of the VCEDA Board at a duly called meeting of the VCEDA Board.
4. **Expenditure of Private Funds:** The loan cannot be closed until, and the loan approval is specifically contingent upon, Project Jonah providing written evidence satisfactory to the VCEDA Board that at least \$25 million (U.S.) in non-VCEDA, private funds have been expended on site development, facilities construction, and/or equipment at the project location in Tazewell and Russell Counties, Virginia (excluding engineering and permitting fees), and the approval of the VCEDA Board at a duly called meeting of the VCEDA Board.
5. **Letter of Support from VEDP:** The loan cannot be closed until, and the loan approval is specifically contingent upon, VCEDA's receipt of an updated letter of support for the project from the Virginia Economic Development Partnership ("VEDP"), which shall be satisfactory to the VCEDA Board.
6. **Company Borrowing Resolution:** Prior to the loan closing, VCEDA will need a copy of a resolution from the entity signing the loan documents (Dominion Aquaculture, LLC) authorizing the borrowing of the up to \$10,000,000.00 loan from VCEDA and authorizing the appropriate official(s) of the company to execute the loan documents, including the loan agreement, promissory note, deed of trust (if applicable) and security agreement (if applicable).
7. **Loan Documents:** At the closing, certain loan documents will need to be signed by Dominion Aquaculture, LLC, including a loan agreement, promissory note, deed of trust (if applicable), and security agreement (if applicable). These will all need to be duly executed, acknowledged, and delivered, and shall contain such representations and warranties, affirmative and negative covenants, and additional terms and conditions as VCEDA may require.
8. **Authority and Capacity:** Evidence of the existence, good standing, authority and capacity of Dominion Aquaculture, LLC and each guarantor (if any) and their respective constituents and representatives as VCEDA may require, to include at a

Mr. John Schiering
Ms. Lala Korall
November 19, 2018
Page 3 (Confidential)

minimum a certificate of good standing from the Virginia State Corporation Commission on Dominion Aquaculture, LLC and each guarantor (if any), copies of their organizational documents (which shall be subject to review and approval by VCEDA), and certificates of non-foreign status from Dominion Aquaculture, LLC.

9. **Survey:** If the collateral includes real estate, VCEDA shall be furnished with a current survey of the land and any improvements thereon by a registered professional surveyor satisfactory to VCEDA and each title insurer, reflecting no intrusions or protrusions over any property line, setback line, easement, or other restricted area and showing a state of facts satisfactory to VCEDA, signed, sealed, and certified by the surveyor in form and content satisfactory to VCEDA and each title insurer.
10. **Flood Hazards:** Evidence that the project location is not within an area identified as having special flood hazards, or evidence of flood insurance as required by applicable law.
11. **Insurance:** Effective, paid-up policies of fire and all-risk replacement cost coverage of all insurable property with standard mortgage clause in favor of VCEDA and with loss proceeds payable to VCEDA; comprehensive general public liability insurance with VCEDA as additional insured; and such other or additional insurance, and covering such risks, as VCEDA may require. All policies must be written by insurers, in amounts, and with endorsements, and on terms and conditions, satisfactory to VCEDA.
12. **Appraisal:** As required by VCEDA, an appraisal of the collateral securing the loan in form and content acceptable to VCEDA, and from licensed appraiser(s) satisfactory to VCEDA.
13. **Financial Statements:** Financial statements in form and content satisfactory to VCEDA evidencing a financial condition of Dominion Aquaculture, LLC, any guarantors, and such parties that is satisfactory to VCEDA and subsequent financial statements from such parties as required by VCEDA.
14. **Title Insurance/Lien Searches:** A binding commitment for ALTA mortgagee title insurance in form satisfactory to VCEDA (with complete, legible copies of all plats and exception documents) (if the loan is secured by real estate), and for Dominion Aquaculture, LLC reports of searches of the central and local UCC, tax lien, and judgment records, indicating no liens of record except as permitted in writing by

Mr. John Schiering
Ms. Lala Korall
November 19, 2018
Page 4 (Confidential)

VCEDA. Promptly after closing, a ALTA mortgagee title insurance policy in the loan amount (if the loan is secured by real estate) with only those exceptions or exclusions acceptable to VCEDA and including all endorsements required by VCEDA, together with a UCC-11 (or equivalent) report showing no liens except as permitted in writing by VCEDA.

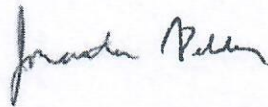
15. **Environmental Compliance/Report:** Evidence satisfactory to VCEDA that the subject property does not contain and is not within any area designated as a hazardous waste site or as wetlands by any federal, state, or other governmental authority, that the property does not contain and has never contained any hazardous, toxic or regulated substance and that neither the property nor any use or activity thereon violates or is or could be subject to any response, remediation, clean-up or other obligation under any law or other legal requirement pertaining to health or the environment. Without limiting the foregoing, VCEDA shall have received a written report of an environmental assessment, satisfactory to VCEDA, by an expert environmental site assessment engineering firm acceptable to VCEDA, and such subsequent environmental assessments as are required by VCEDA.
16. **Attorney's Opinion:** The written opinion(s) of counsel for Dominion Aquaculture, LLC and addressed to VCEDA confirming the legal status and authority of Dominion Aquaculture, LLC, the due authorization, execution and delivery, and the validity, binding effect and enforceability of the loan documents, the creation, validity, and perfection of the liens and security interests created by the loan documents and such other matters as VCEDA requests. Such counsel and opinion(s) must be satisfactory to VCEDA.
17. **Project Conditions and Compliance:** Evidence that the project and Dominion Aquaculture's business operations at the project location comply with all applicable laws. VCEDA shall also be provided with copies of all necessary approvals and permits for any construction on the project location, as well copies of any pertinent construction contracts.
18. **Checks:** At the loan closing, Dominion Aquaculture will be responsible for providing payment for all recording and filing fees related to loan documents that VCEDA requires to be filed or recorded (e.g., deed of trust, UCC-1 financing statement(s), etc., as applicable), and for payment to VCEDA of the required loan closing fee of one-half percent (1/2%) of the maximum approved amount of the loan.

Mr. John Schiering
Ms. Lala Korall
November 19, 2018
Page 5 (Confidential)

19. **Miscellaneous:** Such other evidence, documents, certificates, and items requested by VCEDA that are customarily required by VCEDA and/or in loan transactions of this type.

The foregoing is supplementary to my letter to you dated August 22, 2017, and is subject to all terms and conditions of that letter. The foregoing is also subject to any changes in the loan approval and/or loan closing requirements that may be approved or required by the VCEDA Board subsequent to the date of this letter. If you have any questions whatsoever, please do not hesitate to let me know.

Sincerely,



Jonathan S. Belcher
Executive Director/
General Counsel