August 13, 2024

Verde Announces Q2 2024 Results

(All figures are in Canadian dollars, unless stated otherwise. Average exchange rate in Q2 2024: C$1.00 = R$3.81)

Singapore. Verde Agritech Ltd (TSX: “NPK”) ("**Verde**” or the “**Company**”) announces its financial results for the period ended June 30, 2024 (“**Q2 2024**”).

Verde’s financial results for the second quarter of 2024 were adversely influenced by climatic events in Brazil, primarily driven by the El Niño phenomenon.[1] This included periods of drought accompanied by high temperatures in the northern and central-western areas [2]. These adverse weather conditions have had a profound impact on both the agricultural and livestock sectors.[3] This challenging climate scenario has resulted in Brazilian farmers becoming increasingly cautious, prompting them to postpone any type of investment in their lands to the greatest extent possible.[4] Consequently, the fertilizer market in Brazil is experiencing significant delays in farmers' purchases of these products and the demand for fertilizers has been hindered by a combination of factors, including climate uncertainties, financial constraints faced by farmers, and high-interest rates. According to StoneX[5] consultancy, by the end of the first two months of 2024, the Brazilian market had purchased only 20% of the expected fertilizer volume for the year, half of the percentage usually sold by this time in previous years. Moreover, the agricultural sector continues to struggle with an unfavorable market. Logistic issues, stringent regulations, and economic instability further exacerbate the situation, harming both production and profitability for farmers.[6]

"Despite the challenging events beyond our control, I am encouraged by several positive developments over the quarter. Independent agronomic research on our existing products, as well as new products and technologies, has shown highly promising results. Above all, we have received overwhelmingly positive feedback from farmers, highlighting the significant benefits they are experiencing with our products. These advancements reflect the growing trust and value our clients place in Verde's solutions,” said Cristiano Veloso, CEO of Verde Agritech.

The Company is currently engaged in renegotiating its loan obligations. Discussions are advancing positively, and the Company expects to secure significant improvements in the terms of its debt, including a substantial extension of the repayment period, a grace period, and a reduction in interest rates.

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[1] Source: How El Nino Will Impact Latin America in 2024

[2] Source: Drought in the Brazil's Cerrado is the worst for at least seven centuries, study shows

[3] Source: Southern Brazil has seen an increase of up to 30% in average annual rainfall over the last three decades.

[4] Source: Southern Brazil has seen an increase of up to 30% in average annual rainfall over the last three decades.

[5] Source: Brazil sees unprecedented delay in fertilizer sales.

[6] Source: The commercialization of fertilizers in Brazil is experiencing unprecedented delays decades.

Operational and Financial Highlights

- Sales in Q2 2024 were 85,000 tons, compared to 107,000 tons in Q2 2023.
- Revenue in Q2 2024 was $6.5 million, compared to $10.3 million in Q2 2023.
- Cash and other receivables held by the Company in Q2 2024 were $15.3 million, compared to $23.8 million in Q2 2023.
- EBITDA before non-cash events was null in Q2 2024, compared to $2.1 million in Q2 2023.
- Net loss in Q2 2024 was -$ 2.64 million, compared to a $0.2 million net profit in Q2 2023.

Other Highlights

- The Product sold in Q2 2024 has the potential to capture up to 5,561 tons of carbon dioxide ("CO_2") from the atmosphere via Enhanced Rock Weathering ("ERW").[7] The potential net amount of carbon captured, represented by carbon dioxide removal ("CDR"), is estimated at 2,935 tons of CO_2.[8] In addition to the carbon removal potential, Verde's Q2 2024 sales avoided the emissions of 1,402 tons of CO_2e, by substituting potassium chloride ("KCl") fertilizers[9].
- Combining the potential carbon removal and carbon emissions avoided by the use our Product since the start of production in 2018, Verde's total impact stands at 272,377 tons of CO_2[10]
- 6,736 tons of chloride have been prevented from being applied into soils Q2 2024, by farmers who used the Product in lieu of KCl fertilizers.[11] A total of 160,035 tons of chloride has been

[7] Out of the total sales in Q2 2024, 46,340 tons were sold in compliance with our Monitoring, Verification, and Report ("MRV") Protocol, qualifying them as potential carbon credits. The carbon capture potential of Verde's products, through Enhanced Rock Weathering (ERW), is 120 kg CO_2e e per ton of K Forte®. For further information, see "Verde's Products Remove Carbon Dioxide From the Air".

[8] Net Carbon Dioxide Removal (CDR): volume of 1 ton of Long-Term CO_2 Removal, equivalent to 1 carbon credit.

[9] K Forte® is a fertilizer produced in Brazil using national raw materials. Its production process has low energy consumption from renewable sources and, consequently, a low environmental and GHG emissions footprint. Whereas the high carbon footprint of KCl results from a complex production process, involving extraction, concentration, and granulation of KCl in addition to the long transportation distances to Brazil, given that 95% of the KCl consumed in the country is imported. 12Mt of K Forte® is equivalent to 2Mt of KCl in K_2O content. Emissions avoided are calculated as the difference between the weighted average emissions for KCl suppliers to produce, deliver, and apply their product in each customer's city and the emissions determined according to K Forte®'s Life Cycle Assessment for its production, delivery, and application in each customer's city.

[10] From 2018 to Q2 2024, the Company has sold 1.84 million tons of Product, which can potentially remove up to 221,337 tons of CO_2. Additionally, this amount of Product could potentially prevent up to 51,208 tons of CO_2 emissions.

[11] Verde's Product is a salinity and chloride-free replacement for KCl fertilizers. Potassium chloride is composed of approximately 46% of chloride, which can have biocidal effects when excessively applied to soils. According to Heide Hermary (Effects of some synthetic fertilizers on the soil ecosystem, 2007), applying 1 pound of potassium chloride to the soil is equivalent to applying 1 gallon of Clorox bleach, with regard to killing soil microorganisms. Soil microorganisms play a crucial role in agriculture by capturing and storing carbon in the soil, making a significant contribution to the global fight against climate change.

prevented from being applied into soils by Verde's customers since the Company started production [12]

"I am optimistic about the significant strengthening of our commercial team. We have welcomed four new Sales Directors during the second quarter, who are focused on agricultural markets closer to our production plant. They lead 22 field sales managers who also mainly joined Verde in the last quarter. Each of these professionals brings extensive experience, a strong sense of purpose, and determination to their roles. These strategic additions position us well for future growth and success," complemented Cristiano Veloso, CEO of Verde Agritech.

Update on Carbon Capture and Emissions Avoidance Data for Q1 2024

The Company has identified discrepancies in previously disclosed carbon capture data for Q1 2024 caused by a spreadsheet formula mistake. The table below highlights the correct figures:

Metric	Previously Stated	Correct Figures
Total CO_2 Capture Potential via Enhanced Rock Weathering from Q1 2024 sales[13]	1,131	4,815
Estimated Net Carbon Dioxide Removal (CDR) for Q1 2024 (tons of CO_2)[14]	716	3,168
Emissions Avoided by Substituting KCl for Verde's Products in Q1 2024 (tons of CO_2)[15]	316	1,498
Total Impact Since 2018, combining the potential carbon removal and carbon emissions avoided by the use of Verde's Product since the start of production (tons of CO_2)[16]	260,341	265,207

[12] 1 ton of Product (10% K_2O) has 0.1 tons of K_2O, which is equivalent to 0.17 tons of potassium chloride (60% K_2O), containing 0.08 tons of chloride.

[13] Out of the total sales in Q1 2024, 40,127 tons were sold in compliance with our Monitoring, Verification, and Report ("MRV") Protocol, qualifying them as potential carbon credits. The carbon capture potential of Verde's products, through Enhanced Rock Weathering (ERW), is 120 kg CO2e per ton of K Forte®. For further information, see "Verde's Products Remove Carbon Dioxide From the Air".

[14] Net Carbon Dioxide Removal (CDR): volume of 1 ton of Long-Term CO_2 Removal, equivalent to 1 carbon credit.

[15] K Forte® is a fertilizer produced in Brazil using national raw materials. Its production process has low energy consumption from renewable sources and, consequently, a low environmental and GHG emissions footprint. Whereas the high carbon footprint of KCl results from a complex production process, involving extraction, concentration, and granulation of KCl, in addition to the long transportation distances to Brazil, given that 95% of the KCl consumed in the country is imported. 12Mt of K Forte® is equivalent to 2Mt of KCl in K_2O content. Emissions avoided are calculated as the difference between the weighted average emissions for KCl suppliers to produce, deliver, and apply their product in each customer's city and the emissions determined according to K Forte®'s Life Cycle Assessment for its production, delivery, and application in each customer's city.

[16] From 2018 to Q1 2024, the Company has sold 1.8 million tons of Product, which can remove up to 215,751 tons of CO_2. Additionally, this amount of Product could potentially prevent up to 49,459 tons of CO_2 emissions.

Financial Outlook

In the second quarter of 2024, the Company initiated a Strategic Debt Restructuring Plan, which includes seeking specific Preliminary Judicial Relief to obtain temporary protection against actions and foreclosures by seven banks. This measure aims to ensure stability while we renegotiate terms with our financial creditors. In the meantime, the Company has made significant improvement in the negotiations with its creditors and expects further announcement in the upcoming weeks. It is important to emphasize that this measure does not affect the Company's operations, nor does it compromise our contractual obligations to suppliers. Negotiations are progressing constructively, and the Company anticipates achieving a significant improvement in debt terms, including a substantial extension of the payment period, a grace period, and a reduction in interest rates.

Agricultural Market

Following the onset of the Ukraine-Russia conflict in early 2022, the agricultural sector experienced a historic surge in the prices of inputs and commodities. Notably, the average potash price jumped by 212% in Q2 2022, peaking at US$1,200 per ton in April 2022, compared to an average of US$384 in Q2 2021.[17] This spike in KCl CFR prices in 2022 was so significant that, despite a downward trend beginning in the latter half of the year, the market in 2023 still benefited the effects of the record-high levels reached in 2022. The average KCl CFR price in Q2 2024 had dropped by 17% compared to Q2 2023, and by 74% compared to Q2 2022.

In the second quarter of 2024, the Brazilian potash fertilizer market experienced a notable reduction in sales to farmers, primarily attributed to the severe drought conditions that have persisted across the country. This environmental challenge has significantly slowed fertilizer purchases, leading to an estimated 4% decrease in national demand for potash fertilizer[18].

The market prices for Brazil's main crops remained stable in Q2 2024 with minor variations, although they continued to be significantly lower than the levels observed in Q2 2022 and Q2 2023. A sack of corn, previously valued at an average of R$62.68 in the market, is now trading below R$58.88.[19] Meanwhile, the price of a sack of soybeans has dropped from an average of R$139.83 to R$133.91[20].

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[17] Source: Acerto Limited Report.

[18] Source: The impact of the Brazilian drought on fertilizer.

[19] As of Q2 2022 and Q2 2024. Source: EPEA – ESALQ / USP.

[20] As of Q2 2023 and Q2 2024. Source: EPEA – ESALQ / USP.

Global market competition

In 2022, Brazil experienced its highest interest rates since 2006, a situation that has been showing signs of improvement since Q2 2023 but still impacts the Company's financing conditions.

The current SELIC interest rate is 10.50%[21]. The Central Bank of Brazil projects the SELIC rate to be 10.50% by the end of 2024, 9.75% by the end of 2025, and 9.00% by the end of 2026.[22] Annual inflation forecast for 2024 and 2025 are 4.1% and 4.0% respectively.[23]

Brazilian farmers have continued to struggle with limited working capital amid challenging market conditions in 2024. They have increasingly sought input suppliers offering the most favorable payment terms and interest rates, allowing them to defer payment until after the harvest, typically between 9 to 12 months later. However, Verde's ability to provide financing with longer tenors remains considerably lower compared to international players[24], making its terms less competitive for its customers. Unlike its competitors, Verde does not have the option to incur most of its cost of debt in US dollar-denominated liabilities. Overall, the Company is only able to provide financing up to 20% of its revenue due to constraints related to lines of credit.

Verde's average cost of debt is 15.6% per annum. To incentivize sales, the Company offers its customers a credit line that charges a spread to its finance cost to comprise operational costs, provisions, and expected credit losses, leading to an average lending cost of 17.5% for credit-based purchases. While this approach is necessary in the agricultural sector, it increases the risk of non-payment for suppliers such as fertilizer companies, reflecting the heightened financial pressures within the sector.

Currency exchange rate

The Canadian dollar valuated by 4% versus Brazilian Real in Q2 2024 compared to the same period from last year.[25]

[21] As of July 31, 2024. Source: Brazilian Central Bank

[22] Source: Brazilian Central Bank.

[23] As of July 31, 2024. Source: Brazilian Central Bank.

[24] Verde's normal credit term is 30 to 120 days upon shipment, depending on the period of the year, while competitors can provide 180-360 days to collect its payments.

[25] Source: Brazilian Central Bank.

Q2 2024 Results Conference Call

The Company will host a conference call on Friday, August 16, 2024, at 10:00 am Eastern Time, to discuss Q2 2024 results and provide an update. Subscribe using the link below and receive the conference details by email.

Date:	Friday, August 16, 2024
Time:	10:00 am Eastern Time
Subscription link:	https://bit.ly/Q2-2024_ResultsPresentation

The questions must be submitted in advance through the following link up to 48 hours before the conference call: https://bit.ly/Q2-2024-ResultsPresentationQuestions

The Company's first second financial statements and related notes for the period ended June 30, 2024 are available to the public on SEDAR at www.sedar.com and the Company's website at www.investor.verde.ag/.

RESULTS OF OPERATIONS

The following table provides ended June 30, 2024, as compared to the three months ended June 30, 2023 information about three months. All amounts in CAD $'000.

All amounts in CAD $'000	3 months ended Jun 30, 2024	3 months ended Jun 30, 2023	6 months ended Jun 30, 2024	6 months ended Jun 30, 2023
Tons sold '000	85	107	170	215
Average Revenue per ton sold $	76	96	68	99
Average Production cost per ton sold $	(21)	(18)	(21)	(26)
Average Gross Profit per ton sold $	55	79	47	74
Gross Margin	72%	81%	69%	75%
Revenue	6,480	10,305	11,548	21,430
Production costs[1]	(1,815)	(1,914)	(3,486)	(4,623)
Gross Profit	**4,665**	**8,391**	**8,062**	**16,807**
Gross Margin	**72%**	**82%**	**70%**	**79%**
Sales and marketing expenses	(979)	(1,124)	(1,949)	(2,331)
Product delivery freight expenses	(2,541)	(3,723)	(4,137)	(7,590)
General and administrative expenses	(1,145)	(1,442)	(2,646)	(2,814)
EBITDA [2]	**0**	**2,102**	**(670)**	**4,072**
Share Based and Bonus Payments (Non-Cash Event)[3]	(265)	144	(2,042)	116
Depreciation, Amortization and P/L on disposal of plant and equipment [3]	(802)	(968)	(1,721)	(1,880)
Operating Profit after non-cash events	**(1,067)**	**1,278**	**(4,433)**	**2,308**
Interest Income/Expense [4]	(1,564)	(951)	(2,941)	(1,993)
Net Profit before tax	**(2,631)**	**327**	**(7,374)**	**315**
Income tax [5]	(8)	(86)	(17)	(182)
Net Profit	**(2,639)**	**241**	**(7,391)**	**133**

[1] – Non GAAP measure
[2] – Included in General and Administrative expenses in financial statements
[3] – Included in General and Administrative expenses and Cost of Sales in financial statements
[4] – Please see Summary of Interest-Bearing Loans and Borrowings notes
[5] – Please see Income Tax notes

External Factors

Revenue and costs are affected by external factors including changes in the exchange rates between the C$ and R$ along with fluctuations in potassium chloride spot CFR Brazil, agricultural commodities prices, interest rates, among other factors. For further details, please refer to the Q2 2024 Review section:

Financial and operating results

In Q2 2024, revenue from sales fell by 37%, accompanied by a 21% reduction in the average revenue per ton compared to Q2 2023. Excluding freight expenses (FOB price), the average revenue per ton decreased by 25% in Q2 2024 compared to Q2 2023. The proportion of products sold in jumbo bags, which command a higher sales price per ton compared to bulk, represented 9% of the Company's total volume sold, down from 21% in Q2 2023. This shift and KCl CFR decreased price all around the world further affected the average revenue per ton in Q2 2024.

Sales declined by 21% in Q2 2024 compared to Q2 2023, due to the conditions outlined in the Q2 2024 Review section.

As a consequence of the points mentioned above, the Company's EBITDA before non-cash events was null in Q2 2024 compared to $2.1 million in Q2 2023.

The Company generated a net loss of -$2.6 million in Q2 2024, compared to a net profit of $0.2 million in Q2 2023.

Basic loss per share was $0.050 for Q2 2024, compared to earnings of $0.005 for Q2 2023.

Production costs

In Q2 2024, production costs per ton increased by 17% compared to Q2 2023, influenced by the decrease in sales volume and higher sales of BAKS compared to K Forte bulk, with 18% in Q2 2024 compared to 8% sold in the same period last year.

Production costs include all direct costs from mining, processing, and the addition of other nutrients to the Product, such as Sulphur and Boron. It also includes the logistics costs from the mine to the plant and related salaries.

SALES, GENERAL AND ADMINISTRATIVE EXPENSES:

SG&A represents a non-operating segment that includes corporate and administrative functions, essential for supporting the Company's operating segments.

Sales Expenses

CAD $'000	3 months ended June 30, 2024	3 months ended June 30, 2023	6 months ended Jun 30, 2024	6 months ended Jun 30, 2023
Sales and marketing expenses	(896)	(1,030)	(1,733)	(2,100)
Fees paid to independent sales agents	(83)	(94)	(216)	(231)
Total	**(979)**	**(1,124)**	**(1,949)**	**(2,331)**

Sales and marketing expenses cover salaries for employees, car rentals, domestic travel in Brazil, hotel accommodations, and Product promotion at marketing events.

As part of the Company's marketing and sales strategy, Verde compensates its independent sales agents via commission-based remuneration. These expenses for this quarter decreased in line with the reduction in sales.

Product delivery freight expenses

Expenses decreased by 32% compared to the same period last year. The volume sold as CIF (Cost Insurance and Freight) in Q2 2024 represented 81% of total sales, compared to 72% in Q2 2023. However, the Company achieved a reduction in average freight costs per ton for products sold on a CIF basis, to $37 in Q2 2024 from $48 in the comparable period of the previous year. The 23% decrease in freight costs can primarily be attributed to a reduction in the percentage of sales made to regions that are more distant from Verde's production facilities.

General and Administrative Expenses

CAD $'000	3 months ended Jun 30, 2024	3 months ended Jun 30, 2023	6 months ended Jun 30, 2024	6 months ended Jun 30, 2023
General administrative expenses	(595)	(888)	(1,401)	(1,809)
Allowance for expected credit losses	(87)	-	(232)	-
Legal, professional, consultancy and audit costs	(303)	(290)	(643)	(607)
IT/Software expenses	(147)	(231)	(329)	(343)
Taxes and licenses fees	(13)	(33)	(41)	(56)
Total	**(1,145)**	**(1,442)**	**(2,646)**	**(2,814)**

General administrative expenses include general office expenses, rent, bank fees, insurance, foreign exchange variances and remuneration of executives, directors of the Board and administrative staff. General administrative decreased by 21% compared to the same period last year, due to a reduction in leasing expenses, such as water trucks and metallic structures to support operations.

In the second quarter of 2023, we experienced a significant reduction in the number of employees, which led to an increase in severance payments. Consequently, expenses in Q2 2024 were lower than Q2 2023.

According to Verde's sales policy, any customer payments that are overdue for more than 12 months must be provisioned for. The increase in the allowance for expected credit losses in Q2 2024 compared to Q2 2023 is attributed to the financial constraints faced by farmers, which are a result of low prices for agricultural commodities, among other factors, as outlined in the Q2 2024 Review section.

Legal, professional and audit costs include fees along with accountancy, audit and regulatory costs. Consultancy fees encompass consultants employed in Brazil, such as accounting services, patent processes, lawyer's fees and regulatory consultants.

IT/Software expenses include software licenses such as Microsoft Office, Customer Relationship Management ("CRM") software and Enterprise Resource Planning (ERP). Expenses decreased by 36% in Q2 2024 compared to the same period last year due to a decrease in costs associated with the Company's CRM software.

Share Based, Equity and Bonus Payments (Non-Cash Event)

Share Based, Equity and Bonus Payments (Non-Cash Events) encompass expenses associated with stock options granted to employees and directors, as well as equity compensation and non-cash bonuses awarded to key management personnel. In Q2 2024, the costs associated with share-based payments were -$0.3 million compared to $0.1 million for the same period last year. This variance was primarily due to new options issuance.

LIQUIDITY AND CASH FLOWS

For additional details see the consolidated statements of cash flows for the quarters ended June 30, 2024, and June 30, 2023 in the quarterly financial statements.

Cash received from / (used for): CAD $'000	3 months ended Jun 30, 2024	3 months ended Jun 30, 2023	6 months ended Jun 30, 2024	6 months ended Jun 30, 2023
Operating activities	(312)	(3,597)	(3,171)	(6,874)
Investing activities	1,596	(329)	1,327	(2,218)
Financing activities	(1,963)	5,777	(2,735)	13,940

On June 30, 2024, the Company held cash of $2.7 million, a decrease of $3.5 million on the same period in 2023.

Operating activities

In agricultural sales, credit transactions are common due to the cyclical nature of farming income, which sees fluctuations with seasonal highs during harvests and lows during planting. This cycle necessitates that farmers have access to essential inputs like seeds, fertilizers, and pesticides ahead of their selling season. To accommodate this, credit terms are offered, allowing farmers to procure these inputs in advance and align their payments with their revenue cycle.

The Company's credit terms vary according to the needs of its clients, tailored to the specific requirements of each farmer. This includes considerations such as the crop cycle, creditworthiness, and other relevant factors, with terms extending up to 360 days upon shipment depending on the period of year. This strategy ensures farmers have the necessary resources for each planting season, while Verde secures its financial interests through aligned payment schedules.

In Q2 2024, net cash utilized in operating activities decreased to -$0.3 million, compared to -$3.6 million utilized in Q2 2023.

Trade and other receivables decreased by 27% in Q2 2024, to $12.8 million compared to $17.6 million in Q2 2023. This is expected as the Company had lower revenues from sales in the quarter.

Investing activities

Cash utilized from investing activities increased to $1.6 million in Q2 2024, compared to to -$0.3 million in Q2 2023. In the last quarter, our investment activity increased due to the redemption of financial applications.

Financing activities

Cash utilized in financing activities decreased to -$2.0 million in Q2 2024, compared to $5.8 million in Q2 2023. This was due to additional loans being acquired during 2023.

Financial condition

The Company´s current assets decreased to $17.4 million in Q2 2024, compared to $27.6 million in Q2 2023. Current liabilities increased to $25.9 million in Q2 2024, compared to $17.0 million in Q2 2023; providing a working capital deficit of $8.5 million in Q2 2024, compared to the working capital surplus of $10.6 million in Q2 2023.

About Verde Agritech

Verde Agritech is dedicated to advancing sustainable agriculture through the innovation of specialty multi-nutrient potassium fertilizers. Our mission is to increase agricultural productivity, enhance soil health, and significantly contribute to environmental sustainability. Utilizing our unique position in Brazil, we harness proprietary technologies to develop solutions that not only meet the immediate needs of farmers but also address global challenges such as food security and climate change. Our commitment to carbon capture and the production of eco-friendly fertilizers underscores our vision for a future where agriculture contributes positively to the health of our planet.

For more information on how we are leading the way towards sustainable agriculture and climate change mitigation in Brazil, visit our website at https://verde.ag/en/home/.

Corporate Presentation

For further information on the Company, please view shareholders' deck: https://investor.verde.ag/wp-content/uploads/2021/05/Corporate-presentation-Verde-AgriTech-July-2024-1.pdf

Company Updates

Verde invites you to subscribe for updates. By signing up, you'll receive the latest news about the Company's projects, achievements, and future plans.

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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 estimated amount of CO_2 removal per ton of rock;
(iii) the PFS representing a viable development option for the Project;
(iv) 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;
(v) the estimated amount of future production, both produced and sold;
(vi) timing of disclosure for the PFS and recommendations from the Special Committee;
(vii) the Company's competitive position in Brazil and demand for potash; and,
(viii) 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, but are not limited to:

(i) the presence of and continuity of resources and reserves at the Project at estimated grades;
(ii) the estimation of CO_2 removal based on the chemical and mineralogical composition of assumed resources and reserves;

(iii) 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;

(iv) the capacities and durability of various machinery and equipment;

(v) the availability of personnel, machinery and equipment at estimated prices and within the estimated delivery times;

(vi) currency exchange rates;

(vii) Super Greensand® and K Forte® sales prices, market size and exchange rate assumed;

(viii) appropriate discount rates applied to the cash flows in the economic analysis;

(ix) tax rates and royalty rates applicable to the proposed mining operation;

(x) the availability of acceptable financing under assumed structure and costs;

(xi) anticipated mining losses and dilution;

(xii) reasonable contingency requirements;

(xiii) success in realizing proposed operations;

(xiv) receipt of permits and other regulatory approvals on acceptable terms; and

(xv) 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) for the year ended December 31, 2021. 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.

For additional information please contact:

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