



Sustainable Development • Food Security • Social Responsibility

Investment Opportunity Executive Summary

www.heraklesfarms.com

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Herakles Farms, L.P. Investment Offering Executive Summary

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Further Information

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HERAKLES OVERVIEW

Herakles Farms (“Herakles” or the “Company”) is an experienced developer, owner and operator of large scale sustainable agriculture projects in Africa, focusing on the strong and growing palm oil industry. The Company has a proven track record in leading socially responsible projects that result in economic benefits for developing African countries, while providing very compelling returns for investors.

The Company’s management team has extensive expertise in all aspects of the palm oil business, including plantation design, project execution and operations. This includes successfully developing the Herakles 2,500 hectare Ghana pilot plantation on-time and on-budget.

Herakles senior leadership has successfully developed other large projects in Africa including SEACOM, an \$800 million, 16,000 km undersea fiber optic cable which provides 300 million people of East Africa with access to high bandwidth internet connectivity with the rest of the world and Sithe Global’s \$850 million Bujagali hydroelectric project on the Nile which currently supplies nearly 40% of Uganda’s electricity.

CAMEROON PLANTATION OVERVIEW

Herakles is now offering investors the opportunity to participate in its flagship subsidiary in Cameroon, which is targeting the development and completion of an initial 30,000 ha palm oil plantation (“Cameroon Plantation”).

The Company’s goal is for the Cameroon Plantation to become a world-class showcase of sustainable and profitable commercial-scale palm oil operations. The Cameroon Plantation is already well established, with 6 years invested in selecting the best land, analyzing the optimal growing conditions and completing extensive environmental and social impact analysis. This includes completing extensive consultation with local people, tribal leadership, government authorities – and performing detailed ecological evaluation to protect all environmentally important high conservation value (“HCV”) forest. More than 20,000 hectares of originally allocated land has been set aside for HCV, wildlife buffer and public infrastructure.

Herakles has secured a 99 year lease through an Establishment Convention with the Republic of Cameroon with highly attractive investment incentives and also received all required government permits and approvals to commence field operations. Strong government support and commitment is a result of the Cameroon Plantation providing an economically underdeveloped region of Cameroon with decades of large scale employment and needed infrastructure including roads, schools and hospitals. Moreover, although the oil palm is indigenous to the region, West and Central Africa import nearly \$2 billion per year of palm oil from Asia. This project will give Cameroon an important and direct source of food security and the region overall with greater access to this crucial food staple.

In addition to these highly attractive aspects of Cameroon, Herakles has the added assurance of favorable, comprehensive political risk coverage provided through Zurich Insurance.

Since 2009, Herakles has invested more than \$40 million of equity to complete these important stages of project development – and launched 4 nurseries in Cameroon with more than 1 million trees ready for planting over the next year. Moreover, the Company has built substantial infrastructure, put in place a senior operations team of 20 professionals and more than 500 plantation workers and field managers.

Herakles is now well positioned to commence the final stages of development and bring the Cameroon Plantation to its full operational and commercial potential.

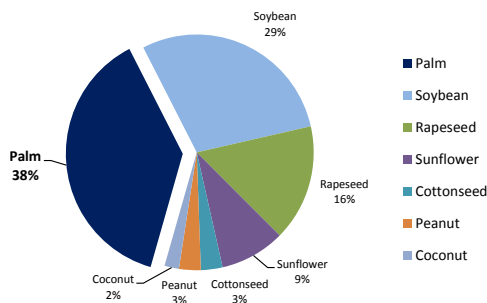
THE PALM OIL MARKET

Commonly labeled as “vegetable oil”, palm oil is an ingredient in a vast range of foods and global consumer products, including more than 50% of all packaged food sold today. Palm oil also has an established use as a biofuel and in other important industrial applications. As an indication of scale, the average American consumes more than 50lbs of palm oil per year, with palm oil derivatives an important component in everything from cooking oil, margarine, candy, ice cream, non-dairy creamer, soaps, detergents, animal feed, cosmetics, lubricants, biodiesel and numerous other products.

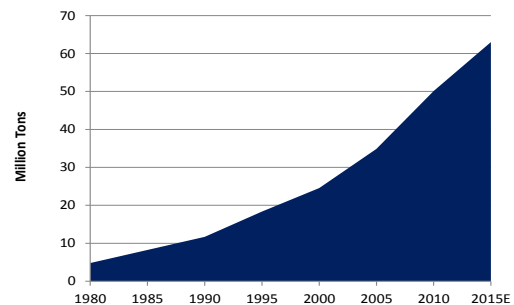
Palm oil is truly the world’s most important edible oil. Some highlights:

- \$55 billion annual traded market which has grown at 8% CAGR since 1980.
- Consumption of palm oil continues to accelerate and has doubled in the past decade.
- Having surpassed soy, palm oil is now the most consumed edible oil at >50 million tons/year.
- Palm oil accounts for nearly 40% of global edible oil supply and 2/3 of global edible oil trade.
- Demand for palm oil is widely expected to double again - to more than \$100 billion by 2030.
- Healthy properties, such as no cholesterol, nor need for hydrogenation and the absence of trans fats, add to palm oil’s position as the ingredient of choice for the commercial food industry.
- By far the lowest cost oil to produce – at ~\$350/ton, palm oil is 50% the production cost of soy.
- Easily the most land-efficient oil, palm requires only 1/8 the land of equivalent soy production.

Global Consumption of Edible Oils, by Type

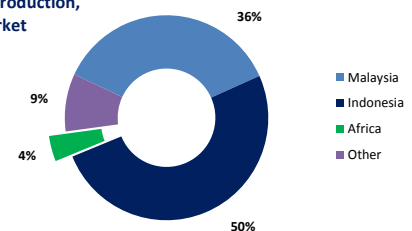


Global Palm Oil Demand



The relentless demand for palm oil is expected to further amplify with continued population growth and increased caloric intake per capita, particularly with the rising affluence of developing economies such as China and India where palm oil is a long established and increasingly important cooking ingredient. Furthermore, West Africa is a net importer of palm oil from Asia, with a \$2Billion annual trade deficit and growing.

Palm Production, by Market



The palm oil industry is working to meet the daunting challenge of supplying this growing demand, since there are significant barriers to acquiring land suitable for producing palm oil. The production of palm oil is highly concentrated in Indonesia and Malaysia, which together account for >85% of global supply. However, the continued growth in the core Southeast Asia region is unsustainable as suitable land and environmental concerns are limiting new development.

With an ideal growing environment, similar to some of the best growing regions in Southeast Asia, and highly favorable commercial conditions in place, the Cameroon Plantation is well positioned to assist in meeting this demand and providing a very substantial financial return to investors.

INVESTMENT OPPORTUNITY

Herakles is confident that this capital raise will permit the Cameroon Plantation to continue implementing its current development plan and commence operations.

The Company will look to achieve a targeted return of 25%+ IRR from operations under a long term buy and hold basis, with significant potential upside targeted at 40%+ and 10x multiple of capital upon exit through IPO or acquisition. Any such shorter term liquidity event would be timed with favorable market conditions, potentially as soon as 2017.

Herakles believes the combination of top quality land, well proven team, strong market fundamentals and extensive environmental stewardship and risk mitigation provides investors with excellent risk adjusted returns while also having strong capital preservation characteristics associated with ownership of cash generating operating assets.

ILLUSTRATIVE PRO-FORMA

Financial Overview (US \$MM) ⁽¹⁾	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenue	-	-	7,360	27,513	62,970	111,198	146,973	184,916	216,891	236,790
Expense from Operations	-	-	(8,006)	(21,866)	(39,167)	(55,099)	(44,543)	(46,747)	(47,782)	(48,011)
EBITDA	-	-	(646)	5,647	23,803	56,100	102,430	138,169	169,109	188,779
Cash Available to Equity	-	-	-	2,824	9,078	16,577	83,913	110,059	150,638	162,335
Selected Assumptions										
CPO price assumption (\$/ton)	850	867	884	902	920	938	957	976	996	1,016
Land (ha): - awaiting development	20,000	10,000	-	-	-	-	-	-	-	-
- in development	10,000	20,000	27,000	20,000	10,000	-	-	-	-	-
- in production	-	-	3,000	10,000	20,000	30,000	30,000	30,000	30,000	30,000
Financial Metrics ⁽²⁾										
IRR%	-	-	-	4%	28%	46%	46%	44%	41%	38%
MOIC	-	-	-	1.1x	2.5x	5.9x	8.6x	11.4x	13.4x	14.8x

⁽¹⁾ fiscal year, commencing July 1

⁽²⁾ exit valuation based on a 15x forward P/E ratio

USE OF PROCEEDS SUMMARY

Capital Source	Amount	Uses	Amount
Series D	\$30,000,000	Plantation Development	\$24,000,000
		Mill Infrastructure	\$2,000,000
		SG & A	\$2,000,000
		Fees & Miscellaneous	\$2,000,000

INVESTMENT HIGHLIGHTS

Established Cameroon Plantation Project and Business Model

- 6 years development effort to select land and secured 99 year lease
- Targeting the development and completion of an initial 30,000 hectare plantation
- Secured all required permits and approvals to commence field operations
- Plantation core infrastructure either in place or well under development
- 4 nurseries in operation, expected to produce 1 million+ trees for planting over the next year

Experienced Team with Proven Track Record

- Successfully developed 2,500 hectare Ghana pilot plantation
- Senior team delivered several other large Africa projects including \$800 million SEACOM undersea fiber optic cable in East Africa and \$850 million Bujagali hydroelectric project in Uganda
- Complete senior leadership team, Cameroon management and more than 500 person workforce

Attractive Returns with Strong Downside Protection

- Targeting 25%+ IRR from operating cash flow and 40%+ IRR and 10x MOIC through exit
- Investment is uncorrelated to stocks, bonds and real estate and strong inflation hedge
- Significant and rapid asset appreciation at each stage of development to operational maturity
- Strong free cash flow from 30 year+ operating assets, with optionality to further expand acreage
- Robust, well developed sector, with \$100 Billion combined palm oil public market capitalization including recent Felda \$3.1 billion IPO - the #2 largest IPO globally in 2012, after Facebook

Highly Favorable Palm Oil Market Demand Dynamics

- Demand has grown at 8% CAGR since 1980 – expected to double by 2030 to 100 million tons
- 38% of the world's edible oil consumption, 50% greater than next largest substitute and growing
- \$55 Billion/year traded market, accounting for 2/3 of global edible oil trade
- Key ingredient in vast range of products, including food, commercial and industrial applications
- Preferred choice for the global commercial food industry

Strong Palm Oil Supply Fundamentals

- Lowest cost edible oil and - by far - the highest oil yield per hectare
- Supply currently highly concentrated in South East Asia, with very limited land to expand
- Cameroon is well positioned with land similar to the best growing regions of Southeast Asia
- Majority of palm majors have acquired or are now developing plantations across West Africa

Strong Cameroon Government Support & Cooperation

- 10 year tax holiday, future flat tax rate, no limits on exports, and other commercial incentives stimulates foreign investment to improve a currently underdeveloped region of Cameroon
- Desire for improved food security and agricultural self-sufficiency
- Further assurance and risk mitigation from political risk coverage secured via Zurich Insurance

Commitment to Social Responsibility Best Practices

- Devoted to following IFC performance standards for palm oil development and operations
- Completed extensive environment review, protecting ecological significant forest & buffer zones
- Developing only on land deemed low grade and secondary forest with minimal impact to wildlife
- Assembled full-time team of leading sustainability and environmental experts
- Provide thousands of local jobs for decades - in a region with currently very high unemployment
- Extensive social programs include college scholarships and community development programs
- Building public infrastructure including roads, hospitals and schools

CORPORATE LEADERSHIP TEAM

Bruce Wrobel, Chairman / Co-Founder

Bruce has over 30 years of experience in project development, finance, strategy and operations and 12 years focused on Africa. He is a founder of Sithe Global Power, which is responsible for the \$860 million Bujagali Hydroelectric Project on the Nile River in Uganda and SEACOM, East Africa's first international fiber-optic connection to the rest of the world, lowering connectivity costs by approximately 90%. In 2007, the Bujagali power project and SEACOM won the "Africa Power Deal of the Year" and the "Africa Communications Deal of the Year," respectively, from Euromoney Project Finance Magazine. In 2009, SEACOM was awarded AfricaCom's "Best Pan African Initiative," and Africa Investor awarded Mr. Wrobel with the "International Business Leader of the Year" award at the Africa Investor Summit and Awards Convention in Cape Town, South Africa.

Carmine Farnan, Senior Vice President - Development

Carmine currently focuses on new business development, having managed the West Africa region and implemented the oil palm alternative fuel strategy for Sithe Global. Prior to working in West Africa, Mr. Farnan managed the Southeast Asian assets for Sithe Energies. Previously, Mr. Farnan was the founder and Director of Global Power Services, a company that provided third-party operations and maintenance services to power stations. In this capacity, Mr. Farnan was responsible for business development and the oversight of all projects.

Delilah Rothenberg, Director – Corporate Development

Delilah has a background in finance and African business and is responsible for various aspects of sustainable project and business development for Herakles Farms. Previously, Ms. Rothenberg worked with Zephyr Management focusing on emerging markets private equity. Ms. Rothenberg also worked at Bear, Stearns & Co and at Gerson Lehrman Group developing investment ideas and strategies with institutional investors. She consults on economic development through the nonprofit, Business Council for Peace, as well as Development Capital Strategies, LLC. Ms. Rothenberg has a B.A. from New York University in history, politics, and African studies.

CAMEROON LEADERSHIP TEAM

Dr. Blessed Okole, Senior Vice President - Strategic Planning and Field Operations

Blessed is a native of Cameroon with a PhD in Agricultural Biotechnology. He has a strong international background in both agriculture and in business operations. His extensive management experience includes senior positions in strategy, business development, fundraising, and management of project operations. Previously, he served as the Head of International Business Development for the Technology Innovation Agency of the Government of South Africa. As the SVP of Strategic Planning and Field Operations, Mr. Okole manages the Community Relations Department, the Environment Department, the Sustainability Department, the Public Relations Department, and the soon to be created Government Relations Department, as well as business development and expansion opportunities.

Hamilton James, Director - Strategic Planning, Cameroon

Hamilton is responsible for various aspects of project and business development. Previously, Mr. James worked with McKinsey & Co. in management consulting, where he advised clients on strategy and planning relating to capital expenditure, growth, and risk mitigation among other fields across industries. Mr. James graduated from Harvard University with a B.A. in social studies.

Sarjit Singh, Senior Vice President – Agriculture

Sarjit has over 34 years of plantation experience with Sime Darby in Malaysia, holding a range of senior management positions. During his tenure at Sime Darby, Mr. Singh significantly improved replanting techniques, mechanized the collection of palm fruit, established efficient pest and disease control practices and enhanced palm oil recovery systems that remain industry best practices. Mr. Singh's work has been published in various international oil palm conference and trade publications and is cited in the latest edition of "Oil Palm Cultivation and Management" by P.D. Turner & R.A. Gillbanks. At Herakles Farms, Mr. Singh is responsible for strategic agronomy practices and their implementation, including plantation design and cultivation, in order to produce optimum yields and increase overall plantation efficiency. Prior to his role at Herakles Farms, Mr. Singh worked extensively as a plantation consultant in Cambodia, Gabon, Indonesia, Malaysia, Nigeria and Vietnam. He holds a B.S. in Agronomy Science from Punjab Agricultural University (India) and received the Advanced Diploma from the Incorporated Society of Planters.

Dr. Atanga Ekobo, Vice President - Conservation

Doctor Ekobo is a native of Cameroon with over 20 years working with World Wide Fund for Nature (WWF) in Cameroon. For the past ten years he was the Program Coordinator for the WWF Coastal Forests Programme. During his time with WWF, Dr. Ekobo focused on programs and studies within the South West Region. Dr. Ekobo began working in the Korup National Park (KNP) as early as 1988, where he initiated a research project on forest elephants. Dr. Ekobo has been a staunch proponent of environmental conservation and was instrumental in many important conservation projects, including the creation of more than half of the national parks located in the Cameroon part of the Congo Basin, as well as the Bakossi Landscape Project and projects related to KNP, Mt. Cameroon National Park and Banyang Mbo Wildlife Sanctuary. Dr. Ekobo earned a B.S. in Natural Sciences from the University of Yaounde in 1983 and earned a PhD in Conservation Biology from the University of Kent, England in 1995.

GHANA LEADERSHIP TEAM

Ransford Arthur, Ghana Commercial Estate Manager

Ransford is an Agronomist with over 18 years of agricultural experience within Ghana, having previously served as the District/Deputy Regional Crop Services Officer. There, Mr. Ransford worked closely with the Crop Services Department, a division of the Ministry of Food & Agriculture, and oversaw tree crop nursery development and the Ghana Grains Development Project. At Herakles Farms, Mr. Arthur is in charge of all management and technical operations for SGSOG. Mr. Arthur graduated from the University of Reading, UK with a Master's of Science in Tropical Crop Production.

Yaw Ofori Lartey, Ghana Sustainability Manager

Yam has Master degrees in Forestry and Environmental Resource Management, and a Bachelor Degree in Agriculture. He currently oversees the implementation of sustainability best practices for SGSOG. His previous experience includes greenhouse gas and carbon accounting work with Michigan Technological University, as well as carbon dioxide analysis with U.S. Forest Service Free-Air Carbon Dioxide Enrichment (FACE). He has extensive experience in social and environmental management of West African agriculture projects having previously worked with Samartex Timber & Plywood Company in Ghana, where he oversaw environmental permitting, promoted sustainable plantation development, rehabilitated degraded land, conducted training programs for managers and supervisors and coordinated collaboration and engagement with the local communities.