



HAVE YOU HURD?

February 2023 Newsletter

SARDA TRADE SHOW

SHDL will be at the trade show March 16 to 18, 2023.

SARDA has been researching hemp agronomy and growth in our Region for many years and is a key part of the expanding hemp industry. We are very pleased to be located next to the new SARDA facility, and to support the work it does.

We are sharing **Booth 137** with Smoky River Economic Development. Be sure to stop by and bring a friend!

Meet the Board Members and get excited about the latest developments.

We have a great little gift for you as well.

See you there!



Our Hemp Fibre Quality

We recently had 3 different decorticators each process a bale for us, both to determine the quality of our fibre, and to assess the suitability of the different processing equipment. We are excited to announce that test decortication of our straw has resulted in **excellent quality, and high fibre production**. Factors that impact hemp fibre quality and pricing include fibre length and tenacity, fibre bundle density and ease of processability for specified applications.

Canadian manufacturers of hemp fibre products have told us, it is largely not possible to source quality hemp fibre anywhere in North America and they are forced to import fibre from Europe. We did learn that our straw would have benefited from further retting that would result in cleaner bast fibre and will be working with our growers to address this, however we are very pleased with the results. With proper decortication, and more retting ours will certainly be comparable to the best fibre available anywhere.

There are several reasons for this, including the variety selection, proper agronomic practices, stage of plant growth at harvest, and of course the decortication process. We have always aimed high – determined to produce the best quality fibre to be able to sell at a premium. We want to say a huge thank you to our agronomist, Darcy Boisvert, for his expertise and support for our farmers.

Darcy truly is outstanding in his field!



Interim Board Directors Needed

We all look toward the day when the first bale is processed in our own plant, but we also know there is much work to be done in the days between now and then.

We currently have 6 directors on the SHDL Board; however, the Articles of Incorporation provide for there to be 9 members. Board Members are elected at the Annual Meeting which will be scheduled as soon as practical after the August 31 fiscal year-end. In the meantime, the Board is looking for 3 interim directors who will serve with current members until the annual meeting.

We look forward to having a full 9-member board, and to creating sub-committees to take on responsibility for overseeing various aspects of our venture.

- ✦ **Do you have leadership and/or management experience?**
- ✦ **Can you offer expertise in management, finance, logistics, administration, marketing?**
- ✦ **Are you solidly committed to SHDL?**
- ✦ **Do you have the time and energy to commit to a working Board?**

The SHDL Board is very much a working board, and the time commitment is significant – but so are the rewards. We are inviting shareholders to submit expressions of interest to be appointed to the Board until formal elections can be held at our annual meeting. If you are interested, please email us in confidence at ceosmokyhemp@gmail.com.

2022 Hemp Straw Yields

We will shortly be accepting delivery of approximately 480 bales produced last year and finalizing approximately \$55,000 in payments to the farmers. We thank those who grew for us last year – we know investing time and dollars into a new crop is a significant risk for farmers. Yields were just under 2 tonnes per acre overall, which, given the early season drought conditions, was impressive. Hemp thrives with significant moisture and if there had been average precipitation in June and early July, the yield would have been increased significantly.

Farmer Contracts for 2023 Crop

SHDL will soon be meeting with farmers to sign contracts to produce hemp straw this crop year. Preference will be given to last year's farmers, as it is extremely important to build upon the collective knowledge of producers, in terms of seed selection, fertilizer application, seeding dates and methodology, harvesting and retting. Our growers are not only producing for us, but they are also leaders in the development of best practices for growing top quality hemp for fibre.

We are increasing the price offered to farmers from \$175 to \$200 per tonne this year. Farmers are the cornerstone of this industry, and we know there have been significant increases in production costs over last year.

New Share Offering

The next share offering will be opening shortly. We are still a long way from raising the funding needed to complete the building and get the decortication equipment installed and operating.

While this is certainly a long-term investment, it is also an investment in the future of this area that will generate returns not only in dividends to shareholders, but also significant economic impact for other businesses, job opportunities, and new ventures seeking to manufacture hemp products.

We will be collecting contact information from individuals and businesses interested in investing at the SARDA Trade Show. Talk to your neighbours, talk to your friends. This is an opportunity to make a real difference in the future of our communities. Together, we can build prosperity and have a hand in *Growing Our Future*.

SARDA and SHDL – best neighbours ever!



On behalf of the Board of Smoky Hemp Decortication Ltd, I hope you enjoyed this edition of Have You Hurd newsletter. We welcome comments, questions, and suggestions at ceosmokyhemp@gmail.com

Avis Gagne, Board Chair/CEO



Growing our Future

Follow us on **Facebook** at Smoky Hemp Decortication Ltd.

On our **Website** at www.smokyhempdecortication.com