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Verde launches P4G shareholder earnings strategy after securing Banco do Brasil financing backed by future sales contracts

Belo Horizonte, Brazil. Verde AgriTech Plc (TSX: “**NPK**”) (OTCQB: “**AMHPF**”) (“**Verde**” or the “**Company**”) is pleased to announce its Paid for Growth (“**P4G**”) strategy, a cornerstone program aimed at distributing gains to shareholders as a result of the Company's continued accelerated market expansion. This will be possible thanks to the availability of a transformative source of funding secured by the Company. Previously, financing could only be secured by invoice discounting or guaranteed by capital goods, now Verde's future sales contracts are accepted as debt collateral.

The Company also communicates an expansion to its Cultivando Amor program, a charitable initiative aimed at supporting local rural communities.

“In Brazil, no other bank has financed more harvests than Banco do Brasil. In 2020 alone, it financed Brazil's agriculture to the tune of R\$ 191 billion. It is therefore fitting that the bank step up to provide this important credit facility to Verde, thereby helping fuel the accelerating production of our potash rich multinutrient fertilizer that will be vital for countless more harvests in our country”, affirmed Dr. Alysson Paolinelli, former Brazilian minister of agriculture, recipient of the World Food Prize and member of Verde's Board of Directors.

Banco do Brasil S.A. (“**BB**”) has granted to Verde a line of credit through Agribusiness Certificate of Credit Rights (“**CDCA**”, from *Certificado de Direitos Creditórios do Agronegócio*). A CDCA is a financial instrument used by established Brazilian agricultural businesses, it is a freely traded credit bond that represents expected cash payments originating from farmers and third parties. Its issuance and use are limited to the agricultural sector, be it farming production and processing, or industrialized farming inputs and machinery. CDCA is only granted to producers of broadly traded and accepted commodities and goods.

Verde's loan is for a term of 36 months with an interest rate of CDI (based on SELIC, the Brazilian Central Bank overnight rate) + 2.92% per annum, with a 6 months grace period. The guarantee of the operations are future sales contract with Verde. The first loan was for R\$10 million.

The financing was granted by BB after thorough due diligence that included an evaluation of Verde's historical market and sales performance, seeing that the credit arrangement recognizes future sales contracts as collateral, with no further pre-conditions for its execution and grant.

The funds raised through this new loan modality will be used for accelerated expansion. Consequently, Verde will free up its earnings and re-finance its growth based on an expanding credit line proportional to its required growth capital investment and forecasted sales. This can be done so long as there is an upwards trajectory for production because then future sales are expected to continuously outstrip current production.

“I am proud to have started my formal work career at Banco do Brasil, at the age of 18, and grateful for everything I learned during that experience. Today, it is therefore exciting to see the bank playing a key role in helping Brazilian farmers to retake control by financing Verde, Brazil’s largest potash mine.

It is crippling for our country to rely on imports for 96% of our potash needs. Given Brazil’s role as the world’s largest food exporter, it is equally worrying to think that the bread basket of the World would succumb without three distant sources of potash: Canada, Russia and Belarus, which jointly account for around 80% of all global potash sales.

Debt funding alongside accumulated cashflow has been and will continue to be the preferred route to accelerate Verde’s growth even more, especially now in light of Banco do Brasil’s transformative financing structure”, commented Verde’s Founder, President & CEO Cristiano Veloso.

PAID FOR GROWTH AND CULTIVANDO AMOR

Verde’s P4G was launched by the Company to enable it to distribute earnings to shareholders, while expanding production. P4G is being engineered in detail so that it can make the most of the Company’s potential earnings without compromising its accelerated growth strategy.

As it returns gains to its shareholders, Verde will also expand its ongoing Cultivando Amor program. This is a charitable initiative in which the Company sits down with local rural communities located in the region of its operations and market to jointly select commendable social projects and charitable institutions to be supported.

“It has been nearly 17 years since we founded Verde. I am ever thankful to several shareholders who have patiently supported us along the nearly two decades of development. We hope that today’s announcement will motivate all shareholders to support Verde for decades to come while earning their well-deserved share of our success.

It was never easy to implement our non-dilutive strategy over so many years, but we are proud to reach our 17th year as a profitable company with an outstanding share count not too different from day one of our 2007 IPO”, concluded Mr. Veloso.

ABOUT BANCO DO BRASIL:

Banco do Brasil is a Brazilian bank, incorporated as a mixed capital company, with the Federal Government of Brazil holding 50% of the shares (as of November 17, 2021), being one of the five state-owned banks of the Brazilian government, traded on the B3 as BBAS3.

BB was founded in 1808 and has been working in several countries for over 70 years. The bank has a great branch network in Brazil and abroad, with more than 5,000 of branches worldwide, establishing extensive experience in global financial markets.

ABOUT CULTIVANDO O AMOR PROJECT:

Cultivando Amor is a project that emerges from Verde's commitment to honour its core purpose: improving the health of all people and the planet.

For each of the project's member cities, there is a partner charity institution. For each hectare in the region that is cultivated with BAKS® or K Forte®, Verde donates part of the sales' profits to the partner institution of that city. The initiative has the support of the cities' Rural Union of Farmers (*Sindicato Dos Produtores Rurais*).

In 2020, Cultivando Amor's pilot project was conducted in the city of Patrocínio, where the program's funds contributed to the Cancer Hospital of Patrocínio, a regional reference in cancer treatment.

In 2021, Verde raised over R\$270,000 for charities across 16 cities in Brazil.

Cultivando Amor's goal for 2022 is to magnify its impacts exponentially: to be present in over 100 cities throughout Brazil.

INVESTORS NEWSLETTER

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The last edition of the newsletter can be accessed at: <https://bit.ly/InvestorsNL-November2021>

About Verde AgriTech

Verde is an agricultural technology company that develops and produces fertilizers. Rooting our solutions in nature, we make agriculture healthier, more productive, and profitable for farmers. We work to improve the health of all people and the planet.

Cautionary Language and Forward-Looking Statements

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. The Cautionary Language and Forward-Looking Statements can be accessed at this link.

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