



February 9, 2011

Dear Valued Customers:

This is an update on Oregon Freeze Dry's #10 can situation. Because the demand for our #10 cans remain very high, we continue to be unable to meet all #10 can needs. OFD is allocating as much of our Production Capacity as possible to this market segment, while still allowing us to meet requirements in other markets.

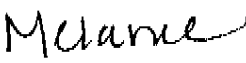
Unfortunately, we cannot open sales to all previous dealers. We continue to sell allocated quantities to our long-time, largest customers/distributors.

We expect this situation to remain until at least this summer. At this point, we are not able to predict an actual date as to when we can open up sales to all current dealers.

I wanted to share with you a recent company announcement to show that we are working on making improvements to be able to address these sudden increases in food storage demand. Our President, Jim Merryman, has signed off a multi-million dollar capital project to make some plant modifications that will increase our capacity. These modifications will start in May 2011 and we estimate the project to be complete by September 2011.

I know how difficult this situation is for each of you and your business. I truly feel your frustration and OFD is working incredibly hard to turn this situation around as quickly as possible.

Sincerely,  
Oregon Freeze Dry, Inc.

  
Melanie Cornutt  
Sales Manager, Retail