

# Corporate Presentation

Cristiano Veloso – Founder & CEO

October, 2023



### **We are not good enough for you to invest if you:**

Are risk averse.

Just want to make a quick buck.

Expect delayed growth so you can earn dividends in the near term.

Are looking for a traditional potash company.

Don't deal well with changes.

Don't understand the difficulties in developing technologies and markets for innovative products.

### **Join our journey if you:**

Want to change the world into a better place.

Are looking for a real-world technology developing company.

Want to help Brazilian farmers protect the Amazon.

Believe that Verde can make you and the planet healthier.

Have watched or will watch the *"Kiss the Ground" Netflix documentary.*

Care about soil biodiversity.

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

This presentation contains certain forward-looking information, which includes but is not limited to, statements with respect to Verde AgriTech Ltd's (the Company's) strategy, the commercial production of Super Greensand®, K Forte®, Silício Forte®, 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 commercially produced and sold in Brazil, but the Company has no concrete guarantee that it will be able to reach the sale of 25 million tonnes of Product in the 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 May 26, 2022. 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 Ltd.



# We are an agricultural technology company developing the world's largest carbon capture project

Through Enhanced Rock Weathering, our **3.32 billion tonnes of mineral resources** hold a total carbon removal potential of **0.40 gigatons of CO<sub>2</sub>**, while concurrently supplying potash, an essential nutrient for plants.

Source: Verde's Blog, "Enhanced Rock Weathering (ERW): An Introduction". Read more at: <https://blog.verde.ag/en/enhanced-rock-weathering-intro/>





A photograph of a man with a grey beard and a straw hat, holding a young child in a field of tall grass at sunset. The sun is low on the horizon, creating a warm, golden glow. The man is looking down at the child, who has their arms raised. The scene is framed by a teal border.

# Our purpose:

## To improve the health of all people and the planet

[\*Learn more about our purpose\*](#)



# Board of Directors



## **Cristiano Veloso – Chairman, CEO and Founder**

Mr. Veloso leads Verde as an innovative company which seeks to revolutionize global production of food through sustainable technologies. He has nearly two decades of experience and knowledge in the agricultural and mineral sectors. Mr. Veloso earned a certificate in Sustainable Business Strategy from Harvard Business School (USA), a Master's Degree from the University of East Anglia (UK) and a Bachelor of Laws Degree from the Federal University of Minas Gerais (Brazil).



## **Madeleine Lee**

Ms. Lee has been in investment management for 36 years. She has worked with the Government of Singapore Investment Corporation, Morgan Grenfell and Commerzbank and National University of Singapore Endowment office. Ms. Lee has been Independent Non-Executive Board Director at HKSE. She has a BA Honours in Economics and Accounting and an MBA and is a Chartered Financial Analyst.



## **Fernando Prezzotto**

Mr. Prezzotto is the founder and CEO of the local company SEMPARE AgTech, dedicated to the genetic improvement of plants. Mr. Prezzotto is a serial entrepreneur focused on innovative solutions for agribusiness. He holds an MBA from FGV and a Scaling Entrepreneurial Ventures Certification from Harvard Business School.



## **Luciana de Oliveira Cezar Coelho**

Mrs. Oliveira Cezar Coelho is the founding and managing partner of STS GAFA Capital and board member in multiple companies, such as Raizen. She has over 20 years of experience in M&A, corporate restructuring, debt and equity capital markets. She holds a Ph.D degree in Economics from Harvard.



## **Renato Gomes**

Mr. Gomes is co-Founder & President of Pix Force, ranked as Brazil's number one artificial intelligence startup. He holds a master's degree from the London School of Economics (U.K.) and a doctorate from Georgetown University (U.S.A.)

# Management Team



## **Felipe Paolucci – CFO**

Mr. Paolucci is an executive with over 15 years of experience in finance in multinational companies such as Arysta (UPL), Unilever and Deloitte. He has over 9 years of experience in the agricultural business working for Arysta, a part of the UPL group. Mr. Paolucci holds an MBA from Insper and a BA in management and finance from Fumec University, Brazil.



## **Gilson Guardiero – CRO**

Mr. Guardiero brings extensive experience in distribution networks, cooperatives, and end customers, serving as an expert in both the B2C and B2B market sectors. He has collaborated with agricultural corporations globally and leading Brazilian companies, covering a wide range of agricultural-product categories. His career includes significant roles in sales and business development at renowned organizations such as Kimatec in Brazil, Lonza, TIMAC Agro Brasil, Fertilizantes Heringer S.A., and Louis Dreyfus Group. Mr. Guardiero holds a degree in Agronomy and MBAs in Financial Control and Strategic Leadership.



## **Newton Negumo – CMO**

Mr. Nagumo is a brand marketing leader with a 20-year track record of driving innovation and guiding high-performing teams for major Brazilian and global corporations. He held managerial and leadership roles overseeing strategic communication and marketing planning teams at agencies including Asia, Heads, JWT, Dentsu, W/Brasil, among others. He has crafted strategies and steered campaigns for clients like Nestlé, Toyota, Unilever, Ford, Toyota and Mondelez. Mr. Nagumo holds postgraduate degrees in marketing and service management and a B.A. in advertising. He deepened his studies at institutions like FGV, Miami Ad School, IDEO and Hyper Island.



## Our products:



**Kforte**

K Forte® is a multinutrient fertilizer brand marketed in Brazil. Source of potassium, silicon and magnesium, nutrients of progressive release, and also a direct replacement of KCl for the same cost to the farmer without monetising any of the added benefits our technologies provide. The raw material of K Forte® is Glauconitic Siltstone, which is rich in the mineral glauconite.

[Learn more](#)



**BaKS**

BAKS® is a combination of K Forte® plus three other nutrients that can be chosen by customers according to the needs of their crop. The product also has a large surface area and high water and ion retention capacity, properties that favour microbial development.

[Learn more](#)



# Made with technology:

We have developed unique technologies to enable the production of the best solutions for crop nutrition, crop protection, soil improvement and increased sustainability. They are present in the conception of our products.



Exclusive elemental sulphur micronization technology, that allows for a larger contact surface to facilitate the work of microorganisms and increases nutrient availability to plants.



Developed in partnership with the University of Cambridge, this technology changes the structure of Glauconitic Siltstone through mechanical activation, to ensure that potassium and other nutrients are made available to plants progressively.



Bio Revolution is Verde's technology that allows the incorporation of microorganisms into mineral fertilizers. *Bacillus aryabhatai*, globally renowned for its significant agricultural benefits, was the first microorganism incorporated into our products, and K Forte® is the world's first fertilizer to utilize the Bio Revolution technology.



3D Alliance is a technology developed to transform the three-dimensional structure of the raw materials added to the fertilizer.



N Keeper is a proprietary processing technology for glauconitic siltstone that alters its physical-chemical properties to enable ammonia retention for use as a calibrated additive in Nitrogen fertilizers.





# Our margins with proprietary technologies

Our products contain different technologies that increase their added value for Verde and for our customers.

Product	Technology	Added nutrient	Grade (%)	Cost per tonne of BAKS® with added nutrient (US\$) <sup>1, 2</sup>	Sales price per tonne of BAKS® (US\$) <sup>1, 2</sup>	Margin per tonne of fertilizer sold with added nutrient (US\$) <sup>2</sup>	Margin per tonne (%)
BAKS®	Micro S Technology	Sulfur	1.00% - 5.00%	7.59	12.18	4.59	38%
BAKS®	3D Alliance	Boron	0.10% - 0.30%	6.26	14.06	7.80	55%
BAKS®	3D Alliance	Zinc	0.10% - 0.40%	5.85	7.68	1.83	24%
BAKS®	3D Alliance	Copper	0.10% - 0.40%	21.49	28.21	6.71	24%

1 - Nutrients price can change daily. This slide is based on the prices as of Q3 2023 (Source: Quotes from Verde's suppliers).

2 - Exchange rate: R\$1.00 = US\$4.98



# Our production facilities

Verde's production plants are based in São Gotardo, Minas Gerais State, Brazil.



## **Plant 1**

Plant 1, with a production capacity of 0.6 million tonnes per year, leverages a diverse array of cutting-edge technologies to drive its operations. The integration of Micro S Technology, 3D Alliance, Cambridge Tech, and Bio Revolution plays a pivotal role in elevating the performance of our products, while simultaneously ensuring enhanced efficiency and increased sustainability.



## **Plant 2**

Plant 2, with a production capacity of 2.4 million tonnes per year, is dedicated exclusively to large-scale production. To achieve this objective, Plant 2 leverages the cutting-edge technology of Cambridge Tech in its operations. This advanced technology is specifically designed to ensure superior product outputs while optimizing operations with efficient and streamlined production processes.



## **Bioproduction Plant**

Our Bioproduction Plant excels in large-scale production of meticulously selected biological additives, cultivated in our Microbiology Research Lab. These additives are seamlessly incorporated into our products through the Bio Revolution technology.

# Our R&D facilities

In addition to our production plants, we also operate three research laboratories, focusing on Microbiology, Mineralogy, and Agronomy.



## **Microbiology Lab**

The Microbiology Lab plays a pivotal role in driving the ongoing development of new products and technologies. Serving as a central hub for bioprospecting, it is devoted to conducting research and cultivating novel microorganisms. These microorganisms are meticulously studied for their potential application in our Bio Revolution technology, while simultaneously being evaluated for their applicability in other groundbreaking solutions.



## **Mineralogy Lab**

The Mineralogy Lab employs cutting-edge technological equipment to conduct precise physical and chemical analyses across a wide range of materials. The analyses performed in this lab ensure that our products, conceived with advanced built-in technologies, adhere to the most stringent quality control standards.



## **Agronomic Testing Labs**

Over the course of 11 years, we have established multiple agronomic research sites that serve as vital laboratories for evaluating the performance and effectiveness of our products in real-world field conditions. These sites have played a pivotal role in conducting agronomic tests, enabling us to gather invaluable insights and data. This information has been instrumental in driving both the development of new products and technologies and the continuous improvement of our existing solutions.

# Our Production Capacity

Verde's current overall production capacity is 3,000,000 tpy, establishing the Company as Brazil's largest potash producer by capacity.

Manufacturing Facility	Production Capacity	Status	Commercial Production	Technologies Deployed
Plant 1	600,000 tpy	Concluded	In operation	Micro S, 3D Alliance, Cambridge Tech, Bio Revolution
Plant 2	2,400,000 tpy	Concluded	In operation	Cambridge Tech, Bio Revolution
Plant 3	10,000,000 tpy	Studies required for permitting and construction underway	Pending permits	Micro S, 3D Alliance, Cambridge Tech, Bio Revolution

Plant 3 is projected to have a production capacity of up to 10,000,000 tpy, raising the Company's overall production capacity to 13,000,000 tpy.



# Financial projection for recently installed capacity - 3Mtpa

The table below presents the full-year financial projection based on a sales scenario of 3 million tonnes of Product.

All amounts in C\$ million	
Volume	3,000
Net revenue <sup>1</sup>	317
Production costs	(32)
Gross profit	285
Gross margin	90%
SG&A	(13)
Product delivery freight expenses	(184)
EBITDA	88
EBITDA (%)	28%
Depreciation and amortization	(4)
Interest Income/expense	(4)
Net Profit before tax	80
Income tax	(27)
Net profit	53
Earning per share	1.02

The financial projection is underpinned by the following assumptions:

- Average Brazilian Real to Canadian dollar exchange rate: C\$1.00 = R\$3.71
- Average Brazilian Real to US dollar exchange rate: US\$1.00 = R\$5.00
- Average KCl CFR Brazil price: US\$350
- Average Crude Oil price: US\$90
- Products sales mix: 2.4Mt of K Forte® Bulk (Plant 2), 0.3Mt of BAKS® 2S 0.2B (Plant 1) and 0.3Mt of K Forte® Bio Revolution (Plant 1).
- Sales channels mix: 50% of sales made by distributors, 30% made by sales agents and 20% as direct sales.

1 - Sales price does not consider any discount that may be applied regarding the KCl price.





# Pre-Feasibility Study Snapshot

Plant 3 Scenario				
Description	Unit		Value	
Proven and probable reserves	million tonnes		715.67	
K <sub>2</sub> O grade	%		10.01	
Capex	US\$ million		52.77	
Operating cost	US\$/tonne of Product		12.83	
Sustaining capital	US\$/tonne of Product		0.50	
Product composition	Unit	K <sub>2</sub> O	K <sub>2</sub> O + S	K <sub>2</sub> O + S + Micronutrients
Product sale price	US\$/tonne of Product	80.75	91.54	100.21
NPV after-tax	US\$ billion	2.91	3.41	3.97
NPV discount rate	%	8.00	8.00	8.00
IRR after-tax	%	427.17	482.93	560.86
Cumulative Cash Flow	US\$ billion	17.05	19.97	23.22



# Pre-Feasibility Study Snapshot

50Mtpy Scenario				
Description	Unit	Value		
Proven and probable reserves	million tonnes	1,297.66		
K <sub>2</sub> O grade	%	9.19		
Capex	US\$ million	553.99		
Operating cost	US\$/tonne of Product	10.07		
Sustaining capital	US\$/tonne of Product	0.50		
Product composition	Unit	K <sub>2</sub> O	K <sub>2</sub> O + S	K <sub>2</sub> O + S + Micronutrients
Product sale price	US\$/tonne of Product	74.05	84.79	92.05
NPV after-tax	US\$ billion	9.34	11.50	13.54
NPV discount rate	%	8.00	8.00	8.00
IRR after-tax	%	167.86	196.19	227.08
Cumulative Cash Flow	US\$ billion	22.74	28.04	32.98



## Our glauconite-rich rock stands out for its superior weathering properties in comparison to other materials

We own a mine with combined measured and indicated mineral resources of 1.47 billion tonnes at 9.28% K<sub>2</sub>O and inferred mineral resource of 1.85 billion tonnes at 8.60% K<sub>2</sub>O (using a 7.5% K<sub>2</sub>O cut-off grade), compliant with the Canadian National Instrument 43-101 standard.

For further information, see the Pre-Feasibility Study at: <https://investor.verde.ag/verde-is-awarded-easements-for-the-23mtpy-production-scenario-of-its-pre-feasibility-study/>



Analyses conducted at Newcastle University confirm our products' efficiency in extracting CO<sub>2</sub> from the atmosphere at a ratio of **120kg of CO<sub>2</sub> per tonne of product**.

This independent study was led by **Prof. David Manning**, a renowned expert in Enhanced Rock Weathering.

With extensive experience and notable positions, including Past President of the Geological Society of London, Prof. Manning's research significantly contributes to our understanding of soil processes and their role in the global carbon cycle.

Source: Verde's Products Remove Carbon Dioxide From the Air. Read more at: <https://investor.verde.ag/verdes-products-remove-carbon-dioxide-from-the-air/>





# Our mineral reserves are situated in Minas Gerais state, Brazil

The country is the world's second-largest consumer and the largest importer of potash

**Brazil's potash market would require an application of approximately 100 million tonnes of our mineral to effectively replace imports.**

Our strategic location adjacent to key food-producing regions plays a vital role in reducing carbon emissions associated with the transportation and distribution of our rock and fosters a more sustainable supply chain.



Verde's state-of-the-art production facilities are located in São Gotardo, a city in Brazil's Minas Gerais state.

# Verde is uniquely positioned to benefit from the rapidly evolving carbon credit ecosystem

We've already initiated the process to certify and monetize the volumes sold over the last years, and we are currently pursuing an ISO 14064 certification for our carbon capture technology.

Notably, we already hold ISO 9001 and 14001 certifications, evidencing our dedication to quality management and environmental responsibility.

## Organic Agriculture



## Quality Control



## Technical Standards

**NI 43-101**  
Compliant












## Public Listing



## Currently Pursuing



# Worldwide carbon capture projects

Rank	Company/Government	Project Name	Country	CO <sub>2</sub> Annual Removal
1	 Verde Agritech	Cerrado Verde Project		12.0Mt <i>Full-resource potential</i>
2	Nordsoefonden, Kent Global, Ineos and Wintershall	Greensand Carbon Capture and Storage (CCS)		8.0Mt
3	Dave Jonhston Plant	Dave Johnston Plant CCS Project		6.0Mt
4	University of Illinois	Praire State Generating Station CCS Project		6.0Mt
5	Enchant Energy, Tucson Electric Power, PNM Resources	San Juan Generating Station CCS		5.2Mt
6	Calpine Corporation, She II	Deer Park Energy Center CCS Project		5.0Mt
7	The Rosewood Corporation, Neptune Energy, EBN Capital, ExxonMobil	L 10 Offshore Carbon Capture and Storage		5.0Mt
8	Air Products & Chemicals	Louisiana Clean Energy Complex CCS Project		5.0Mt
9	NextDecade	Rio Grande LNG CCS Project		5.0Mt
10	Gerald Gentleman Power Station	Gerald Gentleman Power Station CCS Project		4.3Mt

6.0Mt  
Considering  
Expansion Plan  
production  
capacity<sup>(3)</sup>

Source: Fitch Solutions



# Summary of licenses and permits

Under Brazilian law, a pit is fully permitted to mine when the Company holds both a Mining Concession/Permit and Environmental License for that area. The Company has different mine pits, each at different permitting stages and targeted volumes, as summarized below:

Mine Pit	Fully Permitted to Produce (tpy)	Mining (tpy)		Environmental (tpy)	
		Granted	Pending	Granted	Pending
1	233,000	233,000	0	233,000	0
2	2,600,000	2,600,000	22,500,000	2,600,000	22,500,000
3	0	0	2,500,000	0	2,500,000
Other pits	0	0	11,560,000	0	0
<b>Total</b>	<b>2,833,000</b>	<b>2,833,000</b>	<b>36,560,000</b>	<b>2,833,000</b>	<b>25,000,000</b>

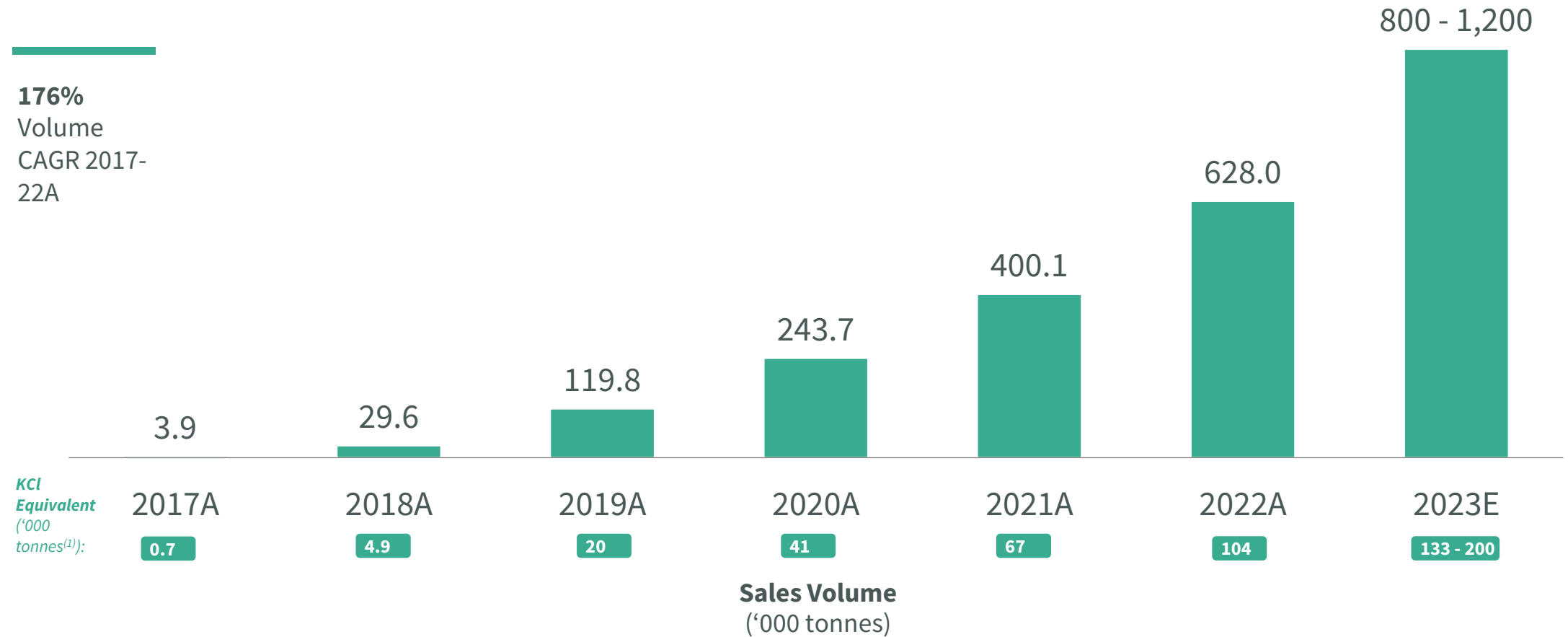
Verde is fully permitted to mine 2.83Mtpy and has submitted concurrent mining and environmental applications for an additional 25Mtpy pending approval.

**Continuous Progress and Milestones:** The Company already has the **land right** declared by court relative to all the mining region disclosed in PFS



# Profitable Growth with Market Validation

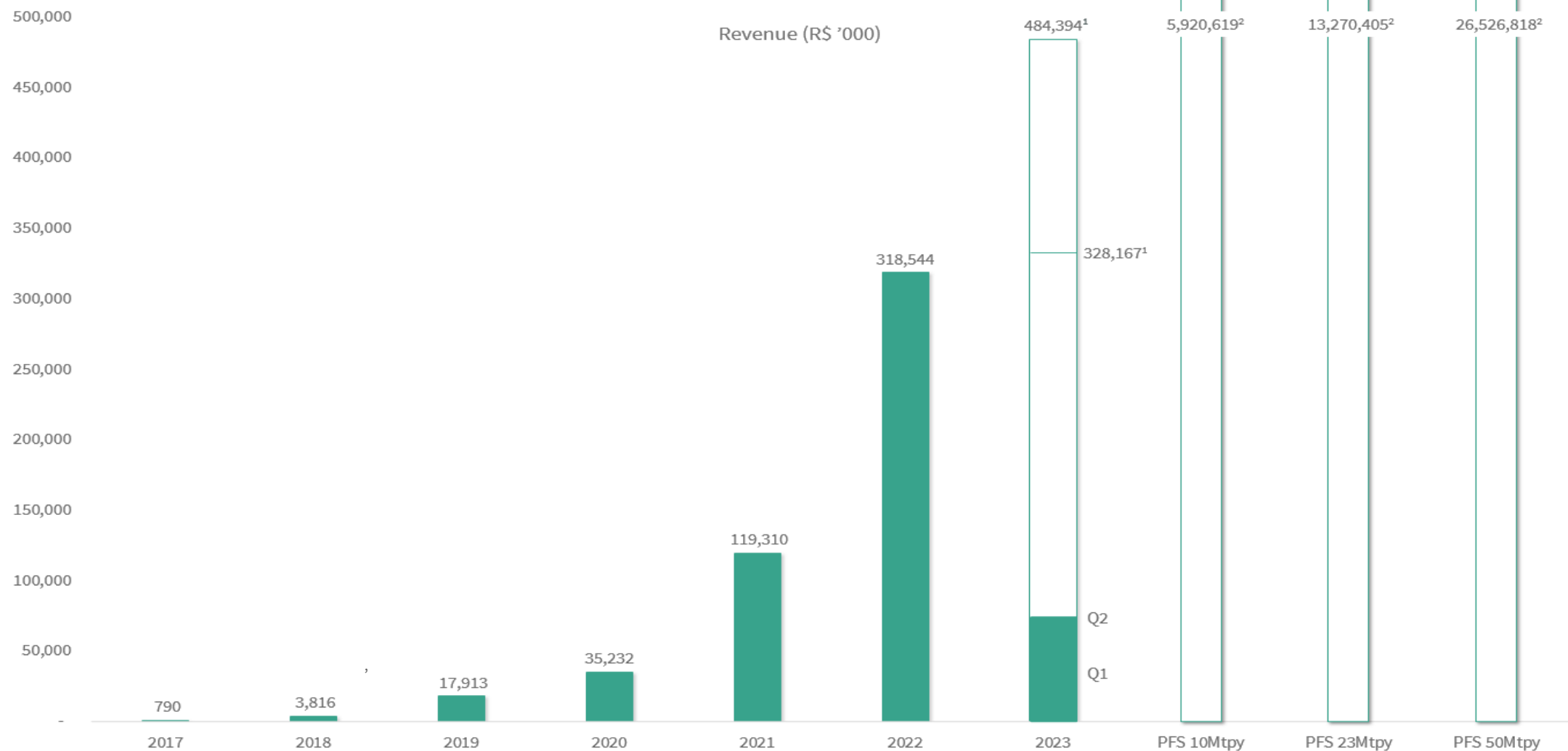
**176%**  
Volume  
CAGR 2017-  
22A



**Note:**

1. K2O equivalent conversion based on average molecule mass of K contained of 10.01% and KCl equivalent conversion from K2O based on average molecule mass of K contained of 60%





1 - Targeted revenue range, based on FY 2023 guidance. Average currency exchange rate: C\$1.00 = R\$4.20.

2 - Distinct production scenarios contemplated in the updated NI 43-101 Pre-Feasibility Technical Report Cerrado Verde Project (PFS). Currency exchange rate: US\$1.00 = R\$5.30. For further information, please see PFS at: <https://investor.verde.ag/wp-content/uploads/2022/05/NI-43-101-Pre-Feasibility-Technical-Report-for-the-Cerrado-Verde-Project.pdf>



# Outstanding Share Data

The following securities are outstanding, as of June 30, 2022:

Type	Amount
Ordinary shares	52,630,224
Stock options	1,882,798
<b>Total</b>	<b>54,513,022</b>



[investor.verde.ag](https://investor.verde.ag) | TSX: **NPK** | OTCMKTS: **VNPKF**

