

To the Farmers Union Ditch Co. Shareholders,

It has come to our attention as a company and board that there have been several news articles published addressing several issues regarding the company and the upcoming irrigation season. As a company we wanted to briefly address a few of the inaccuracies these articles have alluded to.

Following the annual shareholder meeting and transition of the new board, a legal matter regarding the eligibility of a board member was brought before the company. This legal matter is now before the Court and will be resolved through this process. Both sides of this legal issue are fairly and justly represented, and we ask that you respect this judicial process and be patient for the resolution of this issue. In the interim an agreement has been made by both parties and approved by the Court to allow the company and board to operate unencumbered until this legal matter has been resolved. As per the stipulation of the agreement, the board will consist of Cheryl Bloom, Jacob Zwygart, Robert Netzly, and Luke Erlebach. If there is any business related to the company or its operations, please direct them through proper communications or the board personnel listed above.

As it relates to the upcoming irrigation season, and the report that Farmers Union Ditch Co. will be operating at 80% water flow this year. This decision has not been made by the company or its board members. It is true that this year is a low snowpack year and it is going to affect the overall water available for the company. This is true for all irrigation companies throughout the valley. However, there are still several key factors that are still undetermined at this time that will ultimately affect the decisions the board makes on how to manage the water this year. The canal and water flows will operate as it has in the past at the start of this irrigation season with no interruption or shortage of water, until those key factors and dates have been determined by the river master and the company ditch rider. Once the company and board have all the pertinent information needed, it will determine its plan on how to best handle the water shortage and give the shareholders the best irrigation season possible.

As a company we thank you for your continued support and understanding as we work through these issues.

Thank you,

Farmers Union Ditch Co.

Board of Directors