

March 15, 2021

# VERDE RECEIVES \$1.4 MILLION THROUGH WARRANT EXERCISE AND PROVIDES CORPORATE UPDATE

(All figures are in Canadian dollars, unless stated otherwise.)

**Belo Horizonte, Brazil. Verde AgriTech Plc** (TSX: "NPK") (OTCQB: "AMHPF") ("**Verde**" or the "**Company**") is pleased to announce that it has received net proceeds of \$1,410,057 from the exercise of 1,410,057 Warrants issued pursuant to the private placement completed on March 12, 2019 (the "**Warrants**") from a total of sixteen investors. Of these, three were Company insiders.

The Warrants were part of a fundraising exercise that raised \$1,692,068. On that occasion, Mr Cristiano Veloso, Verde's President & CEO, was the lead investor, which gave greater comfort to many of the subscribers. That offering was made available to any accredited investor who wished to participate and was completed without broker involvement or fees, despite the market challenges of that period.

The Warrants' expiry was on March 12, 2021 and its exercise price was \$1.00 per share.

The insider investors who exercised their Warrants were Mr Cristiano Veloso (\$456,208), Mr Felipe Paolucci (\$83,333) and Mr Michael St Aldwyn (\$41,666).

"The Warrants exercise by all investors demonstrates the continued support of the Company's shareholders, recognizing the vision and long-term value that Verde is creating. Recent sales results, disclosed on March 01, 2021, showing a 103% growth for the year ended December 31, 2020 ("**FY 2020**") compared to the year ended December 31, 2019, are an indication of this positive and accelerating market success", said Mr Cristiano Veloso, Verde's founder, President & CEO.

The Company intends to use proceeds from the Warrants exercised to advance its growth strategy, including CAPEX for the development of its mining and processing facilities and general working cashflow purposes.

Audited financial results for the fourth quarter ("**Q4 2020**") and FY 2020 will be reported and filed on SEDAR on March 30, 2021.

## CORPORATE UPDATE

Verde's Board of Directors has developed a long-term incentive plan in order to ensure that the Company continues to attract and retain professional talent. This has been particularly relevant in view of the fast-growing pace of the Company, which means that the new employees are more efficiently onboarded thanks to the experience and vision shared by their senior peers. This strategy has abundant parallels in technology companies and other sectors where fast scaling of operations is essential for market success.

Seeing that Verde has only two C-level executives and no vice president, Mr Veloso and Mr Paolucci assume different tasks and responsibilities, therefore their continued engagement plays a vital role in its management and growth.

Mr Veloso has been issued with 750,000 Stock Options with an exercise price of \$1.22 that, in compliance with the Company's stock option plan, was based on the 5-day average market closing price to March 5th, 2021, date when the options were granted by the Board. He has voluntarily committed to the Board that if the options are exercised when the share price is trading under C\$6.45 (the highest price ever achieved in a private placement made by Verde), the shares will be held in escrow until such value is reached.

Mr Paolucci and Mr Veloso were issued with 100,000 and 399,000 shares respectively. Those shares will be held in escrow and can only be released under the following conditions: 50% to be released when the shares of the Company trade above \$6.45 for 10 consecutive days; 50% to be released when the Company's sales grow approximately 10 times the 2020 total, reaching R\$300,000,000 with a minimum of annual audited EBITDA of R\$50,000,000.

No future compensation will be settled by the issuance of shares and the Board of Directors has no intention to request such permission from shareholders as had to be the case in the last 4 years.

For 2020, Mr Veloso was paid a bonus of \$550,990 for hitting the Company's targets of growth and sales for the period. He reinvested all his bonus in the Company through the exercise of stock options and warrants. For 2021, Mr Veloso's bonus will be a sliding scale with a maximum of \$420,000 if the Company achieves a 115% growth in its EBITDA (before non-cash events) and a minimum of \$210,000 if the Company achieves a 45% growth. The EBITDA will be calculated considering the cost of the bonus.

The golden age of potash prices saw the company's share price reach \$10 in 2011. In the dark days when potash prices traded as low as a fifth of previous prices, Mr Veloso remained committed to the Company. Over this period, in order to preserve the Company's dwindling cash reserves, Mr Veloso agreed to forego any cash payment and to be compensated exclusively in shares. Since the Company's incorporation in 2005, Mr Veloso has never sold a single Company share and since 2017 has reinvested all the money paid as salaries and bonus into the Company, as well as investing over \$1 million in new financing.

As importantly, in 2014, it was thanks to Mr Veloso's vision that the Company decided to focus on developing a novel fertilizer that could be produced with a low capex and in a scalable fashion. This strategy has allowed the company to become profitable with minimal shareholder dilution since the Company was incorporated, a policy that still underpins its strategy.

"I thank our loyal shareholders who trusted we could turn the Company around in a time of great uncertainty. Without their support we wouldn't have succeeded when other development potash companies were struggling. Thanks to them we have become the only new entrant to succeed in bringing a new potash mine into production. I also welcome all new shareholders who are joining us in fulfilling our purpose to improve the health of the planet and humanity. We will continue to do our utmost to grow the sales and profitability of the Company", declared Mr Veloso.

### INVESTORS NEWSLETTER

Subscribe to receive the Company's monthly updates at:

<http://cloud.marketing.verde.ag/InvestorsSubscription>

The last edition of the newsletter can be accessed at: <http://bit.ly/InvestorsNL-February2021>

### Q4 AND FY 2020 RESULTS CONFERENCE CALL

The Company will host a conference call on Wednesday, April 7, 2021 at 11:00 pm Eastern Time (4:00 pm Greenwich Mean Time), to discuss Q4 and FY 2020 results and provide an update. Subscribe using the link below and receive the conference details by email.

<b>Date:</b>	Wednesday, April 7, 2021
<b>Time:</b>	11:00 am Eastern Time (4:00 pm Greenwich Mean Time)
<b>Subscription link:</b>	<a href="http://bit.ly/VerdeAgriTech-Q4-FY-2020">http://bit.ly/VerdeAgriTech-Q4-FY-2020</a>

The Company's third quarter financial statements and related notes for the period ended on September 30, 2020 are available to the public on SEDAR at [www.sedar.com](http://www.sedar.com) and the Company's website at [www.investor.verde.ag/](http://www.investor.verde.ag/).

### About Verde AgriTech

Verde AgriTech promotes sustainable and profitable agriculture through the development of its Cerrado Verde Project. Cerrado Verde, located in the heart of Brazil's largest agricultural market, is the source of a potassium-rich deposit from which the Company intends to produce solutions for crop nutrition, crop protection, soil improvement and increased sustainability.

**For additional information please contact:**

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[www.verde.ag](http://www.verde.ag) | [www.supergreensand.com](http://www.supergreensand.com)

**Cautionary Language and Forward Looking Statements**

All Mineral Reserve and Mineral Resources estimates reported by the Company were estimated in accordance with the Canadian National Instrument 43-101 and the Canadian Institute of Mining, Metallurgy, and Petroleum Definition Standards (May 10, 2014). These standards differ significantly from the requirements of the U.S. Securities and Exchange Commission. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.

This document contains "forward-looking information" within the meaning of Canadian securities legislation and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. This information and these statements, referred to herein as "forward-looking statements" are made as of the date of this document. Forward-looking statements relate to future events or future performance and reflect current estimates, predictions, expectations or beliefs regarding future events and include, but are not limited to, statements with respect to:

- (i) the estimated amount and grade of Mineral Resources and Mineral Reserves;
- (ii) the PFS representing a viable development option for the Project;
- (iii) estimates of the capital costs of constructing mine facilities and bringing a mine into production, of sustaining capital and the duration of financing payback periods;
- (iv) the estimated amount of future production, both produced and sold; and,
- (v) estimates of operating costs and total costs, net cash flow, net present value and economic returns from an operating mine.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives or future events or performance (often, but not always, using words or phrases such as "expects", "anticipates", "plans", "projects", "estimates", "envisages", "assumes", "intends", "strategy", "goals", "objectives" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements.

All forward-looking statements are based on Verde's or its consultants' current beliefs as well as various assumptions made by them and information currently available to them. The most significant assumptions are set forth above, but generally these assumptions include:

- (i) the presence of and continuity of resources and reserves at the Project at estimated grades;
- (ii) the geotechnical and metallurgical characteristics of rock conforming to sampled results; including the quantities of water and the quality of the water that must be diverted or treated during mining operations;
- (iii) the capacities and durability of various machinery and equipment;
- (iv) the availability of personnel, machinery and equipment at estimated prices and within the estimated delivery times;
- (v) currency exchange rates;
- (vi) Super Greensand® and K Forte® sales prices, market size and exchange rate assumed;
- (vii) appropriate discount rates applied to the cash flows in the economic analysis;
- (viii) tax rates and royalty rates applicable to the proposed mining operation;
- (ix) the availability of acceptable financing under assumed structure and costs;
- (x) anticipated mining losses and dilution;
- (xi) reasonable contingency requirements;
- (xii) success in realizing proposed operations;
- (xiii) receipt of permits and other regulatory approvals on acceptable terms; and
- (xiv) the fulfilment of environmental assessment commitments and arrangements with local communities.

Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Many forward-looking statements are made assuming the correctness of other forward looking statements, such as statements of net present value and internal rates of return, which are based on most of the other forward-looking statements and assumptions herein. The cost information is also prepared using current values, but the time for incurring the costs will be in the future and it is assumed costs will remain stable over the relevant period.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that estimates, forecasts, projections and other forward-looking statements will not be achieved or that assumptions do not reflect future experience. We caution readers not to place undue reliance on these forward-looking statements as a number of important factors could cause the actual outcomes to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates assumptions and intentions expressed in such forward-looking statements. These risk factors may be generally stated as the risk that the assumptions and estimates expressed above do not occur as forecast, but specifically include, without limitation: risks relating to variations in the mineral content within the material identified as Mineral Resources and Mineral Reserves from that predicted; variations in rates of recovery and extraction; the geotechnical characteristics of the rock mined or through which infrastructure is built differing from that predicted, the quantity of water that will need to be diverted or treated during mining operations being different from what is expected to be encountered during mining operations or post closure, or the rate of flow of the water being different; developments in world metals markets; risks relating to fluctuations in the Brazilian Real relative to the Canadian dollar; increases in the estimated capital and operating costs or unanticipated costs; difficulties attracting the necessary work force; increases in financing costs or adverse changes to the terms of available financing, if any; tax rates or royalties being greater than assumed; changes in development or mining plans due to changes in logistical, technical or other factors; changes in project parameters as plans continue to be refined; risks relating to receipt of regulatory approvals; delays in stakeholder negotiations; changes in regulations applying to the development, operation, and closure of mining operations from what currently exists; the effects of competition in the markets in which

Verde operates; operational and infrastructure risks and the additional risks described in Verde's Annual Information Form filed with SEDAR in Canada (available at [www.sedar.com](http://www.sedar.com) ) for the year ended December 31, 2019. Verde cautions that the foregoing list of factors that may affect future results is not exhaustive.

When relying on our forward-looking statements to make decisions with respect to Verde, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Verde does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by Verde or on our behalf, except as required by law.