

CALAMCO

progress

SPRING 2024

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MESSAGE TO SHAREHOLDERS

You may have seen news stories about shipping constraints in the Panama Canal.

If you haven't, here is a short summary. (1) The Canal is fed by fresh water outflows from Gatun Lake; (2) Gatun Lake is replenished by an annual May-December rainy season; (3) Reduced rain this last year led to lower lake levels (88 feet to 81 feet); (4) To conserve available water, the Canal has been reducing drafts, transiting fewer ships and enforcing stricter scheduling; (5) Ships missing transit appointments must either wait longer or out-bid others for a small number of auction spots; and (6) auction spots can be very expensive, with the recent average of around \$650,000.

We are working closely with our supplier, Koch Nitrogen, to mitigate any risks through this time. Koch has scheduled their spring transit appointments many months in advance. With multiple customers serviced by the same ship, Koch is able to adjust offload tonnages to meet our specific & evolving needs. CALAMCO operates an industry-leading, rapid unloading arm, whereby we can turn a ship in minimum time. This can be critical when the return Panama Canal appointment window is approaching.

In all, we are confident we will be able to deliver our 2024 ammonia demand, while at the same time, avoid any large Canal auction fees. ■



Daniel Stone
President / CEO

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A PARTNERSHIP WITH GROWERS

2024 TARGET REBATE PER TON BY PRODUCT

Our rebate per ton is based on a per ton of Anhydrous Ammonia (NH₃ equivalent) basis. Please find below a breakdown by product, using our Rebatable Product List, with those products that are manufactured using CALAMCO ammonia.

PRODUCT	NPK	NH ₃	\$55 REBATE
Anhydrous Ammonia	82-00-00	100%	\$55.00
Aqua Ammonia	20-00-00	24%	\$13.20
Ammonia Nitrate 20% (AN20)	20-00-00	24%	\$13.20
Calcium Ammonium Nitrate (CAN17)	17-00-00	21%	\$11.55
Ammonium Poly Phosphate	10-34-00	12%	\$6.60

In September of 2023, J.R. Simplot Company announced that they would be shutting down production at their fertilizer manufacturing plant in Lathrop, California due to increased operating costs and a decrease in demand. The Lathrop facility was built in the 1950's and after thorough examination, it was clear that updating the facility to meet the current and future demand would not be feasible. The announcement stated that they would close the Lathrop facility no later than August 31, 2024.

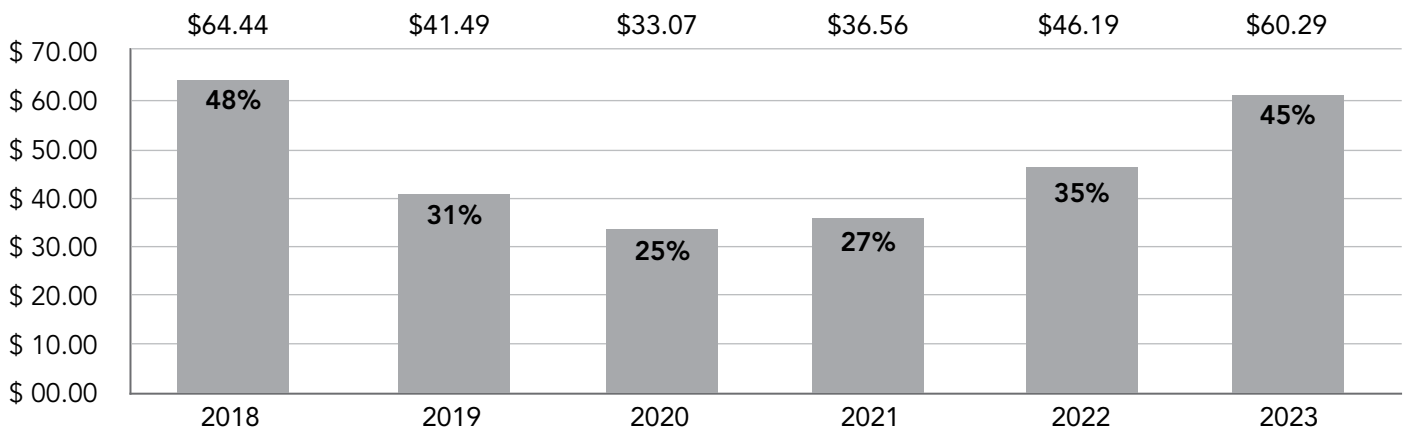
Unfortunately, as we approach our Spring season, the Lathrop plant has already discontinued production of the below referenced blends. These blends may still be available to your fertilizer retailer, however they will not be manufactured using CALAMCO ammonia, and therefore will no longer provide shareholder coverage. ■

PRODUCTS THAT HAVE BEEN OR EXPECT TO BE PHASED OUT OF PRODUCTION IN 2024:

PRODUCT	NPK	NH ₃
Ammonium Sulfate	21-00-00	26%
Ammonium Phosphate Sulfate	16-20-00	20%
BEST Turf Supreme	16-06-08	20%
Agropell Triple 15	15-15-15	18%
FUSN Fused-Safe Nutrients	26-00-00	16%
Agropell Triple 12	12-12-12	15%
Agropell Tree N Vine	12-08-16	15%
Agropell XB	06-24-24	7%

AVERAGE SIX-YEAR RETURN ON REBATABLE PRODUCTS - 35%

Percentages are return on investment based on \$20 per share purchase price. ■





CALAMCO OFFERS \$1000 SCHOLARSHIP

Just a reminder that CALAMCO is offering a scholarship to shareholders and their immediate families (children), that are graduating high school seniors and plan to continue to college or university, majoring in agriculture or an ag-related field. This offer is valid to current high school seniors planning to attend a college or university in the fall of 2024 or spring of 2025.

The application is available in PDF format on our website at www.calamco.com under the news/events tab. Print the application and mail it back to our corporate office at: CALAMCO, 1776 West March Lane, Suite 420, Stockton, CA 95207. **Applications must be postmarked by April 22, 2024.** We will notify the recipient of the scholarship by May 6, 2024. ■

CALAMCO TRUCKING GEARS UP FOR SPRING



We are once again getting ready for our busy spring season, anticipating this year's rice acreage to be much like 2023. With that, CALAMCO has contracted with fifteen companies from throughout California as well as surrounding states. Most of these companies worked with us in 2023, and their drivers are familiar with our facility and customers. These companies will add approximately 40 additional trucks and drivers, bringing our total to over 50 trucks and drivers (which includes CALAMCO). The drivers will assist in hauling CALAMCO ammonia trailers to our customers throughout the region to meet the heavy demand during the April/ May planting season. ■

2024 SHAREHOLDER DINNER



This year's Regional Shareholder Dinner was held at Harris Ranch in Coalinga.

Approximately 50 people attended, and were treated to a delicious steak dinner at a wonderful venue.

Following dinner, guests were presented with a brief overview of the past year by CALAMCO's President and CEO Dan Stone, who also gave a brief outlook of some of the changes anticipated in the coming year and addressed various questions by our members.

As always, we ended the evening by giving away a large assortment of door prizes, and of course, a hat. CALAMCO's management looks forward to meeting with customers and members at these events. Thank you those who were able to attend. ■

PLEASE UPDATE YOUR CONTACT INFORMATION



Please verify that the contact information we have on file is correct.

It has come to our attention that phone numbers, addresses, and more specifically email addresses that we have on file may have changed, and the information we have is no longer valid. You can email our office with any updates or changes to info@calamco.com. We prefer to have any changes or updates submitted to us in writing. ■

SAFETY TIPS FOR THE SPRING SEASON

California provides a multitude of crops to our local markets and the nation. As we move into the busy season, please remind your employees, contractors, and facility visitors to remain vigilant when it comes to safety and to exercise caution when handling, managing, and using many of the products and chemicals we rely upon in the agricultural industry.

CALAMCO continues to provide its customers with refresher training for anhydrous ammonia and aqua ammonia. We recognize that the importance of proper training and education for employees is vital. One simple, yet effective precaution you can take is to provide employees with the proper personal protective equipment (PPE) for the job they are performing and to be certain that it is regularly maintained.

By working together and keeping safety in mind, we can look forward to a successful Spring season. ■



Questions or comments can
be forwarded to CALAMCO
at (800) 624-4200
www.Calamco.com

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