

THE P.E.A.T. BEAT

HEALTHIER SOIL. CLEANER WATER. BRIGHTER FUTURE.

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MESSAGE FROM DOUG GREEN

Looking for opportunities is important.

Late one fall evening in 1999 I was sitting in a shack in Fairbanks, Alaska drinking coffee (that's the honest truth—we were all Baptists at the time) with my brother and a couple of guys he knew from Cook, Minnesota when the conversation turned to an Einstein-type who was trying to start a new business in Siren, Wisconsin. It seemed a company from Milwaukee had developed a business around using peat as a base material to produce granular and powdered products that were used to carry special microorganisms to the field. They had run out of peat and were looking for another source—I felt so bad about that.

Being late fall, the need to make a living for the next six months was a high priority for me. My wife and I had moved to the Brainerd area to finish raising kids a few years before. It was easy to make a living in Fairbanks in those years; it was, and continues to be, the land that flows with milk and money. North Central Minnesota was a little different, however—even the coyotes had to pack their lunch when they came through our area. Within a week I had driven back from Alaska and secured a fabrication/mechanic job with the Einstein in Siren. Suddenly, the winter was looking a little better.

Now, twenty years have passed and I'm still working for that same endeavor! To be sure, there's been some problems. Even a little failure mixed in. The fact remains, however, that 34 families are making a living here as they work to provide a needed input that farmers in the Canadian provinces and elsewhere are using to boost production of pulse crops. Much has been accomplished by this group of local men and women who have literally willed this

business into existence. Everyone connected to this business—whether they were employees or part of the community—has the right to be proud of what has been accomplished here.

Twenty years have passed! During that time, APT has matured. We now find ourselves at the point where we need to focus less on production and mechanical issues and more on sales. To that end, we recently recruited Brad Pieper, our new CEO, to APT with the goal of maturing and growing APT to reach its full potential. Over the next few months many of you are going to get to meet and work with Brad on APT projects. I am confident that he brings the vision and skills that our company needs to keep it growing.

Twenty years have passed! I may not have matured much during that time, but I have aged. A four-day work week is beginning to look good. I intend to work on special projects at APT now that I've stepped out of the CEO role. I've always said that I have no plans to quit until they put me in the box. Nothing has changed there.

But there is one big obligation that remains—the need to say thank you to all the employees, partners and community members that have worked together to create this business. Thank you all for working together during this formative stage of APT's history!

Many of you know that I love to quote Winston Churchill. Describing the British nation and his role during the war he said "I have never accepted what some people have kindly said, namely that I have inspired the nation. It was the nation and the race dwelling all around the globe that had the lion heart. I had the luck to be called upon to give the roar."

Churchill was right about the British people. The very same thing can be accurately said about the people in this company.

Thanks again!

MEET BRAD PIEPER, APT'S NEW CEO



Please join us in welcoming Brad Pieper as APT's next President, Chief Executive Officer and board member! Brad has spent his professional and volunteer experience building and leading organizations and teams across a variety of industries, and we are thrilled to have Brad at the helm for APT's next phase.

Brad's leadership will be critical to APT's future, and his international sales and marketing experience will open new opportunities as we explore global opportunities for our products. His previous positions include Vice President of Sales and Marketing at Brainerd-based Lexington Manufacturing and various executive roles within the biotech and consulting industries.

A graduate of the United States Military Academy at West Point, Brad served as an Officer in the United States Army, where he was awarded the Bronze Star Medal during a 2003-2004 deployment in support of Operation Iraqi Freedom. He also holds an MBA from Northwestern University's Kellogg School of Management.

Brad lives in Brainerd, Minnesota, with his wife, Abbey, and their three sons. The Pieper family enjoys being active outdoors through big-mountain skiing, waterskiing, ice hockey, golf and single-track mountain biking.

BioAPT EXPANSION UPDATE

We are excited to announce a new partnership with Axiom, a market research and consulting firm, to explore potential new markets for BioAPT, our microbial carrier line of products. BioAPT is a critical component of managing soil health and delivering the right inoculants to millions of acres of food crops like soybeans, lentils and peas. But we believe that BioAPT has the power to do so much more.

For the past several decades, modern agriculture has foreseen a sea change on the horizon. Consumers are demanding more transparency and accountability, which means that agriculture has been forced to seek out solutions that require less chemical inputs, more nutritious foods, and fewer environmental consequences. And at the same time, consumers want to see agriculture transformed into a climate-friendly industry. Those are big shoes to fill. From small startups to the big names, the industry is exploring and identifying new ways to grow healthy crops while building the soil biome. BioAPT has a role to play in this new paradigm, and our partnership with Axiom is one strategy for finding new outlets and

markets. We're excited to set off on this course with Axiom to learn how to take BioAPT further than we ever thought possible.

If you have any questions, please don't hesitate to reach out to Peggy Jones, APT VP of Sales and Research.

Contact Peggy at pjones@americanpeattech.com

TEAM HIGHLIGHT

We're preparing for harvest season and it's all hands on deck! We contract with Chamberlin Trucking of Ironton and North Central Transfer of Deerwood to haul for us during our winter harvest season.



Our type of peat harvest is an unusual kind of process. As the peat is excavated out of the deposit, it is relatively warm because it's below the surface. As it hits the often-sub-zero air, it starts to freeze to everything it touches. Particularly the cold metal of equipment. Both Chamberlin and North Central have highway side dump trucks that have some special modifications for hauling peat. First, the trucks are high clearance so that they aren't damaging fuel tanks if the roads get rough. Also, we've designed custom shields for the wheels so that peat can't build up in the duals. You might wonder why we use highway trucks when off-road trucks can haul so much more. The answer is weight. Highway trucks are lighter and don't break up our winter roads the way heavier trucks can.

Chamberlin and North Central will have a total of 5 truck drivers running for us, five days a week, 12 hours a day. Some of that time is spent in maintenance to keep the trucks operational and to make sure they will start up in the morning.

We appreciate our partnership with both Chamberlin Trucking and North Central Transfer. Kudos to both of you for your dedication and resolve to get a difficult job done!

WINTER ROADS: THE KEY TO A SUCCESSFUL HARVEST SEASON

Peatlands are vast, marshy areas where the water table lurks just below the surface. It's the type of landscape that sucks your boots right in. Imagine, just for a moment, driving a semi-truck or tractor/trailer across a peat bog. If the image in your mind was something along the lines of a dinosaur stuck in a tar pit, you're not too far off.



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That's why we harvest peat when the ground is frozen solid. Our field crew has been grading the winter roads to maximize frost depth in the areas where we will be running trucks. We expect to start hauling peat in mid-January, and we're anticipating that we'll bring in about 3000 truckloads over the following 6 weeks.

If our winter roads start to break up, we've devised a unique way to mend them. When the roads break up, it's usually because the frost in the road has shattered due to truck traffic. We apply generous amounts of water to the broken areas so that the water seeps into all the fractures and freezes back to solidify the frost. It's a method that has worked well for us and keeps our schedule on track.

Our crews work around the clock to keep the roads in shape and make sure that the equipment stays operational. It's a big effort, but it's critical to our success. The peat that gets hauled to the stockpile in January feeds the processing plant for the rest of the year.

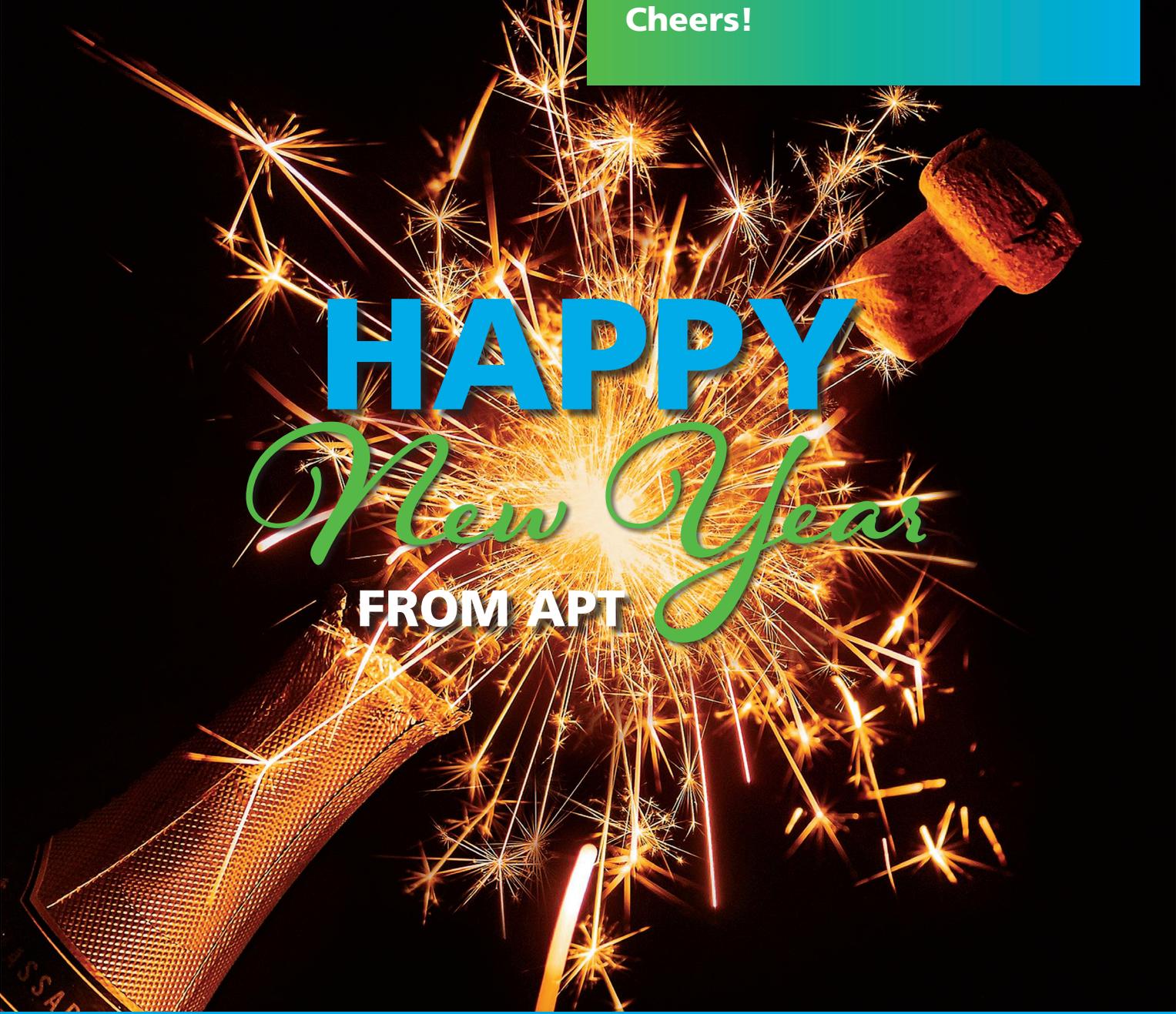
Winter peat hauling has its challenges, but over the years we've honed the process so that now it's a smooth-running machine if – and it's a big if! – we get the freezing temperatures we need to build the roads. We might be the only ones hoping for extended cold weather this time of year!

PEAT: A SIMPLE ENVIRONMENTAL SOLUTION HIDDEN IN PLAIN SIGHT

There is historical evidence that humans have been using and benefitting from peat and peatlands for centuries. It has been used (and still is, in some places) as fuel. Peat is also a great source of carbon and can hold a tremendous amount of water. In soil mixes, peat positively impacts plant survivability. Most of us don't know, however, that many of the foods that we eat are grown in peatlands that were drained or converted for agricultural purposes. And that's just the tip of the iceberg when it comes to the use of peat in modern society. Learn more in our newest blog post.

Read More: www.americanpeattech.com/blog/

Thank you for your continued interest and support in APT. We wish you all the best in 2023 and look forward to sharing our work and new developments with you. Cheers!



HAPPY
New Year
FROM APT



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