



*Improving your health and  
the planet's health*

April 2020  
TSX: NPK  
OTCQB: AMHPF

# Disclaimer

**If you are risk averse don't buy our stock. Don't rely on anything on this presentation.**

This presentation contains certain forward-looking information, which includes but is not limited to, statements with respect to Verde AgriTech Plc's (the Company's) strategy, the commercial production of Super Greensand®, TK47 and Alpha ("Products"), design and building of a manufacturing facility, receipt of environmental permits, and the generation of cash flow. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of the Company to differ materially from the forward-looking information. Material risk factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to, the failure to obtain necessary regulatory approvals, risks associated with the mining industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price, demand for the products in Brazil, exchange rate fluctuations and other risk factors set out in the Company's most recently filed Annual Information Form under the heading "Risk Factors". Currently, the Products are not commercially produced or sold in Brazil. As a consequence, there is no current market. Should commercial demand for the Products fail to develop, the Company's business model may not be appropriate. Accordingly, readers should not place undue reliance on such forward-looking information. Material factors or assumptions used to develop such forward-looking information include, but are not limited to, the demand for the Products in Brazil, the ability to secure necessary permits, the ability to secure financing, and other assumptions set out in the Company's current technical report. The Company does not currently intend to update forward-looking information in this presentation except where required by law. Total resources include all categories unless otherwise stated. The grades detailed in this presentation are conceptual in nature. The Company has filed on SEDAR a NI 43-101 compliant updated pre-feasibility study, published date December 22, 2017. All technical information should be reviewed according to this pre-feasibility study. Readers are cautioned not to rely solely on the summary of such information contained in this presentation and are directed to complete information posted on Verde's website ([www.investor.verde.ag](http://www.investor.verde.ag)) and filed on SEDAR ([www.sedar.com](http://www.sedar.com)) and any future amendments to such. Readers are also directed to the cautionary notices and disclaimers contained herein. Potential investors should conduct their own investigations as to the suitability of investing in securities of Verde AgriTech Plc.

# Agenda

- 2019 Highlights
- Financial Results for Fourth Quarter ("Q4") and Full Year End 2019 ("FY") \*
- Outlook for 2020
- Corporate Presentation
  - How the COVID-19 crisis is impacting Verde
  - Brazil is feeding the world in a sustainable manner
  - Brazil's dependency on imported potash
  - Verde's solution
- Q&A

# ***Cerrado Verde Project: Summary***

- Mining, Production and Sale of a Potassium Silicate Mineral
- K Forte® and Super Greensand® used as fertilizer
- Brazilian farming accounts for 10% of global agricultural production
- Clear advantages for Brazilian farmers to use Verde's products
- Commercial production commenced in July 2018
- Proven and probable reserves of \$777.3M tonnes
- NPV of the project: USD 1,987.97M



# 2019 Achievements

- Environmental License Issued for 249,800 tonnes per year ("tpy")
- Mining Permits issued for 432,800 tpy
- Strengthening the team, 3 senior executives and 10 new employees
- Plant 1: expansion completed, 500,000 tpy production capacity
- New Mine Pit start up
- 400+ customers and 100k+ hectares treated with K Forte<sup>®</sup>
- New International Markets for Super Greensand<sup>®</sup>: China and Canada



# ***2019 Q4 and FY Consolidated Results***

# Verde Agritech PLC Q4 Results

All amounts in CAD \$'000	Q4 2019	Q4 2018
<b>Tonnes sold '000</b>	<b>32</b>	<b>20</b>
Revenue per tonne sold \$	<b>47</b>	<b>33</b>
Production cost per tonne sold \$	<b>(30)</b>	<b>(32)</b>
Gross Profit per tonne sold \$	<b>17</b>	<b>1</b>
Gross Margin	<b>36%</b>	<b>4%</b>
Revenue	<b>1,491</b>	<b>692</b>
Production costs	<b>(960)</b>	<b>(666)</b>
<b>Gross Profit</b>	<b>531</b>	<b>26</b>
<b>Gross Margin</b>	<b>36%</b>	<b>4%</b>
Distribution expenses	<b>(146)</b>	<b>(59)</b>
Sales and marketing expenses	<b>(133)</b>	<b>(89)</b>
Administrative expenses	<b>(214)</b>	<b>(364)</b>
<b>Operating Profit/(Loss) before non-cash events</b>	<b>38</b>	<b>(486)</b>
Share Based (Credit) Payments (Non-Cash Event)*	<b>113</b>	<b>(48)</b>
Depreciation and Amortisation non-cash	<b>(2)</b>	<b>(2)</b>
<b>Operating Profit/(Loss) after non-cash events</b>	<b>149</b>	<b>(536)</b>
Corporation tax	<b>(41)</b>	<b>(45)</b>
Interest Income/Expense	<b>(29)</b>	<b>(55)</b>
<b>Net Profit / (Loss)</b>	<b>79</b>	<b>(636)</b>

- Revenue increased 115% YoY
- Gross profit was \$531,000 and the gross margin was 36%, compared to \$26,000 gross profit and 4% gross margin in Q4 2018
- Revenue per tonne was \$47 and production costs were \$30 compared to revenue per tonne of \$33 and production costs of \$32 in Q4 2018
- The Company recorded an operating profit before share-based payments, depreciation and amortisation of \$38,000 and net profit of \$79,000 after taxes

\*Before share based payments, depreciation and amortisation

# Verde Agritech PLC Full Year Results

All amounts in CAD \$'000	FY 2019	FY 2018
<b>Tonnes sold '000</b>	<b>120</b>	<b>29</b>
Revenue per tonne sold \$	<b>50</b>	<b>45</b>
Production cost per tonne sold \$	<b>(26)</b>	<b>(36)</b>
Gross Profit per tonne sold \$	<b>24</b>	<b>10</b>
Gross Margin	<b>48%</b>	<b>21%</b>
Revenue	<b>6,029</b>	<b>1,358</b>
Production costs	<b>(3,165)</b>	<b>(1,067)</b>
<b>Gross Profit</b>	<b>2,864</b>	<b>291</b>
<b>Gross Margin</b>	<b>48%</b>	<b>21%</b>
Distribution expenses	<b>(371)</b>	<b>(59)</b>
Sales and marketing expenses	<b>(539)</b>	<b>(346)</b>
Administrative expenses	<b>(1,928)</b>	<b>(1,330)</b>
<b>Operating Profit/(Loss) before non-cash events</b>	<b>25</b>	<b>(1,444)</b>
Share Based (Credit) Payments (Non-Cash Event) *	<b>(787)</b>	<b>(181)</b>
Depreciation and Amortisation non-cash	<b>(22)</b>	<b>(14)</b>
<b>Operating Profit/(Loss) after non-cash events</b>	<b>(784)</b>	<b>(2)</b>
Corporation tax	<b>(186)</b>	<b>(45)</b>
Interest Income/Expense	<b>(137)</b>	<b>(64)</b>
<b>Net Profit / (Loss)</b>	<b>(1,107)</b>	<b>(1,748)</b>

- Revenue increased 344% YoY
- Gross profit was \$2,864,000 and the gross margin was 48%, compared to \$291,000 gross profit and 21% gross margin in 2018.
- The Company sold 120k tonnes of Product, compared to 29k tonnes in 2018
- Cost per tonne was \$26 compared to \$45 in 2018
- The Company recorded an operating profit before share-based payments, depreciation and amortisation of \$25,000 and net loss of \$1,107,000 after taxes

\*Before share based payments, depreciation and amortisation

# 2020 Outlook Until Mid 2021

## A. Assuming no permitted production increases

- Current Production Capacity: 500,000 tpy
- Current Permitted Production: 198,800 tpy
- All-in Group breakeven point: 140,000 tpy
- Sales Target for 2020 of \$10.6M: increase of 76% year-on-year-on track to achieve this
- Projected cash as of end of June 2021: \$2.8M (see Note 1, 2019 Financial Statement)

## 2020 Outlook

B. Assuming permitted production increases and additional sales growth

- 2019 revenue per tonne: \$50
- 2019 production costs per tonne: \$26
- Note impact of 2020 FX Movements and oil prices to date on Income Statement and Balance Sheet

## ***How the COVID-19 crisis is impacting Verde***

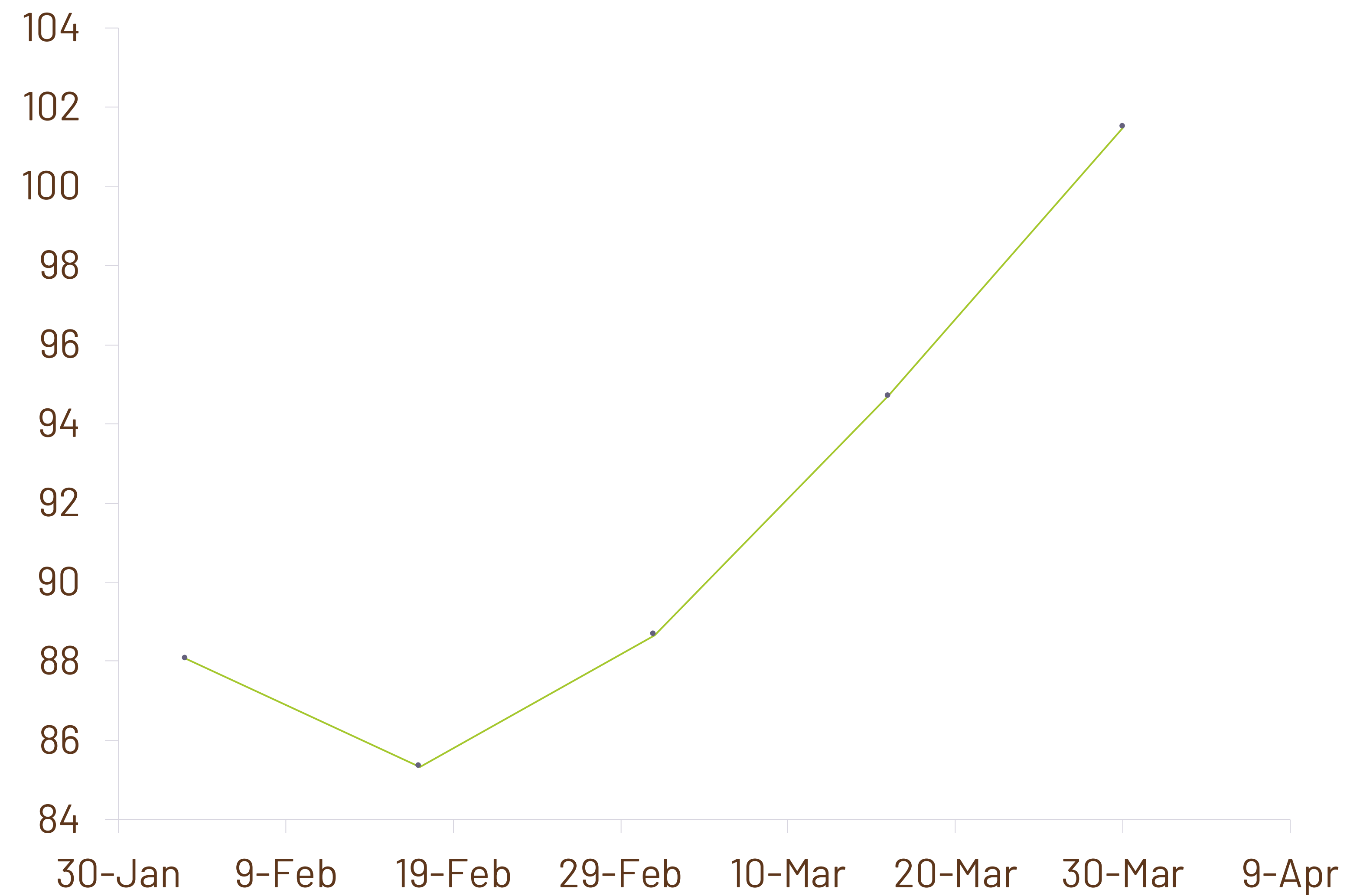
# *How the COVID-19 crisis is impacting Verde*

The Brazilian Ministry of Agriculture, Livestock and Supply declared that Fertilizer Production is an essential activity in the food and beverage production chain, essential to guarantee supply and food security of the Brazilian population.

Ordinance No. 116, March 27, 2020

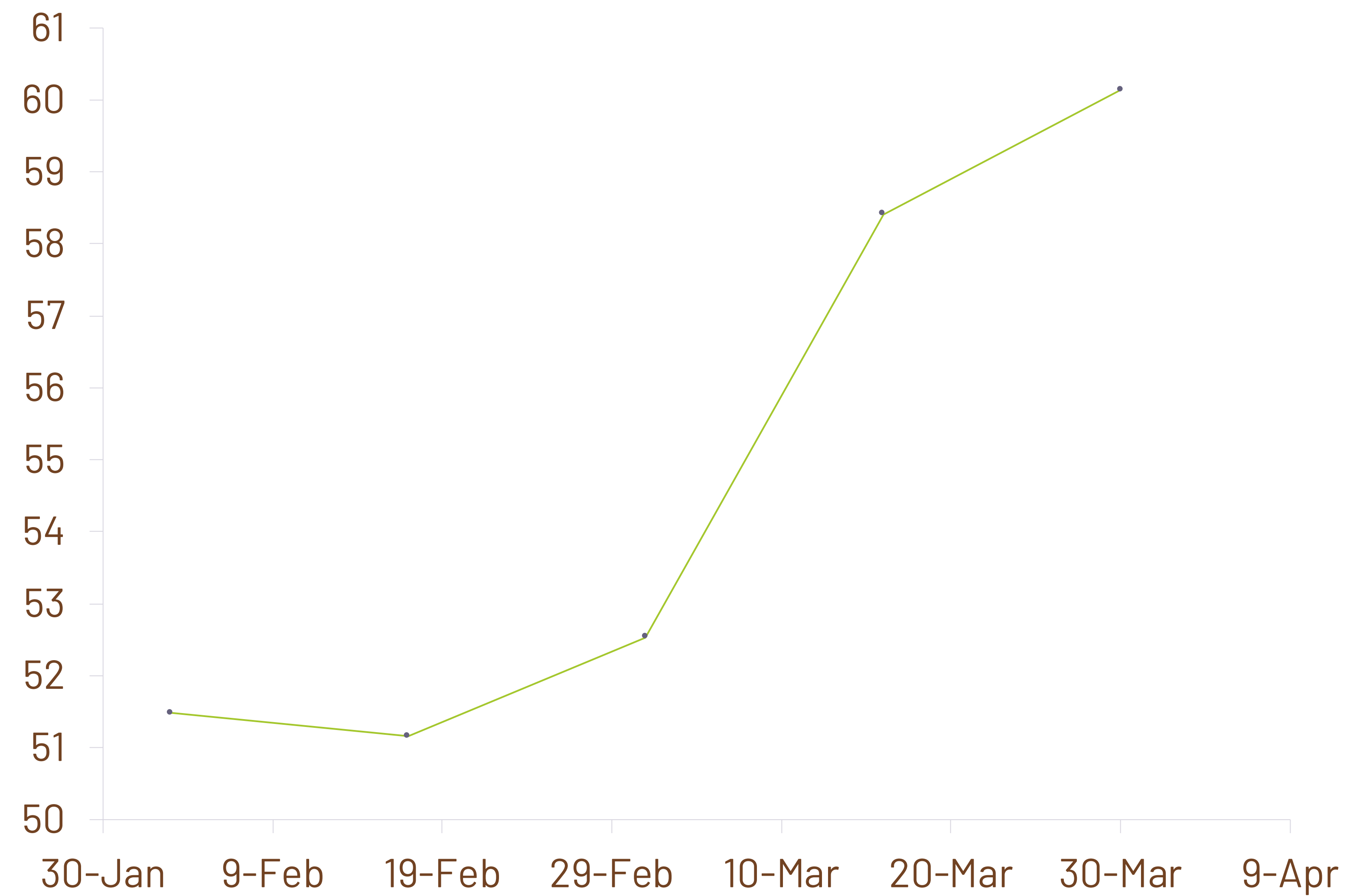
# ***Soy beans***

## Crop prices (R\$)



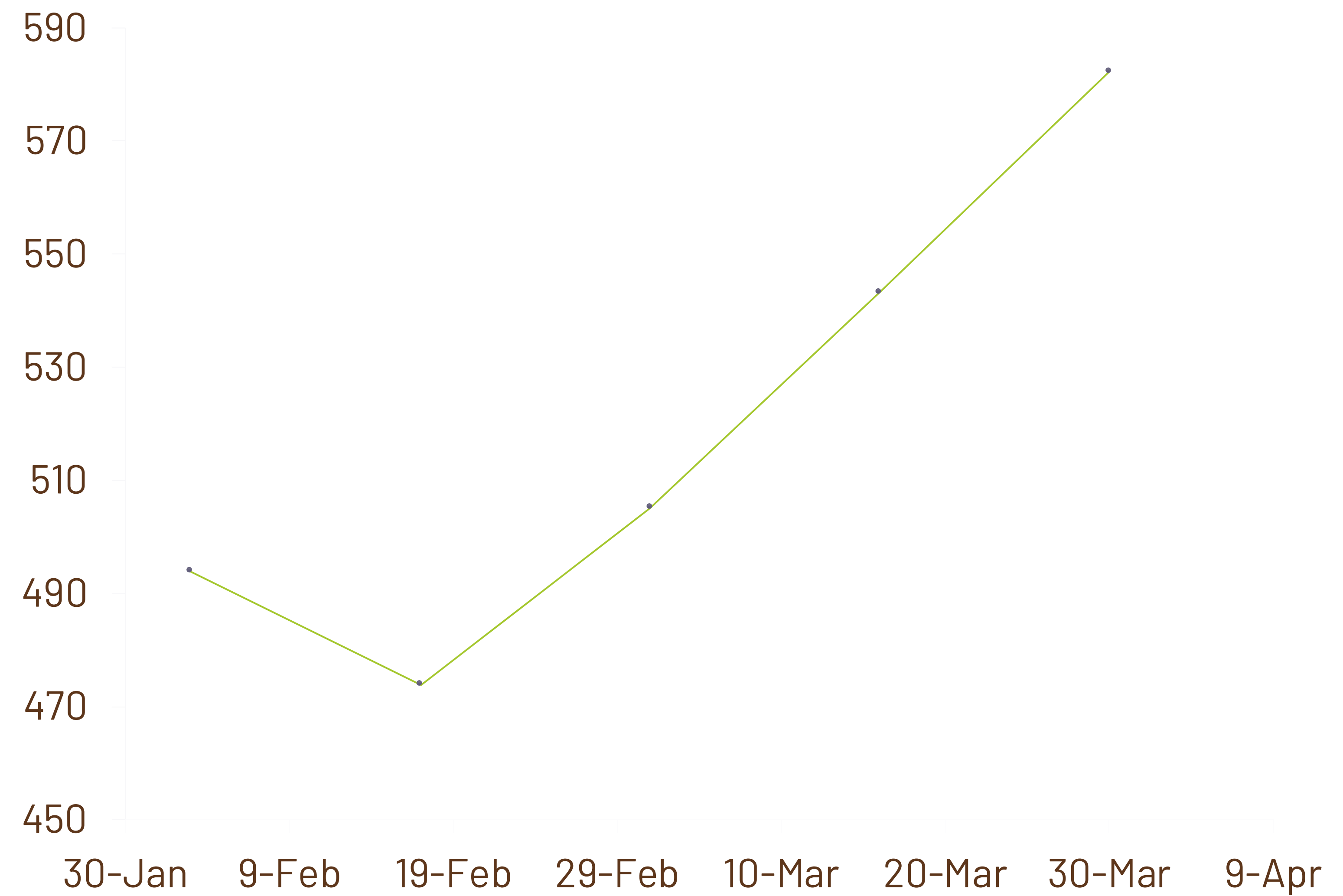
# Corn

## Crop prices (R\$)



# Coffee

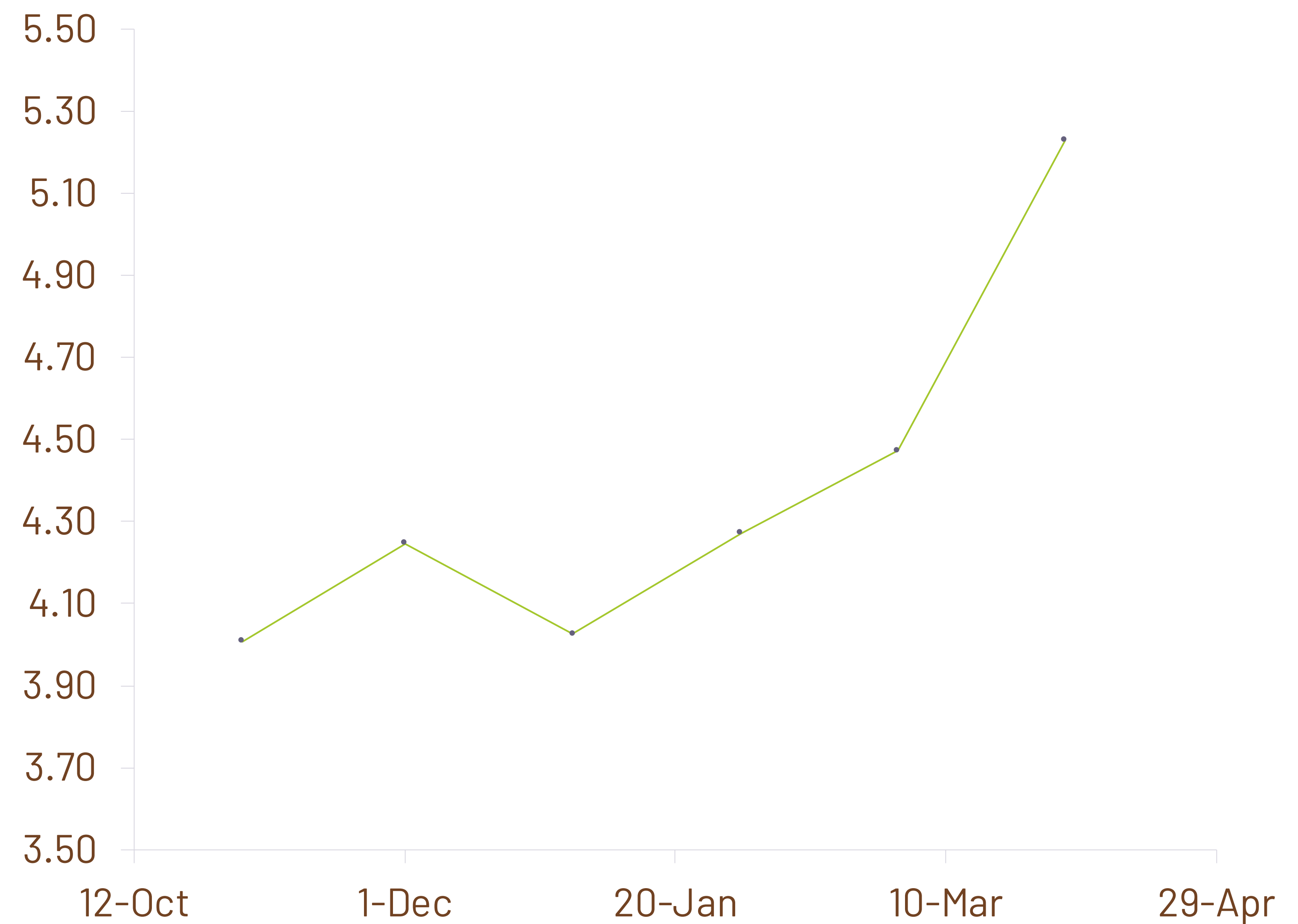
## Crop prices (R\$)



# Dollar/Real FX suffered an increase of 16% in March and 30% in 2020

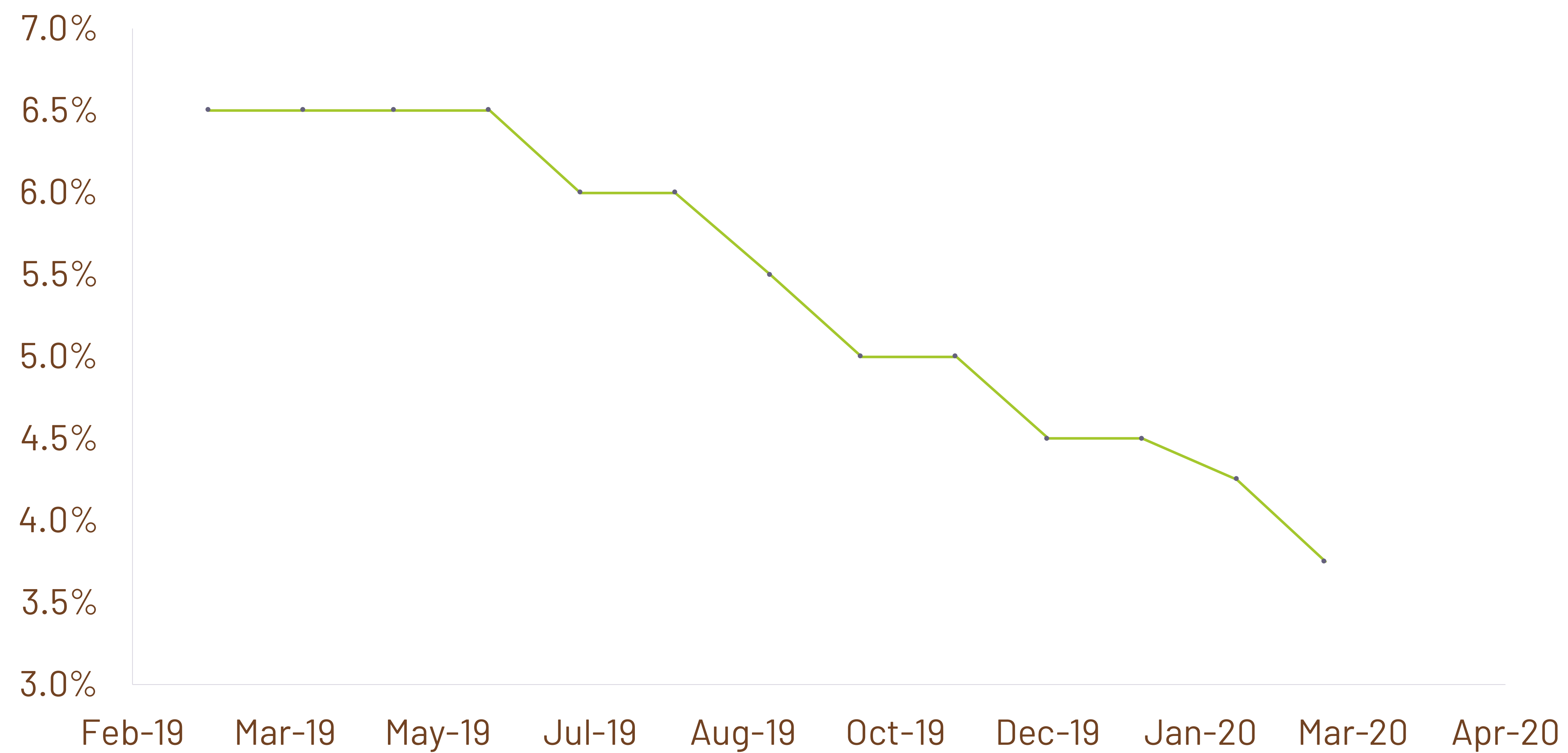
## USD/BRL Graph

1 USD = 5.2287 BRL (April 01, 2020)



# SELIC Rate

Brazil's Federal interest Rate



## ***Soybean x Potash***

the best exchange ratio in 5 years

The rise in the dollar impacted fertiliser prices in the Brazilian market. A survey carried out by the consultancy INTL FCStone, indicated an increase of 12.7% in the tonne of potassium in March.

Despite the recent increase in soybean prices, which also benefits from the best exchange rate ever recorded, in March 2020 11 bags of soy were needed to buy one tonne of potassium, compared to March 2019, when 17 bags of soy were needed to carry out the same operation.

***Brazil is feeding the world in a sustainable manner***



**BRAZIL HAS  
2,835,460<sub>KM<sup>2</sup></sub>  
IN USE AS  
FARMLANDS\***



**UK**

+



**FRANCE**

+



**SPAIN**

+



**ITALY**

+



**GERMANY**

# Brazilian farmers are the world's biggest forest protectors

Protected Area per Nation's Total Surface

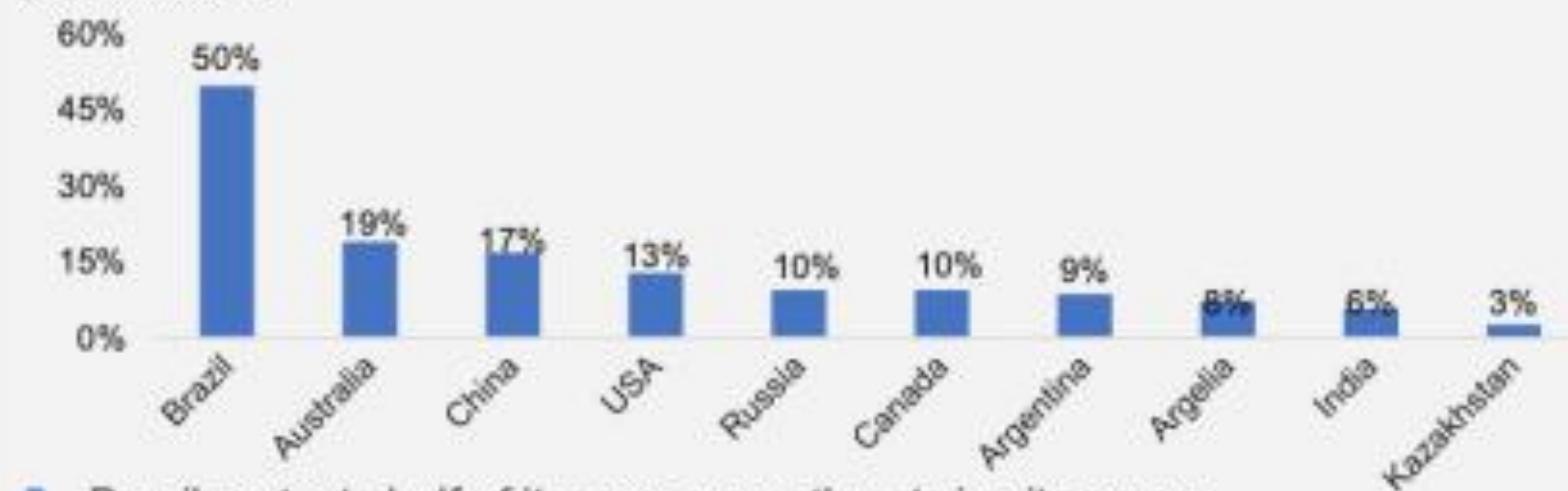
[(%); 2018]



Protected areas cover more than 14.7% (19.8 MM sq. km) of world land\*

% of Protected Area in Largest Countries (over 2 million sq. km)

[(%); 2016 & 2018]

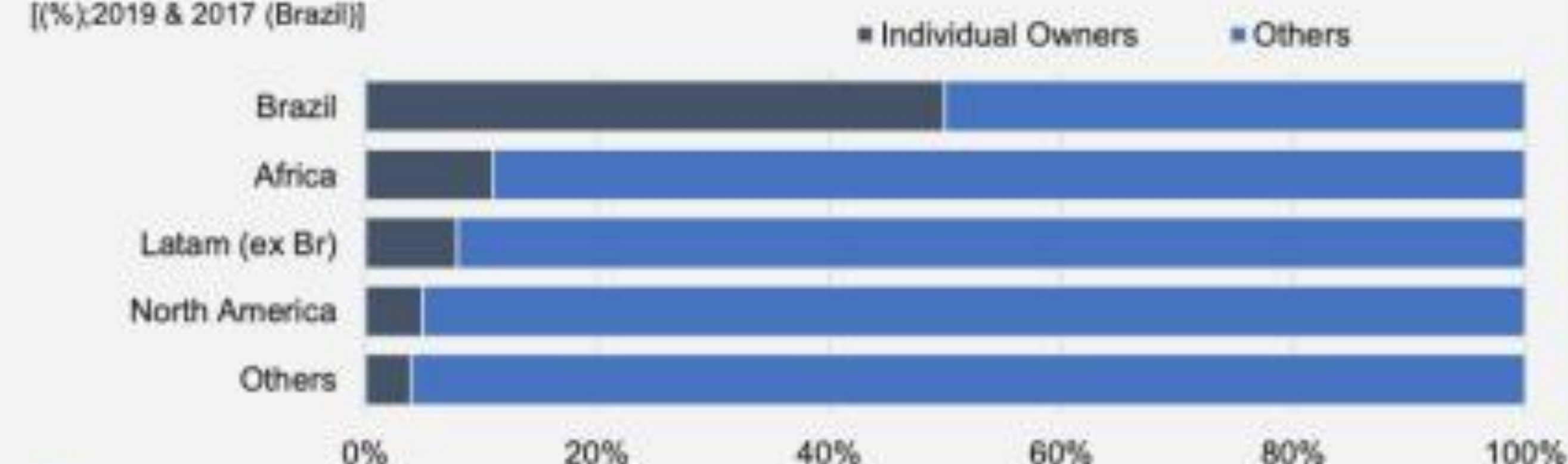


Brazil protects half of its area, more than twice its peers.

Source: Protected Planet based on IUCN and UNEP-WCMC (2016); Embrapa; IupéAnalyses

Source of Protected Area

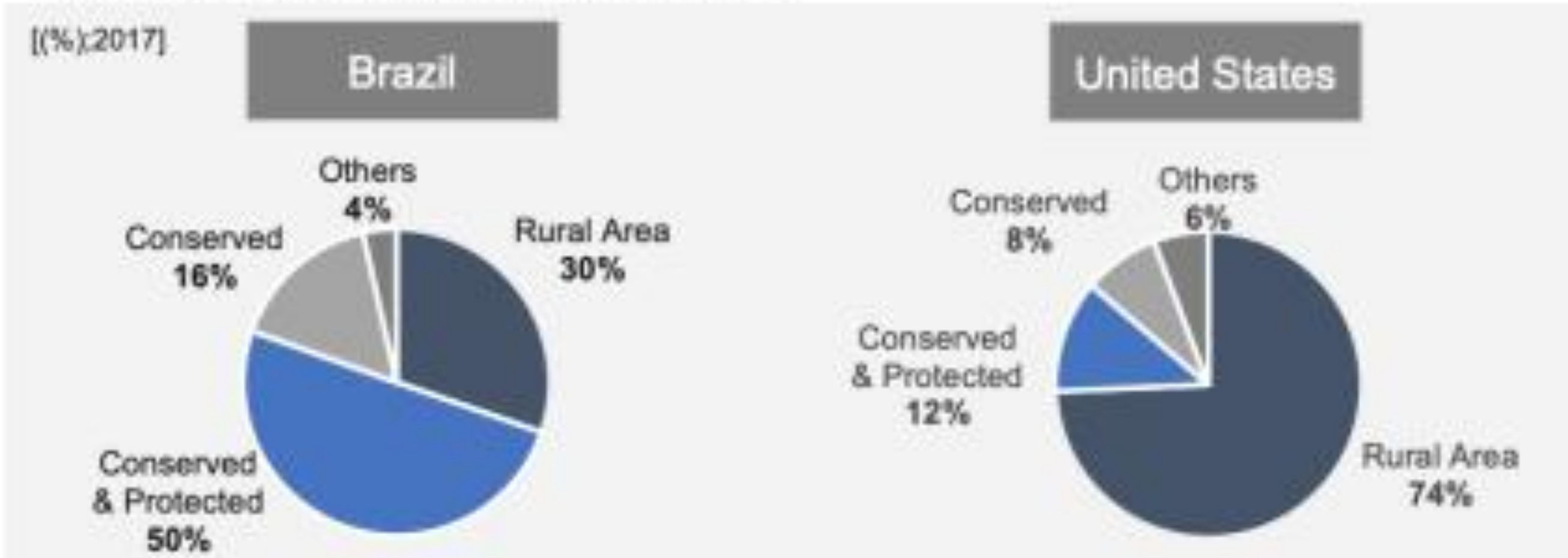
[(%); 2019 & 2017 (Brazil)]



Approx. half of Brazil's protected area is under landowners responsibility.

Land Use in Brazil and United States

[(%); 2017]



\*excludes Antarctica intent of the country

The term "Protection" refers to legal and/or regulatory

# *Every day you probably eat or drink something grown or cultivated in Brazil*

## Major exporters of Soybeans <sup>1</sup>

1. Brazil
2. United States
3. Argentina

## Major exporters of Coffee <sup>2</sup>

1. Brazil
2. Vietnam
3. Colombia

## Major exporters of Beef <sup>3</sup>

1. Brazil
2. India
3. Australia

## Major exporters of Chicken <sup>4</sup>

1. Brazil
2. United States
3. Netherlands

## Major exporters of Sugarcane <sup>5</sup>

1. Brazil
2. Thailand
3. Australia

## Major exporters of Corn <sup>6</sup>

1. USA
2. Brazil
3. Argentina

## ***Brazil's dependency on imported potash***



**OUR MINE IS  
LOCATED IN BRAZIL,  
THE WORLD'S BIGGEST  
IMPORTER  
AND 2<sup>nd</sup>  
LARGEST  
CONSUMER OF  
**POTASH****



**IN 2019, LOCAL FARMERS  
SPENT NEARLY  
C\$5.4 BILLION\*  
BUYING POTASH.**

CURRENTLY,  
BRAZILIAN FARMERS  
APPLY **10** MILLION TONS  
OF POTASSIUM  
CHLORIDE

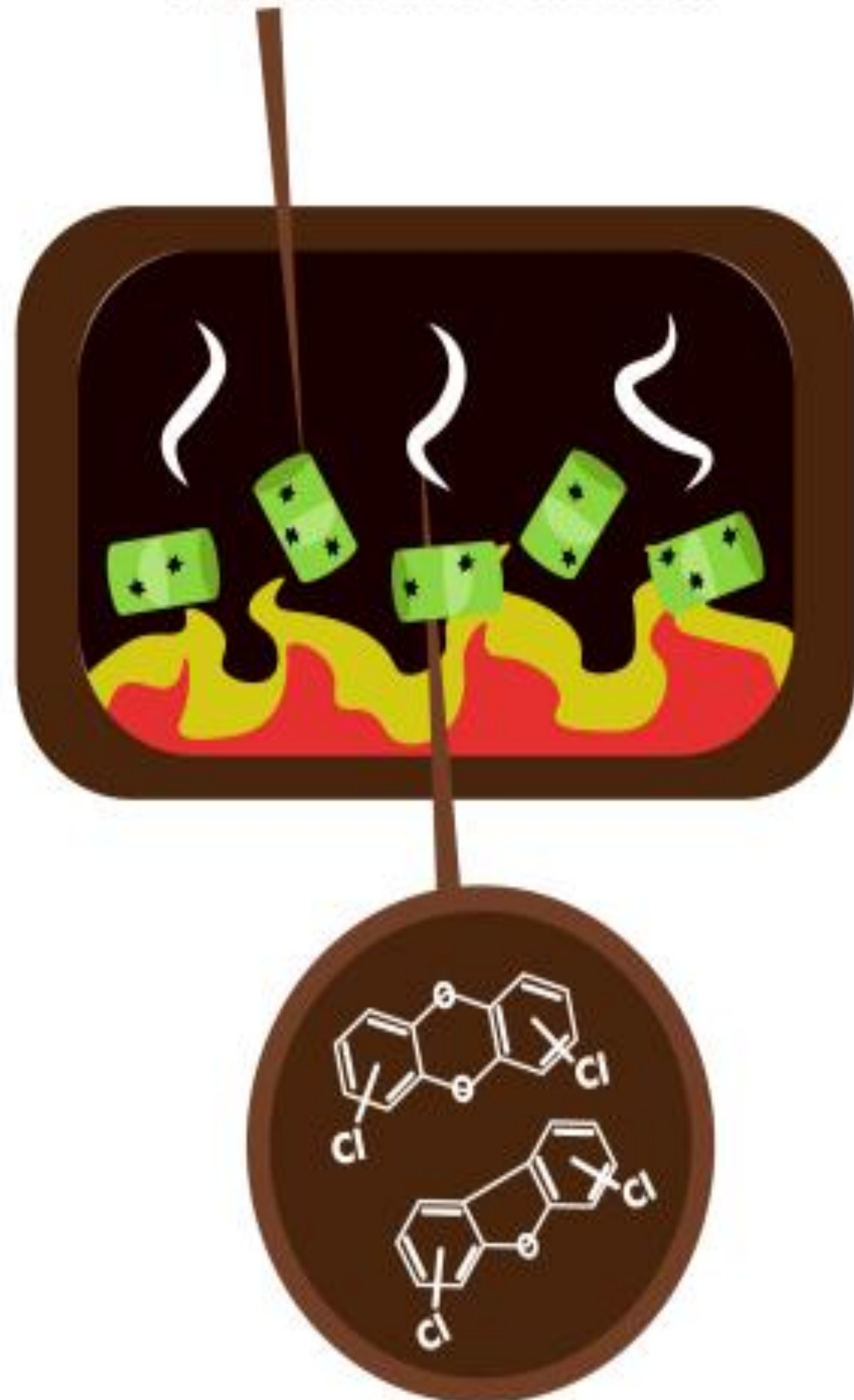
*THIS ALSO ADDS ~5 MILLION TONNES OF CHLORIDE  
TO SOILS AND FOOD CHAIN EVERY YEAR*

WE BELIEVE THERE IS NO NEED TO ADD THIS MUCH CHLORIDE TO OUR SOILS AND  
WANT TO REPLACE POTASSIUM CHLORIDE WITH OUR NATURAL FERTILIZER.  
THERE ARE 3 REASONS THIS WILL IMPROVE YOUR LIFE:

# FIRST, CHLORIDE IS BAD FOR GLOBAL WARMING.

Arbuscular Mycorrhizal Fungi are a symbiotic relationship between fungi and plants' roots, which is highly efficient in storing CO<sub>2</sub> but Chloride **kills it**.\*

In the beneficiation process of sugarcane cultivated with KCl, dioxins are formed.\*



**SECOND, CHLORIDE is  
NEEDED FOR DIOXINS'  
FORMATION, A CANCER  
CAUSING SUBSTANCE**

\*Source: Ronald, A. Dioxins: An Overview and History. Environmental Science & Technology, 2011 45 (1), 16-12. Available at: <https://pubs.acs.org/doi/full/10.1021/es1013664>

Bumb, R.R.; Crummett, W.B.; Cutle, S.S.; Gledhill, J.R.; Hummel, R.H.; Kagel, R.O.; Lamparski, L.L.; Luoma, E.V.; Miller, D.L.; Nestrick, T.J.; Shadoff, L.A.; Stehl, R.H. Woods, J.S. Trace chemistries of fire: A source of chlorinated dioxins, Science 1980, 210, 385-389

A vibrant collage of various fresh vegetables including carrots, bell peppers, onions, peas, broccoli, and cucumbers.

# THIRDLY, WE HELP BY GROWING HEALTHIER FOOD

Farmers only apply nutrients that translate into crop growth, like NPK. Because our product, in addition to K, has over 60 trace elements, it also adds the ones essential to your health.

## ***Verde's solution***

**WE MINE,  
PROCESS AND  
SELL A UNIQUE  
MULTINUTRIENT  
POTASSIUM FERTILIZER**

**IN BRAZIL,  
THE PRODUCT  
IS CALLED:**

**K  
FORTE**

**IN THE US, CHINA AND CANADA  
IT IS SOLD AS:**



**OUR PRODUCT  
IS MADE OF  
GLAUCONITE**

**GLAUCONITE HAS BEEN USED AS A  
POTASSIUM FERTILIZER FOR OVER  
250 YEARS\***

**MORE RECENTLY, GIVEN ITS RESTRICTED SUPPLY, IT  
WAS SOLD IN THE US AS A PREMIUM PRICED  
POTASSIUM FERTILIZER UNTIL THE LAST MINE WAS  
FORCED TO SHUT DOWN IN 2017.**

**OUR MINE  
WILL LAST  
GENERATIONS**

IT HAS **777.28 MT**  
**IN RESERVES**  
AND **1,472 MT**  
**IN RESOURCES\***

THE MINE IS SO BIG THAT WE ARE FOCUSING  
ON **VOLUME** RATHER THAN PRICE.

**NET PRESENT VALUE AFTER TAX  
(8% DISCOUNT RATE) IS  
\$2 BILLION.\***

**THE INTERNAL RATE OF RETURN IS 287%\***

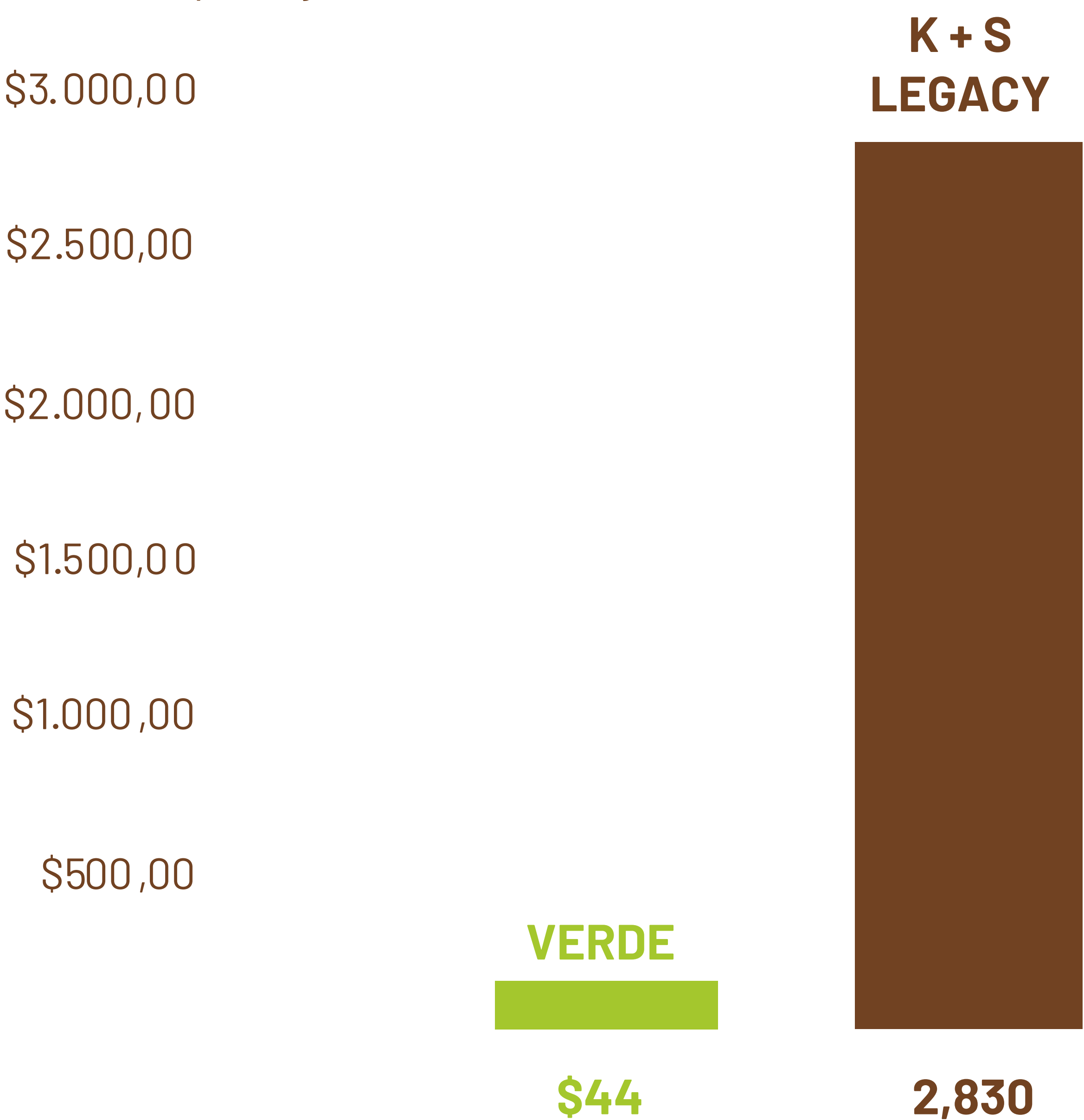
# Outstanding project economics because our delivered cost is the lowest among all producers\*



34 \*Source: page 28 from Scotiabanks - Materials: Global Fertilizers Spring 2017 and page 198 from N1 43-101 Pre-Feasibility Technical Report Cerrado Verde Project, Minas Gerais, Brazil Our cost per ton is \$7.92 on Phase 3, however our product has 6 times less potash than KCl. For this reason we have multiplied our cost per tonne by 6 so it can compare against KCl.

# Capital Expenditure is also the lowest

C\$ M per ton of K<sub>2</sub>O  
production capacity



Plant 1 is already built and in operation. CAPEX per ton of K<sub>2</sub>O production capacity was \$44, lower than the \$153 projected on PFS\*.

Our plant 1 expansion was completed on October 2019, financed from cash-flow and debt.

35 \*Source : <https://www.icis.com/explore/resources/news/2013/04/22/9661454/germanys-ks-raises-capex-for-canada-potash-project/> and page191 from NI43-101 Pre-Feasibility Technical Report Cerrado Verde Project, Minas Gerais, Brazil. C\$153 is Verde's CAPEX for production of 2.5Mt of K<sub>2</sub>O. C\$2830 is K+S's capex for production of 1.2t of K<sub>2</sub>O

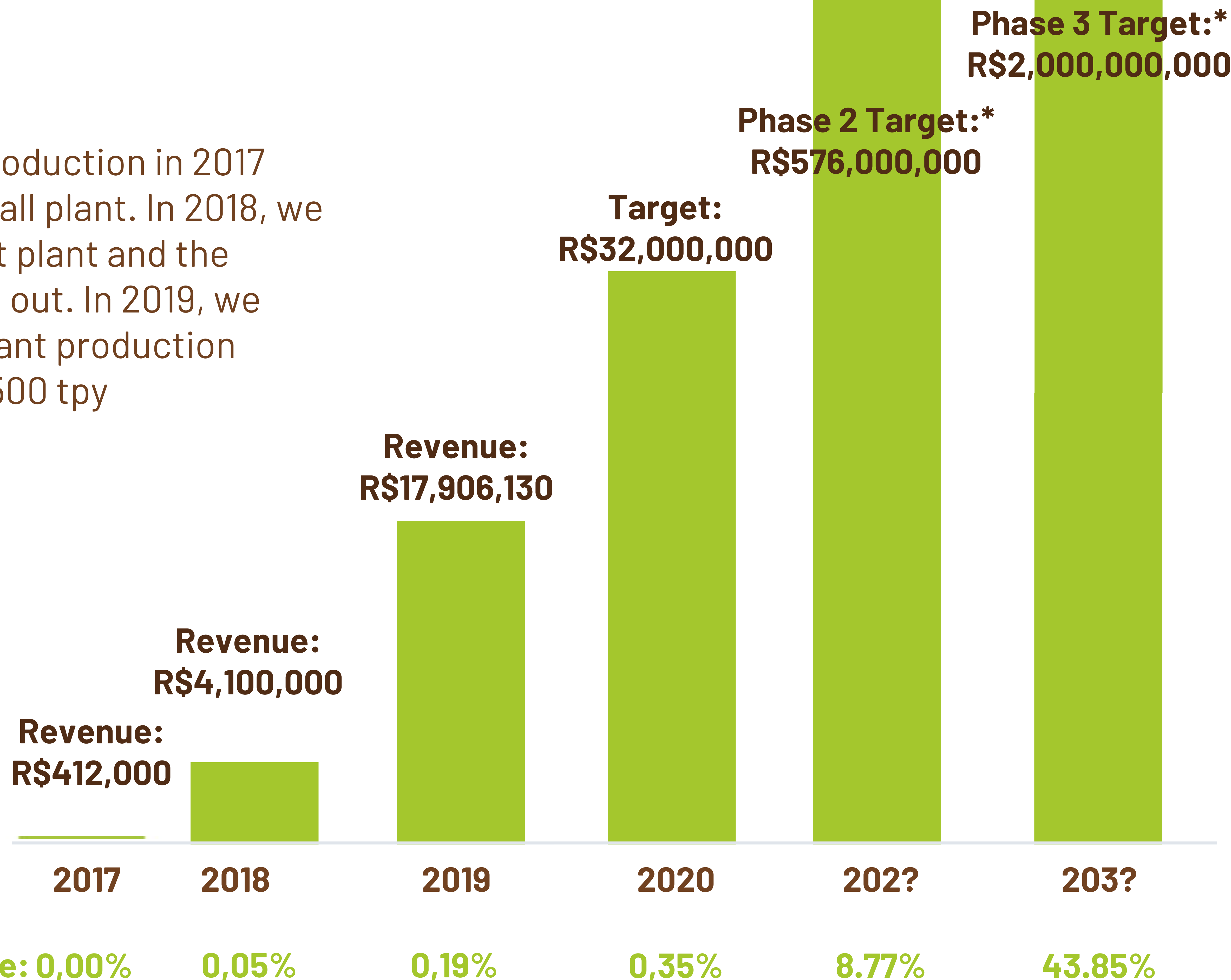
# Permits

In total, the Group is currently fully permitted to produce 199,800 tpy and has applications pending for an additional 283,000 tpy\*

Mine	Fully Permitted to Produce (tpy)	Mining Permits (tpy)		Environmental Licenses (tpy)	
		Granted	Pending Applications	Granted	Pending Applications
1	0	233,000	0	0	233,000
2	150,000	150,000	50,000	200,000	0
3	49,800	49,800	0	49,800	0
Total	199,800	432,800	50,000	249,800	233,000



We began production in 2017 renting a small plant. In 2018, we built our first plant and the product sold out. In 2019, we expanded plant production capacity to 500 tpy



# Sales Structure

## Sales and Marketing Team

2019: 11 people  
2020: 27 people

## Distributors

2019: 13 distributors with 28 stores  
2020: 22 distributors with 39 stores

## Independent Sales Agents

2019: 41 sales agents  
2020: 85 sales agents

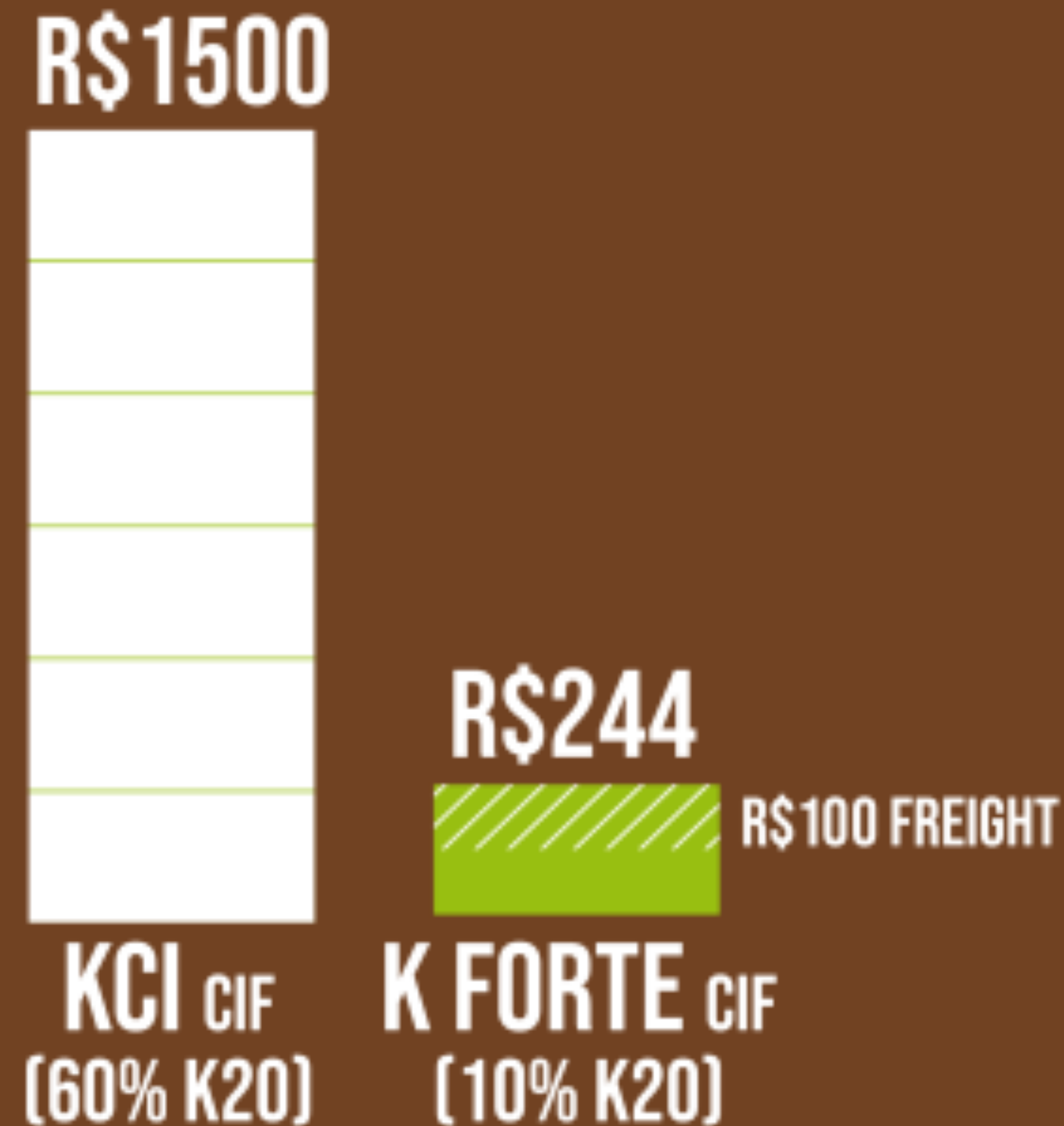
## Distributors' Sales Team

2019: 89 people  
2020: 161 people



THE PRODUCT SALES PRICE COULD BE HIGHER IN **BRAZIL** BUT WE ARE FOCUSING ON MARKET SHARE.

WE **PRICE OUR PRODUCT** CONSIDERING ONLY ITS POTASSIUM CONTENT VERSUS THE **CHEAPEST** SOURCE OF POTASSIUM, KCl.\*



**BUT THE PRODUCT IS SO **GOOD**,  
CUSTOMERS ARE WILLING TO  
PAY UP TO **\$3000 PER TON**  
WHERE IT IS SCARCE.**

Available at  
**amazon**



S. Romanowski

★★★★★ This is a GREAT fertilizer and soil conditioner

May 11, 2018

Starting my spring garden and bought my soil tester to test for pH, nitrogen, potash, and phosphorous deficiencies.

This is a GREAT fertilizer and soil conditioner.

I suggest you test your soil also before adding the appropriate amount so you will have a GREAT GARDEN too this year!!!!

3 people found this helpful

**READ ONLINE OTHER REVIEWS  
FROM OUR US CUSTOMERS.**

# WHY FARMERS ARE SWITCHING FROM KCI TO K FORTE

**COSTS THE SAME. 1**

**OFFERS FREE BENEFITS. 2**

Free Si, Mn, Mg, Co, Zn and  
trace elements;  
Chloride free, salt free.

**CONVENIENCE. 3**

No need to split applications.

# ***Verde's Self-Financing Business Model***

- Total Capex for 500,000 tpy plant was \$2,3M
- Running at 100% capacity the plant generates free cash flow of \$14.1M per annum
- Running at 75% capacity the plant generates free cash flow of \$10,6M per annum
- Running at 50% capacity the plant generates free cash flow of \$7,0M per annum

# Brazil's Crop Planting

## Harvest Calendar

Crop	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Soybeans					K Forte® Application							
	Harvest											
										Planting		
Corn					K Forte® Application							
			Harvest				Harvest (Safrinha - Second Crop)					
	Planting (Safrinha - Second Crop)									Planting		
Cotton						K Forte® Application						
						Harvest						
											Planting	
Coffee					K Forte® Application							
				Harvest								
	Planting - Top Dressing									Planting - Top Dressing		
Sugarcane			K Forte® Application									
	Harvest (Northeast Region)					Harvest (Central-West and South Regions)						
	Planting (18-month cycle)									Planting - Top Dressing		

# OUR CAPITAL STRUCTURE

**TIGHT: ~51M SHARES FULLY  
DILUTED AND ~46M OUTSTANDING.**

Cristiano Veloso, founder and CEO, owns ~7.3M shares. Since found the Company in 2005 he has never sold a single share, only purchased more shares, and is paid in shares, not cash.\*



\*In addition to CEO, Board Members are also paid in shares, not cash

# WHY VERDE, WHY NOW

ONE COMPANY,  
4 INVESTMENT THEMES EXPOSURE



WATER



CROP NUTRITION



CROP PROTECTION



ORGANIC AGRICULTURE

## 7 REASONS TO INVEST

1. IN PRODUCTION
2. HUGE MINERAL RESOURCE
3. SCALABLE PROJECT
4. PRODUCT IS DISRUPTIVE
5. FEW SHARES OUTSTANDING
6. DR ALYSSON PAOLINELLI IS A DIRECTOR
7. SIGNIFICANT DEVELOPMENTS FOR THE COMING MONTHS

# APPENDIX

# OUR DIRECTORS



## DR. ALYSSON PAOLINELLI

Dr. Paolinelli holds a degree in Agronomy from the Federal University of Lavras (UFLA). He has held positions such as the Brazilian Minister of Agriculture, the President of the National Confederation of Agriculture, and the Secretary of Agriculture for Minas Gerais State. As the Minister of Agriculture, Dr. Paolinelli established the Brazilian Agricultural Research Corporation (EMBRAPA), the world's leading tropical agriculture research institution.



## CRISTIANO VELOSO

Cristiano Veloso is Verde's founder and CEO. He holds a Sustainable Business Strategy specialization from Harvard Business School, an LLB from the Federal University of Minas Gerais, and a Masters in international Business Law from the University of East Anglia, UK.

# OUR DIRECTORS



## GETÚLIO LAMARTINE

Getúlio Lamartine holds a degree in Economics from the Federal University of Minas Gerais (UFMG). He is a senior economist with over 40 years of government and consulting experience in the Brazilian resource, electrical and power generation sectors, having served as Deputy Minister of the Environment (Brazil) in 1994.



## MICHAEL ST ALDWYN

Michael St Aldwyn holds a Master's degree at King's College London in "Brazil in Global Perspective". He is an executive with strong connections with global investment markets and with long track record in Latin America. Michael served as Chairman of the Anglo-Brazilian Society from 1996- 2002 and as a Director of BlackRock Latin American Investment Trust from 1996- 2017. He is currently chairman of Itacaré Capital Investment Ltd.



## PAULO SERGIO RIBEIRO MACHADO

Mr. Machado holds a degrees in Mining Engineering and Geology from the Federal University of Minas Gerais (UFMG) and has spent his career developing and operating large mining projects. He has also acted a member of the Board of Directors of CEMIG, one of the largest and most important electric energy utilities in Brazil.



## RENATO GOMES

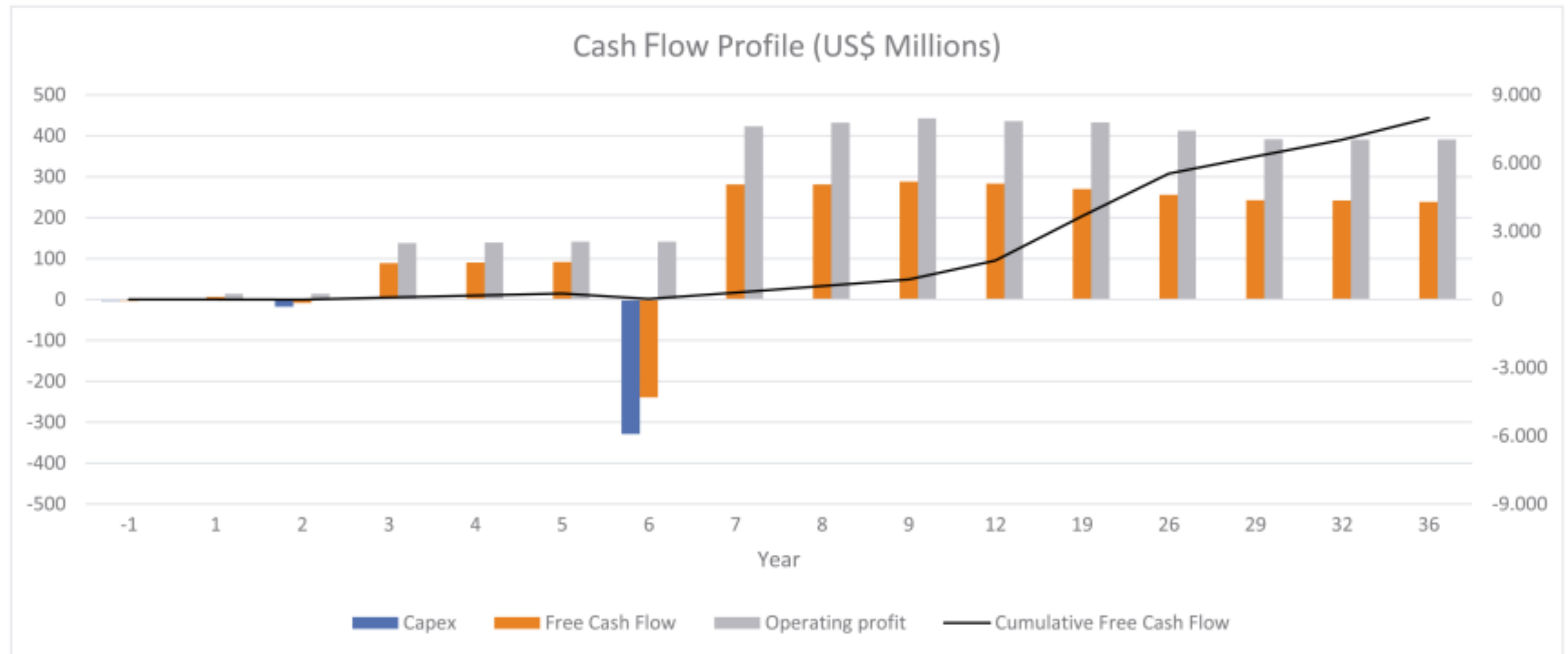
Mr. Gomes holds an LL.B. from the Federal University of Minas Gerais (UFMG), an LL.M. from the London School of Economics, UK, and a PhD from Georgetown University, USA. Mr. Gomes is currently President and CEO of Atlantica Mining, which operate iron ore projects in Brazil.

# SUPERGREENSAND® VS. CONVENTIONAL POTASH

	Super Greensand®	Conventional (KCl)
Year of Launch:	2017	1861
Nutrients:	K, Mg, Mn, Fe, Si, Co and traces of 60 other minerals including all plant essential macro and micronutrients	K and Cl
Plant Nutrients Concentration	77%	60%
Salinity:	0.17%	116%
Product's losses in tropical soil:	0.3%	26%
Water Holding Capacity	103%	0
Organic Agriculture:	Approved	Prohibited
Impact on soil microorganisms:	Fosters	Kills
Retains ammonia	Yes	No
Increases the soil's ability to retain water and other nutrients	Yes	No
Provides Si, proven to increases plant resistance against pests, diseases and abiotic stress	Yes	No
Market Size	TBD by Pre Feasibility Study	9 Million Tonnes (94% imported and 5,4% domestically produced)
Average distance travelled to Brazil:	0 km (0 miles)	10,000km (6,200 miles)

**Table 22.2-1 Economic-financial analysis of the Project**

Item	Description	Unit	Year															
			-1	1	2	3	4	5	6	7	8	9 to 11 (average)	12 to 18 (average)	19 to 25 (average)	26 to 28 (average)	29 to 31 (average)	32 to 35 (average)	36
<b>1</b>	<b>Production</b>																	
1.1	Final Product (dry basis)	kt		609	611	5,032	5,007	5,034	5,010	25,021	24,995	25,689	25,156	25,156	25,156	25,156	25,156	25,156
<b>2</b>	<b>Revenue</b>																	
2.1	Total revenue	10 <sup>6</sup> US\$		<b>23.2</b>	<b>23.3</b>	<b>177.0</b>	<b>176.1</b>	<b>177.1</b>	<b>176.2</b>	<b>628.1</b>	<b>627.5</b>	<b>644.9</b>	<b>631.5</b>	<b>631.5</b>	<b>631.5</b>	<b>631.5</b>	<b>631.5</b>	<b>631.5</b>
<b>3</b>	<b>Production cost</b>																	
3.1	Total	10 <sup>6</sup> US\$		9.2	9.6	39.5	36.8	35.8	35.1	204.9	195.6	202.0	196.0	198.3	219.1	239.8	240.5	240.5
<b>4</b>	<b>EBTIDA</b>	10 <sup>6</sup> US\$		14	14	138	139	141	141	423	432	443	436	433	412	392	391	391
		%		60%	59%	78%	79%	80%	80%	67%	69%	69%	69%	69%	65%	62%	62%	62%
<b>5</b>	<b>Operating profit</b>	10 <sup>6</sup> US\$		14	14	138	139	141	141	423	432	443	436	433	412	392	391	391
<b>6</b>	<b>Mining Royalties</b>	10 <sup>6</sup> US\$		0	0	4	4	4	4	13	13	13	13	13	13	13	13	13
<b>7</b>	<b>Depreciation and amortization</b>	10 <sup>6</sup> US\$		0	0	2	2	2	2	35	35	35	35	0	0	0	0	0
<b>8</b>	<b>Profit before income tax</b>	10 <sup>6</sup> US\$		13	13	132	134	136	136	376	384	395	388	421	400	379	378	378
<b>9</b>	<b>Income Tax</b>	10 <sup>6</sup> US\$		5	4	45	45	46	46	128	131	134	132	143	136	129	129	129
<b>10</b>	<b>Net profit</b>	10 <sup>6</sup> US\$		9	9	87	88	90	89	248	254	261	256	278	264	250	250	250
<b>11</b>	<b>Royalty Finder's Fee</b>	10 <sup>6</sup> US\$		0.3	0.3													
<b>12</b>	<b>Initial Investments</b>	10 <sup>6</sup> US\$	3.1		17				329									
<b>13</b>	<b>Sustaining Capital</b>	10 <sup>6</sup> US\$							1.5	1.5	7.5	7.5	7.7	7.5	7.5	7.5	7.5	7.5
<b>14</b>	<b>Working capital</b>	10 <sup>6</sup> US\$		2.3														-2
<b>15</b>	<b>Cash Balance</b>	10 <sup>6</sup> US\$	-3	6	-9	89	90	92	-239	281	281	288	283	270	256	243	242	239
<b>16</b>	<b>NPV at 8% per year</b>	10 <sup>6</sup> US\$	1,988															
<b>17</b>	<b>IRR</b>	%	287%															
<b>18</b>	<b>Payback</b>	years		0.5		0.2					1.2							



**Figure 22.4-1 Cashflow Profile**

## ONE COMPANY, 4 INVESTMENT THEMES EXPOSURE



### CROP PROTECTION

VERDE'S PRODUCTS MAKES CROPS MORE RESISTANT AGAINST PESTS AND DISEASES



### WATER

VERDE'S PRODUCTS IMPROVE SOIL'S WATER HOLDING CAPACITY, ENHANCES CROP WATER USAGE EFFICIENCY AND MAKES CROPS MORE RESISTANT AGAINST DROUGHT



### CROP NUTRITION

VERDE'S PRODUCTS OFFERS ESSENTIAL MACRO AND MICRO NUTRIENTS, IMPROVES SOIL CAPACITY TO RETAIN NUTRIENTS AND INCREASES NUTRIENTS AVAILABILITY



### ORGANIC AGRICULTURE

VERDE'S PRODUCTS ARE APPROVED FOR ORGANIC AGRICULTURE AND ARE CURRENTLY SOLD TO CANNABIS GROWERS IN THE US