

April 9, 2025

Verde Agritech Limited and Nautica Holdings Limited announce strategic transaction for high-grade magnetic rare earths exploration assets

Singapore. Verde AgriTech Ltd (TSX: “**NPK**”) (OTCQX: “**VNPKF**”) (“**Verde**” or the “**Company**”) and Nautica Holdings Limited (ACN 647 075 401), an Australian unlisted public company with AUD \$1 million in cash available for investment are pleased to jointly announce the execution of a Share Sale Agreement (“**SSA**”). Under the SSA, Nautica will acquire high-grade magnetic rare earths exploration assets located in Brazil (“**Exploration Assets**”) from Verde’s subsidiary, Oby Rare Earths Pty Ltd (“**Oby**”).

This strategic transaction enables Verde to realize value for its shareholders and positions Nautica as a significant player in the rare earths sector, capitalizing on increasing global demand for critical minerals. The AUD \$1 million available in Nautica will be specifically allocated towards preparations for an IPO on the Australian Securities Exchange (“**ASX**”), developing the project and advancing exploration.

TRANSACTION OVERVIEW

- Verde discovered high-grade rare earth elements on its Brazilian mining concessions through reassessment of historical drill data (see Verde’s press release from October 07, 2024)¹.
- In late 2024, Verde incorporated Oby in Australia as a wholly owned subsidiary to acquire and manage the Exploration Assets (see Verde’s press release from November 20, 2024)².
- On 27 January 2025, Verde shareholders were entitled to a pro-rata distribution of shares in Oby as part of a planned spin-out of the Exploration Assets (“**Record Date**”) (see Verde’s press release from December 20, 2024)³.
- On or about 31 March 2025, Nautica agreed to acquire the Exploration Assets, comprising three primary targets—Nau de Guerra, Bálamo, and Alto da Serra—collectively hosting a maiden mineral resource estimate of 1.35 billion tons averaging 3,437 parts per million (“**ppm**”) Total Rare Earth Oxides (“**TREO**”) and 793 ppm Magnet Rare Earth Oxides (“**MREO**”), using a 1,000 ppm TREO cut-off.
- The consideration for the Exploration Assets is the issuance of 2 billion shares in Nautica at \$0.01 per share to Verde shareholders on the Record Date. Upon completion, Nautica will oversee these

¹ See press release at: [High grade ionic absorption clay magnetic rare earths mineralization found in Verde’s historical drill holes.](#)

² See press release at: [Verde Announces Man of War Rare Earths Project Spin-Off.](#)

³ See press release at: [Verde Announces EGM Results, Oby Rare Earths Transaction Record Date, and Cost Reductions.](#)

assets as the top-hat public company, with approximately 2,240,000,000 shares on issue. Post-completion, Nautica proposes a share consolidation on a 1 for 45 basis and intends to rename itself **Oby Critical Minerals Limited**.⁴

PRO-FORMA CAPITAL STRUCTURE:

Group	Quantity of Shares	% Undiluted
Nautica Shareholders	5,300,000	10.7
Verde Shareholders on the Record Date (issued)	44,400,000	89.3
Total	49,700,000	100

The above capital structure does not include options to be issued to management and directors.

TRANSACTION HIGHLIGHTS:

- Acquisition of 100% of Oby, holding four tenements in Minas Gerais state, Brazil—an established mining district with existing infrastructure.
- Maiden Resource compliant with JORC 2012 Edition and NI 43-101 standards of 1.35 billion tons @ 3,437ppm TREO, 793 ppm MREO, 594 ppm Nd₂O₃, 172ppm Pr₆O₁₁, 22ppm Dy₂O₃, and 5ppm Tb₄O₇ at a 1,000ppm TREO cut-off, with exploration covering less than 50% of prospective geological formation.
- Additional critical minerals (Rb, Hf, Nb, Ta, V, Ga, Sc) identified, presenting further potential economic value.
- Experienced management team with a proven track record in project development and execution.

STRATEGIC RATIONALE:

The transaction delivers long-term shareholder value for Verde's shareholders on the Record Date through the potential development of Oby. Simultaneously, it aligns with Nautica's vision to secure rare earth minerals critical for global technological advancements, including electric vehicles, renewable energy, and defense applications.

STRATEGIC NEXT STEPS:

Following acquisition completion, Nautica will prioritize preparations for an IPO on the ASX. Concurrently, Nautica is actively evaluating alternative strategic options, including potential listings in New York, or a direct asset sale. Preparing for an ASX IPO ensures flexibility to swiftly capitalize should alternative opportunities offer superior shareholder returns.

⁴ Assumes a 1 for 45 share consolidation has been approved by shareholders and implemented.

STRONG MARKET CONFIDENCE:

Nautica's commitment of AUD \$ 1million of existing capital to the Oby Rare Earths project underscores strong confidence in asset quality and potential. Deploying this capital in a challenging market highlights the project's significant economic value and demonstrates alignment with shareholder interests, effectively positioning Nautica for future exploration, resource expansion, and project development.

LEADERSHIP STRUCTURE AND CORPORATE GOVERNANCE:

Following completion, the Board and management of Nautica Holdings Limited will be constituted as follows:

- Dr Mike Etheridge - Independent Non-Executive Chair
- Andrew Whitten - Non-Executive Director
- Cristiano Veloso - Managing Director
- Guido Pessoa - Environmental Manager
- Thiago Siqueira - Project Manager

Acknowledging potential concerns regarding dual roles, Cristiano Veloso will serve as Managing Director of Nautica, ensuring initial strategic alignment and execution. Both Nautica and Verde have established robust governance measures addressing responsibilities and potential conflicts. Leadership structure will be continuously reviewed by independent directors following pre and post IPO completion and other ongoing strategic developments.

"This year marks the 20th anniversary since I founded Verde—a journey shaped by strategic foresight and commitment to delivering shareholder value. Assuming a leadership role at Nautica Holdings is a carefully planned move, intended solely to ensure a robust start and immediate strategic alignment between both companies. Our exceptional senior management teams and seasoned boards at both Verde and Nautica provide a solid foundation that enables this arrangement to function effectively. I want to assure shareholders that this dual role will be continuously assessed by myself and the boards of both companies. As soon as a structure emerges that better serves the interests of both organizations and their stakeholders, we will implement that change without delay."

SHAREHOLDER INFORMATION:

Verde shareholders should contact their brokers directly to arrange the receipt of their share certificates in Nautica.

For further information, please contact:

Andrew Whitten, Non-Executive Chairman, Nautica Holdings Limited +61 419 117 337 or andrew@prandium.com.au



Cristiano Veloso, Verde Agritech's Founder, Chairman & Chief Executive Officer +55 (31) 3245 0205 or investor@verde.ag.

CONFERENCE CALL

The Company will host a conference call to discuss the Transaction on **Monday, April 14, 2025, at 6 PM EDT, corresponding to Tuesday, April 15, 2025, at 8 AM AEST**. Subscribe using the following link and receive the conference details by email: <https://bit.ly/ConferenceCall-VerdeAgritechLimitedandNauticaHoldingsLimited>.

Shareholders' questions must be submitted in advance through the following link before the conference call: <https://bit.ly/VerdeAgritechandNauticaHoldingsLimitedmagneticrareearthsmineassets>.

ABOUT VERDE AGRITECH

Verde is an agricultural technology Company that produces potash fertilizers. Our purpose is to improve the health of all people and the planet. Rooting our solutions in nature, we make agriculture healthier, more productive, and profitable.

Verde is a fully integrated Company: it mines and processes its main feedstock from its 100% owned mineral properties, then sells and distributes the Product.

Verde's focus on research and development has resulted in one patent and eight patents pending. Among its proprietary technologies are Cambridge Tech, 3D Alliance, MicroS Technology, N Keeper, and Bio Revolution.⁵ Currently, the Company is fully licensed to produce up to 2.8 million tons per year of its multinutrient potassium fertilizers K Forte® and BAKS®, sold internationally as Super Greensand®. In 2022, it became Brazil's largest potash producer by capacity.⁶ Verde has a combined measured and indicated mineral resource of 1.47 billion tons at 9.28% K₂O and an inferred mineral resource of 1.85 billion tons at 8.60% K₂O (using a 7.5% K₂O cut-off grade).⁷ This amounts to 295.70 million tons of potash in K₂O. For context, in 2021 Brazil's total consumption of potash in K₂O was 6.57 million⁸.

Brazil ranks second in global potash demand and is its single largest importer, currently depending on external sources for over 97% of its potash needs. In 2022, potash accounted for approximately 3% of all Brazilian imports by dollar value.⁹

⁵ Learn more about our technologies: <https://verde.docsend.com/view/yvthnpuv8jx6g4r9>

⁶ See the release at: <https://investor.verde.ag/verde-starts-ramp-up-of-plant-2s-second-stage-to-reach-production-of-2-4mtpy/>

⁷ As per the National Instrument 43-101 Standards of Disclosure for Mineral Projects within Canada ("NI 43 -101"), filed on SEDAR in 2017. See the Pre-Feasibility Study at: <https://investor.verde.ag/wp-content/uploads/2021/01/NI-43-101-Pre-Feasibility-Technical-Report-Cerrado-Verde-Project.pdf>

⁸ Source: Brazilian Fertilizer Mixers Association (from "Associação Misturadores de Adubo do Brasil", in Portuguese).

⁹ Source: Brazilian Comex Stat, available at: <http://comexstat.mdic.gov.br/en/geral>

ABOUT NAUTICA HOLDINGS

Nautica is an unlisted Australian public Company with over 130 shareholders (mainly sophisticated investors) formed to acquire a business or invest into an opportunity that Nautica can add value to and grow.

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 CO₂ 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 CO₂ 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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