



# The Plan

Genesis Grain & Fertilizer’s objective is to develop a Western Canadian fertilizer sales and distribution business, with the potential for future grain handling facilities.

Genesis is taking a phased approach to executing the Project. “Phase 1” is the completion of the Fertilizer Sales & Distribution Plan, which will include the construction of seven Supercenters across Western Canada. “Phase 2” is the completion of the Grain Handling & Marketing Plan, which will see co-locating of high volume grain handling facilities with the fertilizer Supercenters.

## Phase 1 - Supercenters

Genesis will construct various “Supercenters” located strategically in Western Canada. Each Supercenter may consist of a combination of one or more of the following: a large flat storage shed with blending towers; liquid tanks with blending pumps; a loop track to provide for a grain terminal consisting of a concrete “house” with steel annex.

Supercenter distribution sites are proposed to be located along major highway routes with access to rail service and with enough space to build an appropriate rail siding either immediately or in the future.

Genesis is currently proposing seven Supercenter locations in Western Canada: three in Alberta (including the Peace River region); three in Saskatchewan (including the Belle Plaine Supercenter, the proposed location of the ProjectN nitrogen fertilizer plant); and one in Manitoba.

The primary focus of this Offering is building out the Fertilizer Sales & Distribution Plan, with the intent to conduct subsequent capital raises focusing on grain handling and marketing.

## Phase 2 - Grain Handling

Phase 2 of the Project is to complete the Grain Handling & Marketing Plan. Unless opportunities arise in the interim, Phase 2 of the Project will not commence for approximately two years from the Closing Date of this Offering.

Genesis Grain & Fertilizer plans to integrate high volume grain handling facilities with the proposed Supercenter sites, as there are significant synergies in doing so.

While working toward completion of Phase 1, and in anticipation of Phase 2, Genesis Grain & Fertilizer will seek out various opportunities, whether it be access to west coast port facilities, partnerships with established independent grain handling entities or strategic alliances with other businesses such as producer car loaders, short line railways, in-land grain terminal operators, container shippers, and port terminal operators.

## Seven Western Canadian Supercenters

Province	Region	Dry Fertilizer Distributed Annually (tonnes)	Dry Storage Capacity (tonnes)	Liquid Fertilizer Distributed Annually (tonnes)	Liquid Storage Capacity (tonnes)
	Peace	40,000	15,000		
Alta	Central	150,000	50,000		
	South	105,000	35,000	11,400	9,750
	Main Plant	150,000	50,000	24,700	9,750
Sask	West	150,000	50,000	24,700	9,750
	East	150,000	50,000	24,700	9,750
Man	West	150,000	50,000	24,700	9,750
<b>Total</b>		<b>895,000</b>	<b>300,000</b>	<b>110,200</b>	<b>48,750</b>



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Fertilizer Supercenter and Grain Handling Facility, built by Marcus Construction.

## The Opportunity

Farmers of North America (FNA) and AgraCity Crop & Nutrition (AgraCity) are offering a minimum of 15,300 units in Genesis Grain & Fertilizer, to a maximum of 117,200 units, for gross proceeds between \$15.3MM and \$117.2MM. Each unit will be sold at \$1000 per unit, with a minimum subscription of ten units per investor.

Once the Minimum Offering is achieved in combination with procuring the remaining capital requirements by way of strategic investor, debt financing or both, Genesis intends to begin construction of a Supercenter at Belle Plaine, Saskatchewan, which will include both liquid and dry fertilizer storage. The completed Belle Plaine Supercenter will have the ability to provide farmers across the prairies with a delivered price for various fertilizer products. Genesis estimates the cost of the Belle Plaine Supercenter, for both physical capital and working capital, at \$26MM, funded with net proceeds of approximately \$13MM raised through this Offering, and the remaining balance to be financed through debt or a strategic investor.

**Farmer Restriction** | The Limited Partnership Agreement provides that Units must be owned by "Farmers." A "Farmer" is an individual or a corporation controlled by one or more individuals who has ever filed an income tax return reflecting farm income.

**FNA Member Restriction** | The Limited Partnership Agreement provides that Units must be owned by FNA Members. If a proposed farmer investor is not already an FNA Member, he or she can learn more by visiting FNA's website at [www.fna.ca/membership](http://www.fna.ca/membership).

### Sources of Capital

	Assuming Minimum Offering	Assuming Maximum Offering
Net Proceeds from the Offering	\$13,000,000	\$111,182,500
Long-term debt	\$13,000,000	\$53,384,700
<b>Total</b>	<b>\$26,000,000</b>	<b>\$164,567,200</b>

### Uses of Capital

	Assuming Minimum Offering	Assuming Maximum Offering
Land	\$Nil	\$2,880,000
Building	\$14,267,216	\$84,909,760
Equipment	\$3,566,804	\$21,227,440
Rail	\$3,650,000	\$25,550,000
Working Capital	\$4,515,980	\$30,000,000
<b>Total</b>	<b>\$26,000,000</b>	<b>\$164,567,200</b>

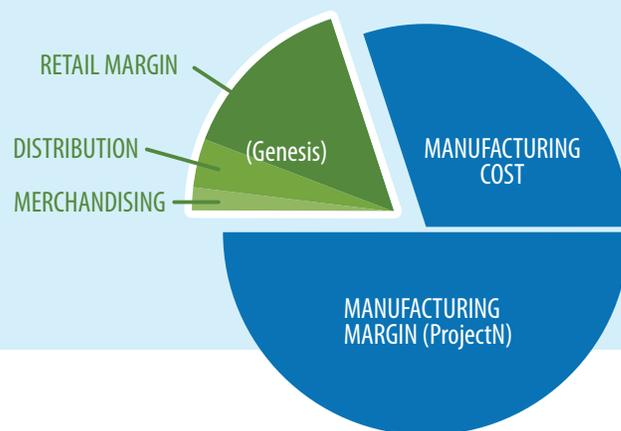
# The Benefits

Benefits to investors include priority access to fertilizer, product discounts, and the potential to earn margins from the value chain.

## Fertilizer Value Chain

It is expected that an investor will benefit through allocation of the incremental margins realized by the retailer, distribution, and merchandising links in the value chain (noted in green).

AgraCity will provide sourcing, in-bound logistics, and selling services to Genesis, with a benefit to FNA Members who invest in Genesis Grain & Fertilizer via MPower Cash Rewards, off invoice discounts, and profit distribution by Genesis.



## Projected Statement of Earnings (\$ millions)

	2015	2016	2017	2018	2019
Revenue	-	128.7	403.5	492.2	590.3
Cost of Sales	-	119.9	375.7	458.4	549.7
Gross Margin	-	8.8	27.8	33.8	40.6
Expenses	\$0.5	3.3	10.2	10.8	11.5
Earning before Interest, Depreciation & Amortization	(\$0.5)	5.5	17.6	23.0	29.1
Amortization	-	3.0	9.0	8.4	7.8
Earnings from Operations	(\$0.5)	2.5	8.6	14.6	21.3
Interest on Bank Indebtedness	-	-	0.4	0.6	0.6
Interest on Long Term Debt	-	0.8	2.6	2.5	2.4
<b>Net Earnings</b>	<b>(\$0.5)</b>	<b>1.7</b>	<b>5.6</b>	<b>11.5</b>	<b>18.3</b>

## What Genesis means to you:

- Priority access for your fertilizer needs
- Earn money from the distribution and retail markets
- De-risk your fertilizer by participating with hundreds of other farmers
- Be an owner in a world class fertilizer blending and distribution company
- Utilize a world class fertilizer team
- Create an opportunity for the advancement of ProjectN

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# The Team



Farmers of North America is a farm business alliance that is placing more market power in the hands of producers. FNA Members maximize their profitability through participation in FNA-negotiated programs and services and through discounts from a network of preferred suppliers. FNA is headquartered in Saskatoon, Saskatchewan, Canada, and has a network of staff across Canada and the U.S. serving over 10,000 farmers from coast to coast.



AgraCity's core business is the procurement, production, packaging, sale and distribution of crop inputs and other ag-related products to stakeholders. AgraCity is focused on direct to farm input supply, sourced globally and delivered directly to FNA Members. With professional agronomic service specialists located across Canada and the U.S., AgraCity Business Representatives (ABRs) provide on-farm service to FNA Members.



Laurentian Bank is a pan-Canadian financial institution recognized for its service excellence, simplicity, and commitment to maintaining proximity to its clientele. The Bank has earned a solid reputation in Canada as a leading player in select markets. Laurentian Bank clearly stands apart from other banking institutions, having distinguished itself for the respect and attentiveness it consistently shows towards its clients.



This document contains certain information that is "forward-looking information", "forward-looking statements", and "future-oriented financial information" (collectively herein referred to as "forward-looking statements") within the meaning of applicable securities laws. The words "anticipate", "expect", "believe", "attempt", "may", "could", "should", "ensure", "estimate", "plan", "project", "strategy", "intend", "outlook", "strive", "forecast", "likely", "probably" or other similar words are used to identify forward-looking information. Such statements represent Genesis Grain & Fertilizer LP's internal projections, estimates, expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Although the Issuer believes that the expectations reflected in the forward-looking statements are reasonable, no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Many factors could cause the Issuer's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Issuer.

**Prospective investors should carefully consider the information contained under the heading "Forward-Looking Statements", "Caution Regarding Projections", and "Risk Factors" in the Confidential Offering Memorandum and all other information included in or incorporated by reference in the Confidential Offering Memorandum before making investment decisions with regard to the Units. You must qualify as an accredited investor to invest in this project as per security regulations.**

An Offering Memorandum containing important information relating to the securities described in this document has been prepared by Genesis Grain & Fertilizer Limited Partnership, and the information contained herein is qualified in its entirety by the information contained therein. This document does not provide full disclosure of all material facts relating to the securities offered. Prospective investors should read the Offering Memorandum and any amendment thereto for disclosure of those facts, especially risk factors relating to the securities offered and the proposed business of Genesis Grain & Fertilizer Limited Partnership, before making an investment decision.



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