

Offer to Purchase

This Offer to Purchase (this "Agreement") is made as of December 29, 2025, by Buyer (defined below) to Seller (defined below) for the purchase of the Property (defined below), related to the purchase of the Telluride Ski Resort and related assets.

Buyer hereby offers to purchase the Property (defined below) under the terms and conditions set forth below:

Buyer: Telluride Ski Resort Fund ("TSRF"), a Colorado entity, controlled by Martinique Prohaska and June Meehan Fee.

Seller: TSG Ski and Golf, LLC, TSG Asset Holdings, LLC, MC Horning Jr., and any affiliates thereof (together, the "Seller").

Structure: The transaction will be structured as an acquisition by Buyer of a 51% (fifty one percent) acquisition of substantially all assets of the Seller associated with the Telluride Ski Resort, including, without limitation, goodwill, tangible and intangible property, intellectual property, customer and vendor relationships, contracts, and all rights necessary for continued operation of the business, and ancillary assets owned by the Seller located in San Miguel County, CO more specifically defined on the attached Exhibit A (collectively, the "Property"). All contracts between Seller and others shall be assigned to Buyer at Closing, unless Buyer elects not to assume such contract. The Buyer will not assume any liabilities of the Seller, except for those expressly agreed to in the definitive agreements. The parties shall work cooperatively to reduce the tax implications of the transaction, acknowledging the aim of Buyer to achieve a full step up in basis of the acquired assets.

Purchase Price: One Hundred Twenty Seven Million Five Hundred Thousand Dollars (\$127,500,000.00) or 51% of 13x average EBITDA for the years 2022, 2023, and 2024, whichever amount is higher (subject to customary assumptions described below), plus the Buyer shall provide additional consideration as set forth on Exhibit B.

Payment / Escrow: 95% of the Purchase Price to be paid in cash at Closing, and 5% of the Purchase Price to be paid into an 12-month interest-bearing escrow account, with half of the escrow to be released to Seller upon receipt of the fully-executed assignment to the US Forest Service Permit to Buyer, and have serving as an indemnity escrow to be released twelve months after Closing.

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| Assumptions: | The Purchase Price assumes the Seller's business is delivered on a cash-free, debt-free basis. The Purchase Price will be reduced by the amount of any Seller indebtedness and Seller's transaction expenses at closing. |
| Closing / Exclusivity: | The closing (the "Closing") of the transactions contemplated by this Agreement (the "Contemplated Transactions"), shall occur not later than one hundred fifty (150) days from the date hereof (as may be extended, the "Exclusivity Period"). Notwithstanding the foregoing, the Exclusivity Period will be extended if required by applicable laws, and the Buyer may extend the Exclusivity Period by up to two (2) additional ninety (90) day periods.. During the Exclusivity Period, the Sellers shall not, directly or indirectly, (i) solicit or request the submission of any proposal or offer from any person or group other than Buyer and its affiliates, relating to that would reasonably be expected to lead to any merger, recapitalization or transfer of substantially all the Property (each, an "Acquisition Proposal"), or otherwise encourage or facilitate the submission of any Acquisition Proposal, (ii) engage in any discussions or negotiations relating to any Acquisition Proposal (other than communications informing any inquiring party that they contractually cannot engage in such discussions at that time), (iii) provide any non-public information regarding the Seller or its business or operations to any party other than Buyer or its affiliates or representatives (excluding those communications necessary in the ordinary conduct of the Seller's business and to the professional advisors of Sellers), (iv) enter into any agreement, understanding, or arrangement relating to any Acquisition Proposal, or (v) authorize, direct or permit any representative or affiliate of the Sellers to do any of the foregoing. |
| Diligence: | Buyer expects diligence to include customary reviews of legal, tax, accounting, HR, IT, regulatory, environmental, and financial matters, as well as a deeper review of the Property and Seller's financial statements, contracts, and customer relationships. |
| Escrow/Title: | Alpine Title, Telluride, CO. Escrow shall prepare all warranty deed, bills of sale and any other ancillary transfer documents or agreements required to consummate this transaction. |
| APA: | The Buyer and Sellers agree to negotiate in good faith an asset purchase agreement "APA" containing additional terms necessary for the completion of the transaction contemplated herein. The APA will contain standard representations and warranties from the Sellers and Buyer, and except for such Sellers' representations and warranties, Buyer is buying the Property in its existing AS-IS condition. The APA shall contain customary indemnification by the parties, with the representations and warranties surviving the Closing for two (2) years, except that certain |

fundamental representations (authority, capitalization, title to property, taxes, brokers) shall survive for a period of six (6) years.

Operations: Seller agrees to operate and maintain the Property and the Telluride Ski Resort in the ordinary course of business between the date hereof and Closing. From the date hereof, Seller shall not enter into any new contracts that will be assigned to Buyer without Buyer's prior written consent. Seller shall terminate all employees in compliance with applicable laws and Buyer will rehire all such employees immediately after Closing.

USFS Permit: Seller operates the ~~ski~~ resort pursuant to a permit with the US Forest Service (the "Permit"). Buyer and Seller shall use their best efforts to cause the US Forest Service to execute assign the Permit to ~~Buyer~~ ^{Buyer}. To the extent that Seller's rights under the Permit or any other permit ~~are~~ ^{are} not obtained, may not be assigned to Buyer without the consent of another person which has not been obtained, the APA shall not constitute an agreement to assign the same if an attempted assignment would constitute a breach thereof or be unlawful. If the Novation or any such consent shall not be obtained or if any attempted assignment would be ineffective or would impair Buyer's rights under the Permit or other asset in question so that Buyer would not in effect acquire the benefit of all such rights, Seller shall act as Buyer's agent in order to obtain for Buyer the benefits thereunder and shall cooperate, to the maximum extent permitted by law and the Permit, with Buyer in any other commercially reasonable arrangement designed to provide such benefits to Buyer; provided, however, that Buyer shall directly pay or promptly reimburse Seller for all documented out-of-pocket costs, expenses, and liabilities actually incurred by Seller in connection therewith.

Risk of Loss: Seller shall bear the risk of loss if there is a material damage or destruction of the Property before Closing.

Default: If Seller defaults under its obligations hereunder, Buyer shall be entitled to damages or specific performance against Seller at Buyer's choice, including, but not limited to, immediate return of the Deposit. If Buyer fails to close before the end of the Exclusivity Period (as the same may be extended), due to no fault of a Seller, Seller may terminate this Agreement and retain the Deposit.

Power of Attorney: Upon successful Closing, each Seller will grant Buyer a power of attorney for purpose of executing documents in their name to effect the transfer of Property and assignment of contracts to the extent such was not done prior to Closing.

Notices: All notices to the Parties shall be by email as follows:

To Seller: chuck@telski.com

To Buyer: martiniquedavis@gmail.com; mchanfee@gmail.com

In addition each party shall copy the others lead legal counsel with any such notice. Notices shall be deemed delivered one business day following being sent.

Ownership Control: Upon Closing, Buyer, as the owner of fifty-one percent (51 percent) of the assets of the Telluride Ski Resort, shall have exclusive authority to make all operational decisions with respect to the Telluride Ski Resort. Chuck Horning shall retain a twenty-nine percent (29 percent) ownership interest in the Property, and Julie Meehan Fee shall retain a twenty percent (20 percent) ownership interest in the Property. Martinique Prohaska, Julie Meehan Fee, and Chuck Horning shall serve as Managing Partners. Martinique Prohaska and Julie Meehan Fee collectively holding and exercising fifty-one percent (51 percent) of the Managing Partner control.

TSRF Investors: Chuck Horning, Martinique Prohaska, and Julie Meehan Fee shall collectively select the investors in TSRF within one hundred twenty (120) days from the date hereof, unless mutual agreed to in writing by the Buyer and Seller.

Chairmanship: Chuck Horning shall remain Chairman TSG for a period of at least eighteen (18) months from the date of Closing, but Chuck may remain Chairman for as long as he so chooses.

Operational Costs: From and after the Closing Date, all ordinary course operating costs and expenses of the Telluride Ski Resort, including payroll, benefits, utilities, insurance, maintenance, marketing, administrative expenses, and other costs incurred in connection with the ongoing operation of the business, shall be allocated among the Buyer and Seller and their Affiliates pro rata in accordance with their respective percentage interests set forth herein.

Seller shall not be required to fund operating costs directly except through reductions in distributions.

Capital: Notwithstanding anything to the contrary contained in this Agreement, all capital expenditures, capital improvements, capital replacements, and other non-ordinary course investments made by or on behalf of the Telluride Ski Resort from and after the Closing Date shall be funded exclusively by Buyer or its Affiliates and shall not be borne by Seller, directly or indirectly.

Seller shall have no obligation to contribute capital for any such capital expenditures and shall not be subject to dilution, capital calls, or other funding obligations with respect thereto.

All capital expenditures funded by Buyer pursuant to this Section shall be deemed Buyer Capital Investments for all purposes of this Agreement.

Capital Credit:

In the event of any sale, transfer, liquidation, recapitalization, or other disposition of Telluride Ski & Golf, LLC or substantially all of its assets, the Seller shall not be entitled to any share of, credit for, or participation in any increase in value, proceeds, or consideration attributable to Buyer Capital Investments.

For purposes of determining distribution of sale proceeds or other consideration payable to Seller, the value of the Company shall be calculated as if no Buyer Capital Investments had been made, and any incremental value, appreciation, or proceeds resulting from Buyer Capital Investments shall be allocated exclusively to Buyer.

Deferred Buyout:

Seller hereby irrevocably grants to Buyer the right, but not the obligation, to purchase all of Seller's remaining right, title, and interest in the Telluride Ski Resort assets, representing 29% of the outstanding equity interests of the assets (the Remaining Interest), within three (3) years of Closing.

The purchase price for the Remaining Interest shall be equal to an amount calculated by multiplying thirteen by the average annual EBITDA of TSG for the three most recently completed full fiscal years immediately preceding the date of purchase, multiplied by forty-nine percent.

Seller's obligation to sell the Remaining Interest pursuant to this Agreement shall survive Seller's death and shall be binding upon Seller's heirs, executors, administrators, personal representatives, successors, assigns, and estate.

Cooperation:

Seller shall cooperate with Buyer in making a smooth transition of the operations and ownership of the Telluride Ski Resort. To that end, Seller shall use reasonable efforts to facilitate reasonable needs of the Buyer in the transition, and will cooperate with any tenants, managers, or operators of the resort hired by Buyer or its tenant(s).

1031 Exchange:

Buyer will cooperate with Seller's Section 1031 like-kind exchange requirements, including structuring the Transaction accordingly to separately allocate the Purchase Price between the real property and the business assets, and signing necessary documents at no additional cost to Seller.

on the arbitrator's award may be entered in any court of competent jurisdiction.

Partially Binding: The following sections of this Agreement are binding on the Parties (with the rest being non-binding): Purchase Price, Closing/Exclusivity, Deposit, Risk of Loss, Default, Title Insurance, Confidentiality, Expenses, Assignment, Governing Law, and Arbitration.

TSG LLC: Buyer and Seller acknowledge and agree that, following further consultation with their respective legal counsel, the terms set forth herein may be incorporated into a definitive and binding agreement pursuant to which Buyer would acquire a 51% (fifty one percent) ownership interest in Telluride Ski and Golf, LLC, a Delaware limited liability company, together with ~~and~~ other affiliated or related entities involved in the transaction ~~contemplated~~ ^{contemplated} hereby. Nothing in this provision is intended to, nor shall it be construed to, void, rescind, or otherwise affect the parties' present mutual intent to consummate the contemplated transaction pursuant to which Buyer would acquire a 51% (fifty-one percent) ownership interest in all of the Property.

Misc. This Agreement is the entire agreement, superseding prior discussions. Any amendments to this Agreement must be in writing signed by Buyer and Seller. This Agreement is executable in counterparts, and electronic signatures are allowed. This Agreement is severable if any provision invalid. There are no third-party beneficiaries to this Agreement.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates set forth below.

SELLER:

TSG SKI AND GOLF, LLC

By: TSG Holdings, LLC

Its: Manager

By: _____
MC Horning Jr., Manager

Date _____

TSG ASSET HOLDINGS, LLC

By: TSG Holdings, LLC

Its: Manager

By: _____
MC Horning Jr., Manager

Date _____

MC HORNING JR., an individual

Date _____

BUYER:

TELLURIDE SKI RESORT FUND

By: Martinique Prohaska
Martinique Prohaska

By: Julie Mechaad Fee
Julie Mechaad Fee

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filling out this form.

AutoFill Form



Exhibit A

The term "Property" shall include all assets of any kind owned by TSG Ski and Golf, LLC and TSG Asset Holdings, except cash and cash equivalents, and well as any real or personal property owned by MC Horning Jr. or any affiliate of him, located in San Miguel County, Colorado as of the date hereof. The Property shall include all tangible and intangible assets related to the Telluride Ski Resort (the "Resort") ownership and operation, real property (land, buildings, ski lifts, Gondola Building, trails, ~~structure, snow making, residential lots, retail spaces and any parcels subject to disputes~~, personal property (equipment, inventory, furniture, fixtures, supplies), intellectual property (trademarks like "Telluride Ski Resort" and "Teisski", trade names, domain names, websites, logos, marketing materials, software licenses), contracts (as specified below), permits/licenses (governmental approvals, environmental permits, liquor licenses, operating rights including Forest Service permits), goodwill (reputation, customer lists, ongoing operations), development rights, water rights, and any other rights related to operations or property being acquired.

Notwithstanding the foregoing, the Buyer shall have the right prior to Closing, to exclude from purchase any items of Property that it does not desire to purchase from Seller, Mr. Horning Jr., or their affiliates.

A complete list of the Property shall be provided in the executed APA.

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Exhibit B
Additional Consideration

Immediately following the execution of this Agreement the following will occur:

- a. Ski Patrol. Buyer will cause the Town of Mountain Village and the Town of Telluride to take commercially reasonable efforts to broker a cessation in the Ski Patrol strike with Patrol agreeing to the offer made by Seller to Patrol.
- b. Water Prices. Buyer will cause the Town of Mountain Village and Town of Telluride to hold water prices for Seller's snowmaking at 2024 levels for the 2025-2026 season.
- c. Housing. Within three (3) months of Closing, the Town of Mountain Village and the Town of Telluride shall enter into partnerships with TSG to ensure stable, high quality housing for TSG's employees.
- d. Flights. Within six (6) months of Closing, the Town of Mountain Village and the Town of Telluride shall modify regional spending on flight development within targeted key markets.
- e. Capital Investment. Buyer commits to at least \$50,000,000 in capital upgrades to the Telluride Ski Resort.

