FOR IMMEDIATE RELEASE:

April 27, 1972

Denver, Colorado ... Officials of Great Western United Corporation and the Great Western Producers Co-operative have signed a letter of intent with respect to the proposed purchase of The Great Western Sugar Company, a GWU subsidiary, by the co-operative. Under provisions of the letter of intent, the co-operative has 90 days to arrange definitive financial commitments satisfactory to GWU for at least $40 million of the purchase price.

The letter sets forth an acquisition cost to the growers of approximately $90 million, based on the net worth of the sugar company of approximately $50 million and retirement of long-term indebtedness of approximately $40 million. Indicated is a willingness by GWU to accept up to $15 million of the purchase price in cash equivalents.

The letter also provides that an agreement for the purchase is to be executed and the closing take place within 180 days from today.

In a joint announcement today, it was reported that Robert Y. Sakata, the co-operative's chairman, and the co-operative's President Robert R. Owen, met with GWU's board of directors for the signing of the letter of intent.
The co-operative, which is comprised of most of the sugar company's growers, was formed last fall for the purpose of making an effort to acquire the sugar firm.

GWU and co-operative officials both said they were pleased that the letter of intent had been signed and the co-operative officials said the letter would be very helpful in achieving the next stage in the negotiations, which is reaching a definitive agreement. GWU also pledged its good faith and cooperation in helping achieve the consummation of the transaction.

The purchase and sale agreement would have to be approved by the boards of GWU and the co-operative, and the transaction would have to be approved by GWU's shareholders and lenders. The sale of Great Western Sugar would require the approval of a majority of GWU's outstanding $1.88 cumulative preferred stock voting as a separate class, as well as approval by all classes of GWU's shareholders.

GWU has three subsidiaries - The Great Western Sugar Company, the nation's largest processor of beet sugar, Great Western Cities, a developer of new communities in Colorado, New Mexico, and California, and Shakey's Incorporated, a chain of more than 400 pizza parlors.