

GSNR RESOLUTION NO. 20-01

RESOLUTION OF THE BOARD OF DIRECTORS OF GOLDEN STATE NATURAL RESOURCES, INC. AUTHORIZING ACCEPTANCE OF A LOAN OF UP TO \$10 MILLION FROM GOLDEN STATE FINANCE AUTHORITY, AND CERTAIN RELATED MATTERS

WHEREAS, Golden State Natural Resources, Inc. (“GSNR”), was created pursuant to the California Nonprofit Public Benefit Corporation Law, Part 2 (commencing with Section 5110) of Division 2 of the Corporations Code of California (the “Act”), and is organized exclusively for the purpose of promoting public safety, forest resiliency, wildfire risk reduction, air quality improvement, organic waste reduction, rural economic development and public purposes related thereto; and

WHEREAS, GSNR has initiated a program to remove targeted woody biomass and fire fuels in California’s forests, thereby reducing wildfire risk, and to process the fuels reduction byproducts into productive resources, including but not limited to biomass fuel pellets, at modernized processing facilities located in rural California (collectively, the “Program”); and

WHEREAS, by GSFA Resolution 20-03, the Golden State Finance Authority (“GSFA”) has offered to make a loan to GSNR to finance Program activity as herein described and cash flow requirements relating to the Program.

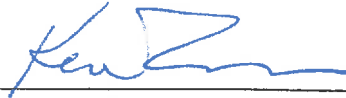
NOW, THEREFORE, BE IT RESOLVED by the Board of GSNR as follows:

1. The above recitals, and each of them, are true and correct.
2. The Board hereby authorizes GSNR to accept a loan (the “GSNR Loan”) from GSFA in an amount not to exceed \$10,000,000, upon those terms and conditions approved by the GSFA Board of Directors and set forth in this Resolution and its attachments.
3. The forms of Loan Agreement, Promissory Note, and Commercial Security Agreement attached to this Resolution are hereby approved, and the President, or his or her designee, is hereby authorized and directed, for and in the name of and on behalf of GSNR, to execute, acknowledge and deliver the Loan Agreement, Promissory Note, and Commercial Security Agreement in substantially the form presented at this meeting with such additions thereto and changes therein necessary or desirable to effect the GSNR Loan as are approved by the President or designee, such approval to be conclusively evidenced by the execution and delivery thereof.
4. The GSNR Board of Directors hereby approves reimbursement to GSFA for amounts expended by GSFA in furtherance of the GSNR program in excess of the 2020 approved GSFA budget approved by the GSFA board on December 12, 2019.
5. The GSNR loan proceeds will be used by GSNR only to finance Program activity as herein described and cash flow requirements relating to the Program.

6. All actions heretofore taken by the officers and agents of GSNR with respect to the making of the GSNR Loan are hereby approved, confirmed and ratified. The Designated Officers are hereby authorized and directed, for and in the name and on behalf of GSNR, to do any and all things, including the expenditure of any funds for GSNR, and take any and all actions and execute and deliver any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the GSNR Loan in accordance with this Resolution.

7. This Resolution shall take effect from and after its adoption.

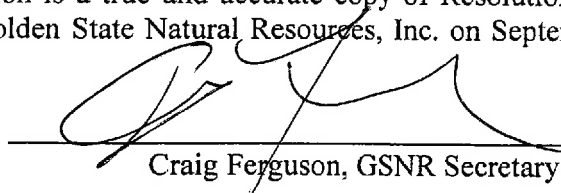
GOLDEN STATE NATURAL RESOURCES, INC.



Chair, Supervisor Kevin Cann, Mariposa County

I certify that the foregoing Resolution is a true and accurate copy of Resolution 20-01 approved by the governing board of the Golden State Natural Resources, Inc. on September 9, 2020 in Sacramento, California.

Date: September 9, 2020



Craig Ferguson, GSNR Secretary