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SANLI PASTORE & HILL

Los Angeles Sacramento San Diego Chicago Istanbul

September 23, 2014

SP&H File No.: 104240

Ron Van Den Heuvel
Founder & Chairman
EARTH, LLC
2077-A Lawrence Drive
De Pere, WI 54115

Re: *Restricted Use Limited Appraisal Report*
Estimate of Fair Market Value of One Share of Common Stock in EARTH, LLC (Assuming operations at only the first six planned sites in the U.S. and one planned international site in Ghana)

Dear Mr. Van Den Heuvel:

Per your request, SANLI PASTORE & HILL, INC. ("SP&H") has estimated the fair market value of one share of common stock (the "Interest") in EARTH, LLC (the "Company"), assuming operations at only the first six planned sites in the U.S. and one planned international site in Ghana. SP&H's conclusions include estimates of the fair market value of the Interest both including and excluding the Green Box International, LLC operations in Ghana. In addition, per your request, SP&H has included a separate limited valuation analysis of the portfolio of intellectual property and related proprietary technologies owned by Green Box NA Green Bay, LLC. This separate analysis is included in the Appendix below.

PURPOSE OF THE ASSIGNMENT

The purpose of this valuation is to estimate the fair market value of the Interest in the Company as of the dates of value.

DATES OF VALUE

Per your request, the Dates of Value utilized for the valuation analysis of the Interest in the Company are December 31, 2016, 2018 and 2020. Per your request, the Date of Value utilized for the separate analysis of the intellectual property and related proprietary technologies presented in the Appendix is August 31, 2014.

Sanli Pastore & Hill, Inc.
1770 S. Randall Rd. #A271
Geneva, Illinois 60134
Telephone: 630-457-9200
www.sphvalue.com

Exh. 2

FUNCTION OF ASSIGNMENT

The function of this analysis is to provide information to the Company's shareholders for internal management planning purposes only.

The intended users of this Restricted Use Limited Appraisal Report are the Company's shareholders. The conclusions of this Restricted Use Limited Appraisal Report are solely applicable for the Purpose and Function indicated herein and are null and void for other purposes. In no way will SP&H's estimates be construed as a Fairness Opinion of any equity values or any ownership interest in the Company. The Limited Appraisal may not be used: to determine values for expert testimony in marital or corporate dissolution; for litigation support; as a precise point estimate or opinion of value for establishment of an Employee Stock Ownership Plan; for estate and gift tax filing purposes, which requires a full appraisal and narrative report; or characterized as a precise point estimate or full appraisal opinion of value for an outright sale or acquisition of the Interest or any ownership interest in the Company. Any negotiated sale price or stock-for-stock transaction ratio or any of the Company's assets or equity is the responsibility of the shareholder(s), not SP&H; SP&H's consulting services and any *Limited Appraisal* estimates may be used for informational and planning purposes only.

The figures and estimates produced by the Limited Appraisal may, however, be used for the limited purposes of establishing a general Company value during the process of obtaining future debt or equity financing. However, SP&H shall be notified in writing prior to such use and shall be released by the Company from any liability associated with such use.

SCOPE OF WORK

The definition of a *Limited Appraisal* is provided by the American Society of Appraisers' ("ASA") Business Valuation Standard I ("BV-I"). This standard defines the objectives and qualities of a *Limited Appraisal* as follows:

> *The objective of a limited appraisal is to express an estimate as to the value of a business, business ownership interest, or security, which lacks the performance of additional procedures that are required in an appraisal.*
>
> *A limited appraisal has the following qualities:*
> 1. *It is expressed as a single dollar amount or a range.*
> 2. *It is based upon consideration of limited relevant information.*
> 3. *The appraiser conducts only limited procedures to collect and analyze the information, which such appraiser considers necessary to support the conclusion presented.*
> 4. *The valuation is based upon conceptual approach(es) deemed by the appraiser to be most appropriate.*

SP&H's scope of work included a limited investigation of Company and its operations, including, but not limited to, the following procedures:

- Review and analysis of Company operations;
- Review and analysis of Company financial data;
- Review and analysis of financial projections prepared by Raymond James;
- Interviews with Company management and advisors;
- Review and analysis of economic and market data;
- Review and analysis of industry data; and
- Valuation analysis.

Per your request, SP&H has utilized the financial statements and projections prepared by Raymond James, as well as internal projections to estimate the fair market value of the Interest as of the dates of value. SP&H takes no responsibility for the content or development of the projections made by Raymond James or Company management. Additionally, SP&H was asked to assume operations at only six planned Green Box facilities in the U.S. (Utah, Pennsylvania, Georgia, Wisconsin, Texas, and Michigan) and one planned international Green Box facility (Ghana).

SP&H's scope of work provides an estimate of the fair market value of the Interest in the Company as of the dates of value. Per your request, SP&H has not performed any analysis on applicable discounts for lack of control or lack of marketability for the Interest.

STANDARD OF VALUE

Fair market value is defined by the American Society of Appraisers ("ASA") as:[1]

> *The price, expressed in terms of cash equivalents, at which property would change hands between a willing and able buyer and a hypothetical seller, acting at arm's length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts.*

Also, court decisions frequently state that the hypothetical buyer and seller are assumed to be able and willing to trade, and also well informed about the property and its relevant market.

PREMISE OF VALUE

It is essential to determine under which premise of value a business enterprise's valuation will be determined. The premises of value to be considered are:

1. Valuation under going-concern conditions: the business enterprise is valued in continued use, as a mass assemblage of income-producing assets and well-managed, efficient employees, as a going-concern business enterprise.

[1] *"ASA Business Valuation Standards and Portions of Uniform Standards of Professional Appraisal Practice (USPAP)".*

2. Valuation as an assemblage of assets: the value in place as a mass assemblage of assets, but not in current use in the production of income, and not as a going-concern business enterprise.
3. Valuation as an orderly disposition: the value in exchange, on a piecemeal basis (not part of a mass assemblage of assets), as part of an orderly liquidation.
4. Valuation as a forced liquidation: the value in exchange, on a piecemeal basis (not part of a mass assemblage of assets), as part of a forced liquidation; this premise contemplates that the assets of the business enterprise will be sold individually and that they will experience less-than-normal exposure to the market. A Chapter 7, Bankruptcy Act, liquidation is one example.

SP&H assumed the going-concern premise of value (number 1 above), based on discussions with management and our analysis of the Company.

VALUATION APPROACHES

Background

In general, there are three approaches for valuing closely held companies: 1) Income Approach, 2) Market Approach, and 3) Asset-Based Approach. To value closely held stock, valuation professionals use one to three of the above-listed approaches. Within each of these approaches, there are many valuation methods.

The income approach is an earnings or cash flow-oriented approach that assumes an investor could invest in an alternate asset/property with similar investment characteristics. The computations under the income approach determine that the value of a business is equal to the present value of anticipated future benefits. This approach may be seen in the form of a capitalization of a selected income base or a discounted future earnings or cash flow stream over a projection period. Because this approach involves expectations of the future, historical income often serves as the basis for projected expected future income levels. The capitalization rate or discount rate employed in the income approach is developed to reflect a rate of return that is commensurate with the subject business' inherent risk and the risk of realizing the projected anticipated benefit.

The market approach is considered a direct approach for establishing the fair market value of a business. The theory of the market approach is the economic principle of substitution: one would not pay more than one would have to pay for an equally desirable alternative. Under the market approach, the appraiser attempts to find either publicly traded guideline companies or mergers and acquisitions of guideline transactions to determine value based on actual businesses sold. Using this approach, the appraiser attempts to locate guideline businesses that have actually been sold to make a comparison of value. Additionally, in valuing the business

enterprise by either the income or market approach, consideration is given to the quality and condition of the business' underlying assets. Those assets that produce goods or provide services should be in reasonably good condition. If not, the business' value may need to be reduced to account for capital expenditures required to place these assets in an appropriate productive state.

In the asset-based approach, the appraiser estimates value by determining the cost of duplicating or replacing the individual elements of the business being appraised. The tangible assets of a business are valued under this approach. The asset approach is typically considered in valuations conducted at a total-entity level and involves investment or real estate holding companies or a business that is being appraised on a basis other than as a going concern. The asset approach generally should not be used on its own, however, as many businesses have intangible value as well.

Approaches Used

It is our opinion that the income approach is the most appropriate for our valuation of the Company as of the dates of value, as well as the separate valuation analysis presented in the Appendix. SP&H considered the market approach in our analysis and incorporated it in part as an 'exit multiple' analysis for the terminal year calculation in the income approach. However, due to the expected growth of the Company in future years, the market approach was not utilized on a stand-alone basis as an approach. SP&H also excluded the asset-based approach since the Company is expected to generate profits to shareholders above and beyond the net value of its assets and is expected to operate as a going concern.

Summary of Analysis

Per your request, SP&H has utilized the financial projections prepared by Raymond James for the six planned U.S. Green Box sites (Utah, Pennsylvania, Georgia, Michigan, Texas, and Wisconsin), as well as internal projections for a planned international Green Box facility in Ghana to estimate the fair market value of the Company and one share of common stock in EARTH LLC (assuming certain operations). SP&H performed financial and valuation analyses for these six U.S. sites and one international site. However, SP&H understands that there may be several other planned U.S. and international Green Box sites that EARTH, LLC plans to develop. The value of these other planned sites was not incorporated into this limited analysis and the fair market value estimate conclusions do not reflect any potential additional value from other Green Box sites.

As of the date of this analysis, none of the Green Box facilities had been constructed nor were they fully operational. Per conversations with management and the financial projections received by SP&H, the individual facilities are planned to become operational in July and September of 2015. Based on discussions with management, SP&H's understands that the Company has Engineering, Procurement, & Construction (EPC) agreements with Spirit Construction Services, Inc. to construct the U.S. Green Box sites. These EPC contracts contain provisions that guarantee timing of construction and certain performance levels for the Green Box recycling facilities upon completion.

In addition, management stated that the Company (through its 60% ownership of Green Box NA Green Bay, LLC) held all of the necessary intellectual property, FDA approvals, proprietary technologies, licensing and royalty rights to develop and operate each Green Box facility. The Appendix attached hereto includes a separate limited valuation analysis of this portfolio of intellectual property and related proprietary technologies. The Company also has a senior management team with deep knowledge and experience in the industry.

SP&H was asked to determine the fair market value of one share of common stock in EARTH, LLC both including and excluding the Ghana operations. The estimates of value under these two scenarios, as well as SP&H's valuation analysis are presented in the accompanying Schedules. A summary of these schedules is presented below.

Schedules 1 - 5

Schedules 1 - 5 present the Projected Income Statements for the planned Green Box facilities in Utah, Pennsylvania, Georgia, Michigan and Texas. These facilities are owned by Green Box NA, LLC, which is wholly owned by the Company. SP&H utilized the Raymond James financial statements to calculate annual Net Cash Flow to Invested Capital for each of these facilities.

Schedule 6

As of the date of this report, the Company owned a 60% interest in Green Box NA Green Bay, LLC, which held all of the intellectual property, FDA approvals, technologies, licensing and royalty rights related to development and operation of a Green Box facility. Green Box NA Green Bay, LLC planned to receive annual royalty payments for each of the other Green Box facilities (see Appendix) in addition to the revenues and profits generated from operating its own Green Box facility in Green Bay, Wisconsin. SP&H utilized the Raymond James financial statements to calculate annual Net Cash Flow to Invested Capital for the entire entity (inclusive of royalty income), as well as the Company's pro rata[2] 60% share.

Schedules 7A - 7C

Schedules 7A – 7C present SP&H's valuation analysis of Green Box International, LLC, which planned to build a Green Box facility in Ghana. Unlike the Green Box sites in the U.S., the Ghana facility would also include a power plant to produce electricity for the neighboring region. As a result, the financial projections for Ghana reflect higher levels of revenues and expenses than the U.S. facilities.

SP&H received internal financial projections for the Ghana facility for 2016. SP&H utilized these financial statements to calculate annual Net Cash Flow to Invested Capital for assuming an annual growth rate of 2.50%. Schedule 7A presents an estimate of the fair market value of the

[2] Pro rata value is not inclusive of any applicable discounts for lack of control or lack of marketability. Per Client's request, SP&H has not performed this analysis.

Ghana operations as of December 31, 2016. Schedules 7B and 7C present the same analysis as of December 31, 2018 and 2020, respectively.

The Company owned a 20% interest in Green Box International, LLC. As such, SP&H calculated the Company's pro rata share of the value to estimate the fair market value of the Company as of the dates of value[3].

Schedules 8A - 8C

Schedules 8A – 8C present the Combined Projected Income Statements for the six U.S. Green Box facilities, which are individually detailed in the preceding schedules. Schedule 8A presents the valuation analysis of the six U.S sites as of December 31, 2016. Since the Company owned a 20% interest in the Ghana operations, SP&H added the pro rata value of Green Box International, LLC as of December 31, 2016 to estimate the fair market value of a 100% controlling, marketable equity interest in the Company[4]. Schedules 8B and 8C present the same analysis as of December 31, 2018 and 2020, respectively.

In determining the terminal value as of the three dates of value, SP&H performed two analyses: Capitalization of Earnings and EBITDA Exit Multiple. The Capitalization of Earnings analysis assumes continued operation of the Company following the last projected year of financial statements (2025). The EBITDA Exit Multiple analysis assumes that the Company is able to sell its operations at an EBITDA exit multiple of 8x. Per SP&H's limited research and analysis, current and historical EBITDA multiples approximate this 8x level. As a result, the conclusion of value contains a range of values, which reflect the two terminal year value analyses.

Schedules 9A - 9C

Schedules 9A – 9C present the calculation of the weighted average cost of capital for the Company as of each date of value. SP&H utilized market and industry data from various sources including the 2014 Duff & Phelps Valuation Handbook and data from Professor Aswath Damodaran of NYU Stern School of Business to estimate the appropriate cost of capital for the Company. Additionally, SP&H researched the required rates of return that private equity, venture capital, and other financial investors expect when investing in start-up, early-stage, and high risk businesses (such as the Company). SP&H considered the data presents on Schedules 9A - 9C to determine the appropriate weighted average cost of capital for the Company as of the dates of value.

Per agreement with management, SP&H has estimated the market value of one share of common stock as of December 31, 2016, 2018 and 2020. SP&H was asked to assume successful construction, operations, debt repayment, and realization of the cash flow developed by Raymond James and management. For example, in 2020 SP&H assumed that all six listed U.S.

[3] Pro rata value is not inclusive of any applicable discounts for lack of control or lack of marketability. Per Client's request, SP&H has not performed this analysis.
[4] Pro rata value is not inclusive of any applicable discounts for lack of control or lack of marketability. Per your request, SP&H has not performed this analysis.

Green Boxes and the Ghana Green Box have been constructed and operating successfully as forecasted from 2014-2019. As such, the discount rate (WACC) assumption at each valuation period is reflective of having achieved success in prior years as projected by Raymond James and management.

Schedule 10

Schedule 10 presents a summary of the valuation analysis of the Company. As mentioned earlier, SP&H was requested to determine the fair market value of the Interest both including and excluding Ghana operations. The fair market value of a 100% equity interest, as well as the fair market value of one share of common stock for each scenario are presented on Schedule 10.

The conclusions of value of one share of common stock are not inclusive of any applicable discounts for lack of control or lack of marketability. Per Client's request, SP&H has not performed this analysis.

ESTIMATES OF FAIR MARKET VALUE

Based on our analysis, procedures and information provided to SP&H, our concluded estimates of value are as follows (see Schedule 10 below):

	Fair Market Value - Including Ghana				
Date of Value	**100% Interest**			**1 Share of Common Stock**	
December 31, 2016	$781,000	-	$1,190,000	$7.81	- $11.90
December 31, 2018	$1,192,000	-	$1,766,000	$11.92	- $17.66
December 31, 2020	$1,839,000	-	$2,444,000	$18.39	- $24.44

	Fair Market Value - Excluding Ghana				
Date of Value	**100% Interest**			**1 Share of Common Stock**	
December 31, 2016	$710,000	-	$1,115,000	$7.10	- $11.15
December 31, 2018	$1,081,000	-	$1,651,000	$10.81	- $16.51
December 31, 2020	$1,628,000	-	$2,229,000	$16.28	- $22.29

Notes: (1) $ in Thousands, Except Per-Share Value
(2) Per share values do not include any applicable discounts

APPENDIX

SUPPLEMENTAL VALUATION ANALYSIS - INTELLECTUAL PROPERTY

Per your request SP&H has performed a separate supplemental valuation analysis of intellectual property, proprietary technologies, FDA approvals, processes and procedures (collectively the "IP") owned by Green Box NA Green Bay, LLC ("Green Bay"). The purpose, function, premise and scope of this supplemental analysis is the same as the limited analysis described earlier in the report (and subject to the limitations and restrictions described above). It is SP&H's understanding that management will use the results of this limited supplemental valuation analysis for internal informational and planning purposes. This supplemental analysis is as of August 31, 2014.

For this supplemental valuation analysis, SP&H was requested to estimate the current implied value of the IP owned by Green Bay, as described below. Unlike Fair Market Value (used earlier in this report), which is the value that a willing buyer and a willing seller would agree to in a potential sale, the framework for determining the current implied value was agreed to with the Company and will be estimated based on the current licensing agreement that exists between Green Bay and other green box facilities owned and operated by Green Box NA, LLC. The current implied value may be higher, lower or the same as the Fair Market Value, depending on the nature and terms of existing agreements and contracts.

Supplemental Valuation Analysis

SP&H performed limited valuation research and analysis of the IP owned by Green Bay as of the date of value. This included research and analysis of royalty rates that exist in the marketplace for similar intellectual property and technology as the IP owned by Green Bay. SP&H researched data from the *Royalty Source*[5] online database, *Royalty Rates for Waste Management Technology* published by IPRA, Inc.[6], and a recent *CEEM Royalty Rate and Deal Term Survey*[7]. SP&H also reviewed the current *Technology Licensing Agreement* between Green Box NA Green Bay LLC and Green Box NA, LLC dated March 28, 2011, and had interviews with management to discuss the use and licensing of the IP.

SP&H utilized the Discounted Cash Flow Method under the Income Approach to estimate the current implied value of the IP. This analysis (presented on Appendix A below) considers the royalty income stream and term that is outlined in the *Technology Licensing Agreement* (the "Agreement"). The Agreement has an expiration date in March 2031 and can be extended by mutual consent for an additional five years. It is SP&H's understanding that the patents owned

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[5] www.royaltysource.com

[6] *Royalty Rates for Waste Management Technology* by IPRA (intellectual Property Research Associates), Inc. 2012

[7] *CEEM Royalty Rate and Deal Term Survey* by the Licensing Executives Society (USA & Canada), Inc. September 2010.

by Green Bay were issued in early 2014 and are enforceable for 20 years (through 2034). As such, at the expiration of the term of the Agreement in 2031, the licensee (Green Box NA, LLC) would have to agree to the five year extension in order to continue to use the patented technology in its operations. Therefore, SP&H analyzed the royalty income stream during the term of the Agreement, including the extension period. SP&H did not include any royalty income post expiration due to the uncertainty related to renewing the Agreement, the term of any potential renewal, the size of royalty payments post renewal, potential changes in technology, and the relatively minimal present value contribution of post-expiration cash flows.

SP&H's analysis under the Income Approach included the calculation of the discount rate applicable to the IP. Appendices B1-B3 below present SP&H's research and analysis related to the determination of the discount rate. SP&H considered required rates of return for early-stage, start up, and high risk companies in addition to the Build-Up and CAPM methods to conclude a range of applicable discounts for the IP as of the current date of value.

The Appendix analysis below presents SP&H's limited valuation analysis of the IP owned by Green Box NA Green Bay, LLC as of the date of value. As shown below, the estimated current implied value of the IP ranged from $96,000,000 to $125,000,000 as of the date of value.

Based on SP&H's limited valuation analysis, the current implied value of the IP as of the date of value was **$109,000,000**

The enclosed materials show our methodology and set forth the information used in estimating the fair market values of the Interest in the Company, as well as the separate current implied value of the IP. Also enclosed is information about SP&H, including professional qualifications of the firm's management and products and services offered by SP&H.

We have performed our appraisal in conformity with the Appraisal Foundation's Uniform Standards of Professional Appraisal Practice. This report is subject to the enclosed "Appraisers' Certification and Contingent and Limiting Conditions."

Cordially,

Sanli Pastore & Hill, Inc.

SANLI PASTORE & HILL, INC.
a California Corporation

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