



# **BRAZIL POTASH**

## **A World-Class Impact Investment Opportunity**

Combat Climate Change and Improve Food Security for the World

2021





# What is Potash?

- Potassium Chloride (KCl), or potash, is a potassium-rich salt
- Essential element to efficiently grow food
- Boosts crop yields and improves quality of plants
- Formed from evaporated seabeds millions of years ago
- Helps plants survive stressful conditions like climate changes, disease, and pests
- Replenishes depleted nutrients from the soil

# Potash Marketplace Problems

1

## Oligopoly Rules the Market

- Russia and Canada control virtually all the world supply and pricing power.

2

## Bifurcated Ecosystem

- Brazil exports a majority of the world's food supply
- Brazil imports 96% of the potash nutrient needed to grow food<sup>1</sup>

3

## Food Security

- Fragile / Sensitive supply chain
- Many growing regions of the world lack arable land to keep up with projected food needs

1) Source: Cepea/CAN, Conab, USDA, ANDA, MAPA, FAO

# Solutions

Centrally located source of potash in the heart of Brazil

- Plenty of arable land suitable to grow food
- Reduce reliance on imports
- Transportation savings create world's lowest cost producer supplying Brazil<sup>1</sup>
  - Reduces GHG emissions equal to planting 23 million trees
- Supply chain risks essentially eliminated because nutrients (potash) mined locally

1) Source: Integer Research

# Why Brazil?

## Brazil an established agricultural powerhouse with global influence

- Brazil is one of the world's largest net exporters of agricultural products

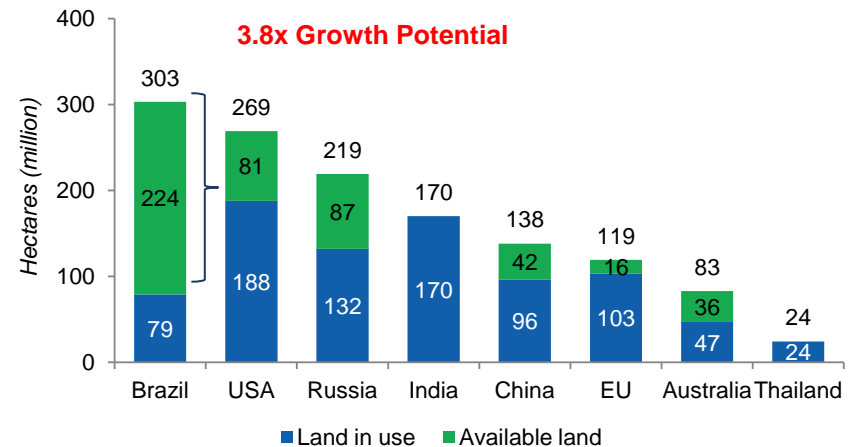
### Brazil's production of food products

Crop	Production <sup>(1)</sup>	Exports <sup>(1)</sup>	% of Global Exports
Orange Juice			77%
Sugar			45%
Soybeans			39%
Poultry			34%
Coffee			29%
Meat			22%

- Agribusiness currently represents ~24% of Brazil's GDP and has significant growth potential estimated at 4.4% annually<sup>2</sup>
- Brazil is the second highest consumer of potash globally at 10.2Mtpa (16% of global production) with highest growth rate 3.5%<sup>2</sup>

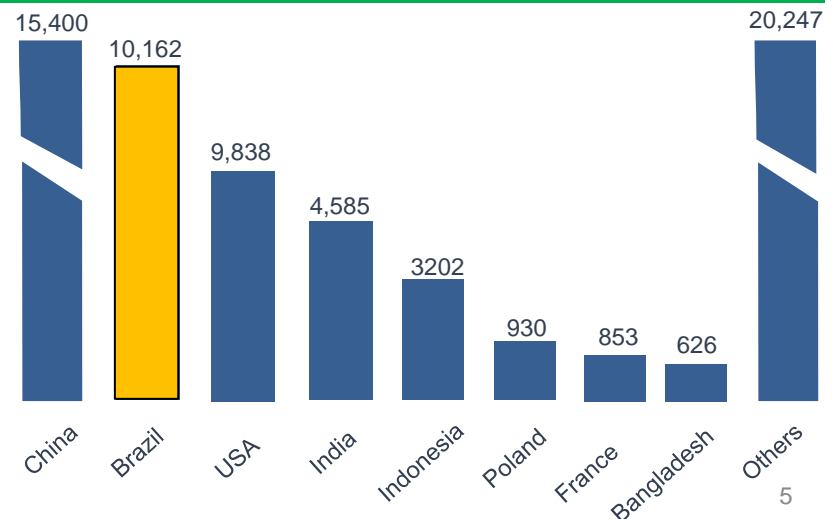
(1) Source: United States Department of Agriculture  
 (2) Source: Integer Research, March 2018

### Availability of Arable Land



Source: United Nations (UN) World Population Prospects

### KCI Consumption by Country (Kt)<sup>2</sup>



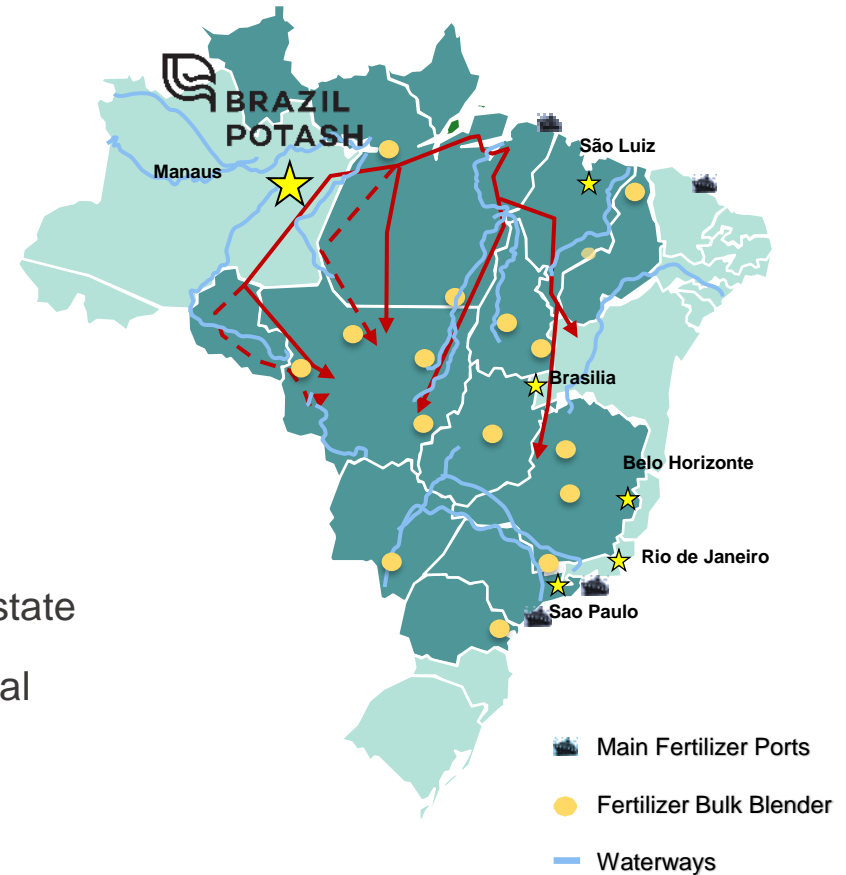
# Brazil Potash's Autazes Project

A trifecta of competitive advantages

- **Size advantage** - One of the largest proven potash fertilizer projects globally
- **Logistics advantage** - Located within Brazil's existing farmland and near the Amazon river system
- **Cost advantage** - Will be the lowest cost source of potash for Brazil<sup>1</sup>

## OTHER IMPORTANT FACTORS

- Project developed to near construction ready state
  - Feasibility Study + Environmental & Social Impact Assessment completed
  - Obtained social and environmental preliminary license
  - Majority of the land surface rights purchased



1) Source: Integer Research

# Construction and Finance Contract

Signed with CITIC

- CITIC Construction is part of CITIC Ltd., one of the largest State-Owned Enterprises in China
- Sponsoring a consortium targeted to invest substantial equity and all of the debt needed the project's construction cost

## EPC Contract Signing



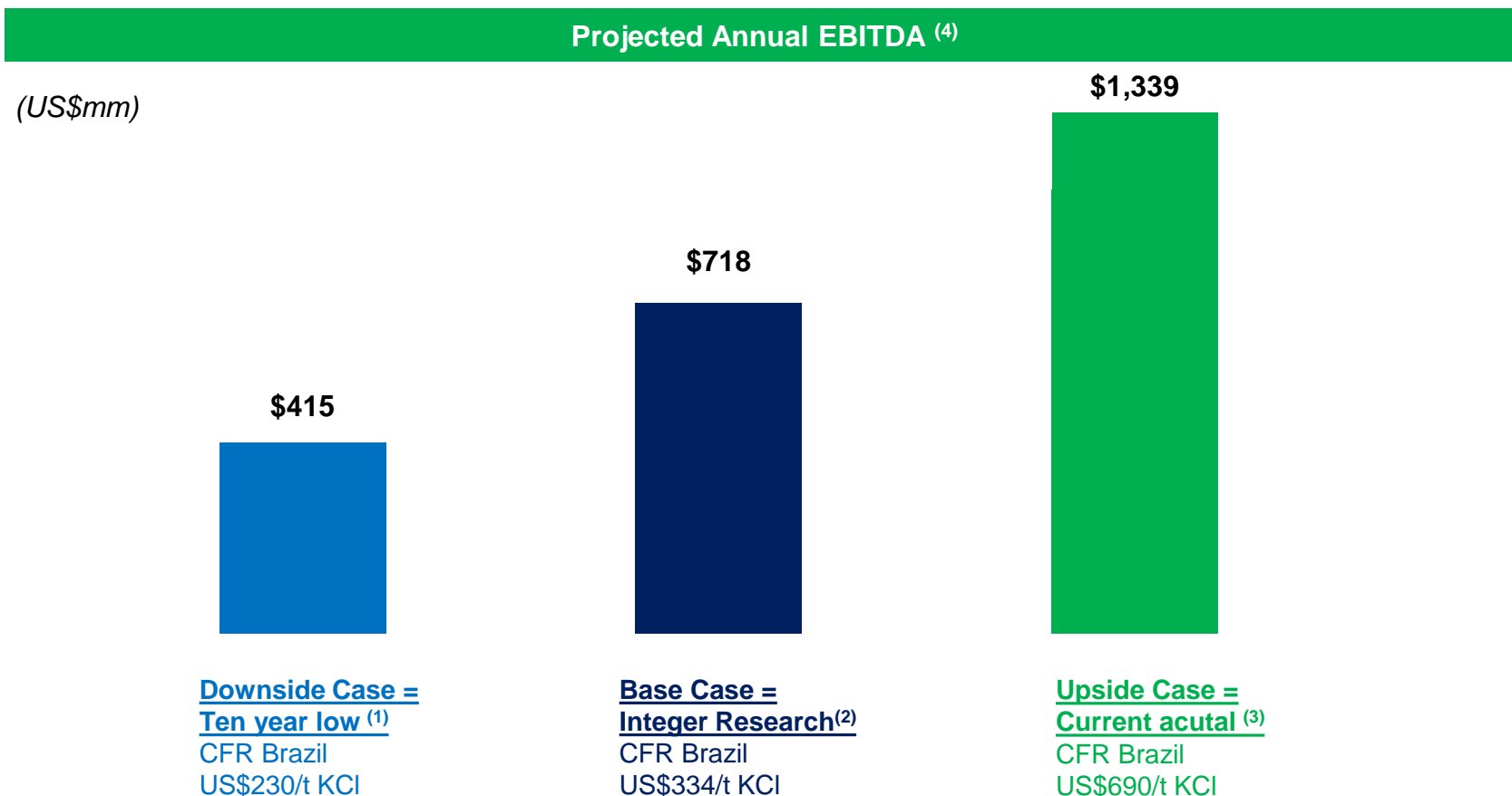
Brazil Potash Chairman Stan Bharti, CITIC Construction President Tao Yang and Brazil Potash VP of Government Relations Claudio Magno  
*(pictured left to right)*

## Brazil Vice President Meeting



Brazil Potash Chairman Stan Bharti, Vice President of Brazil Mr. Hamilton Mourao and CITIC Construction President Mr. Tao Yang  
*(pictured left to right)*

# Brazil Potash Anticipated Profit Across a Range of Sale Prices



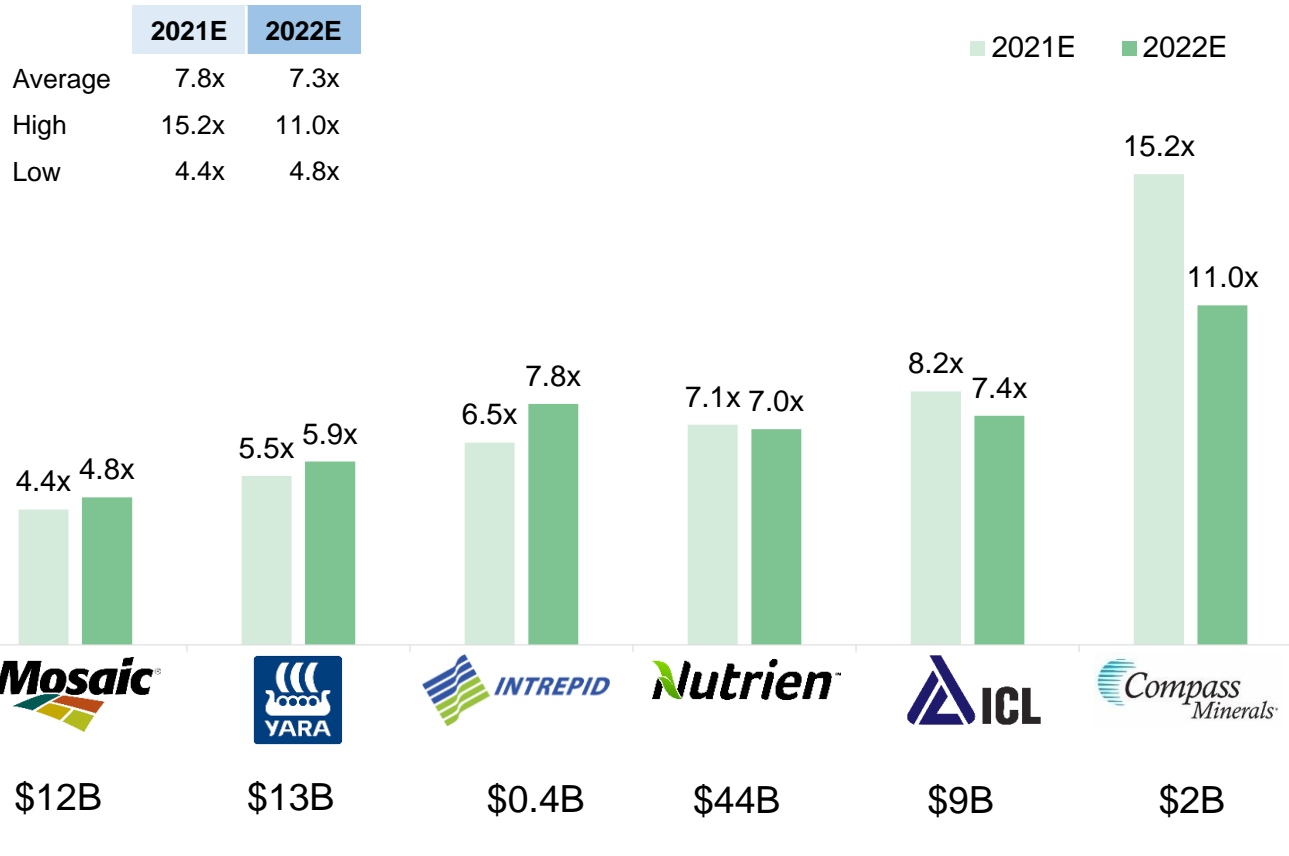
- (1) Downside Case based on 10-year low CFR Brazil KCI price for life of mine
- (2) Base Case based on Integer Research CFR Brazil KCI forecast long term potash prices
- (3) Upside Case based on Aug 2021 actual price of US\$690/t CFR Brazil KCI prices for life of mine
- (4) Financial projections, forecasts or forward-looking statements are based on assumptions or expectations which are believed by management to be fair and reasonable at the time they were prepared and were arrived at after careful consideration. Readers are cautioned that such financial projections, forecasts or forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and contingencies, many of which are beyond management's control. There are a number of factors that could affect the future operations of Brazil Potash including without limitation: changes in demand, industry competition, legislative, fiscal and regulatory developments, economic and financial market conditions including but not limited to the current COVID-19 global pandemic. These factors and risks could cause actual results, performance or events to differ materially from those expressed or implied by the financial projections, forecasts or forward-looking statements available on this website.



# Publicly Trading Producing Fertilizer Comparables

Typically multi-billion company's valued at 7 – 11x EBITDA

## Trading Comparables Forward EV / EBITDA<sup>(1)</sup>



Source: Analyst research, Bloomberg, market data as at August 18, 2021

(1) Based on consensus median analyst estimates

# Two Potential Liquidity Scenarios for Investors

Cost to mine, process, and deliver potash is LESS than importers transportation cost alone

## Scenario #1

Brazil Potash strives to become the lowest all-in cost producer of potash for the world's second largest and fastest growing customer base

RESULT – Share price should re-rate in line with existing producers

**34-year**

Life of mine

**US\$718M**

Annual EBITDA

**Potential ~US\$5 - 8B  
market cap once  
producing**

**Financials**

## Scenario #2

Brazil Potash is acquired because it is cheaper for competitors to buy the company than compete

RESULT – A premium share price to acquire premium assets

**>20%**

supply of Brazil's  
potash needs

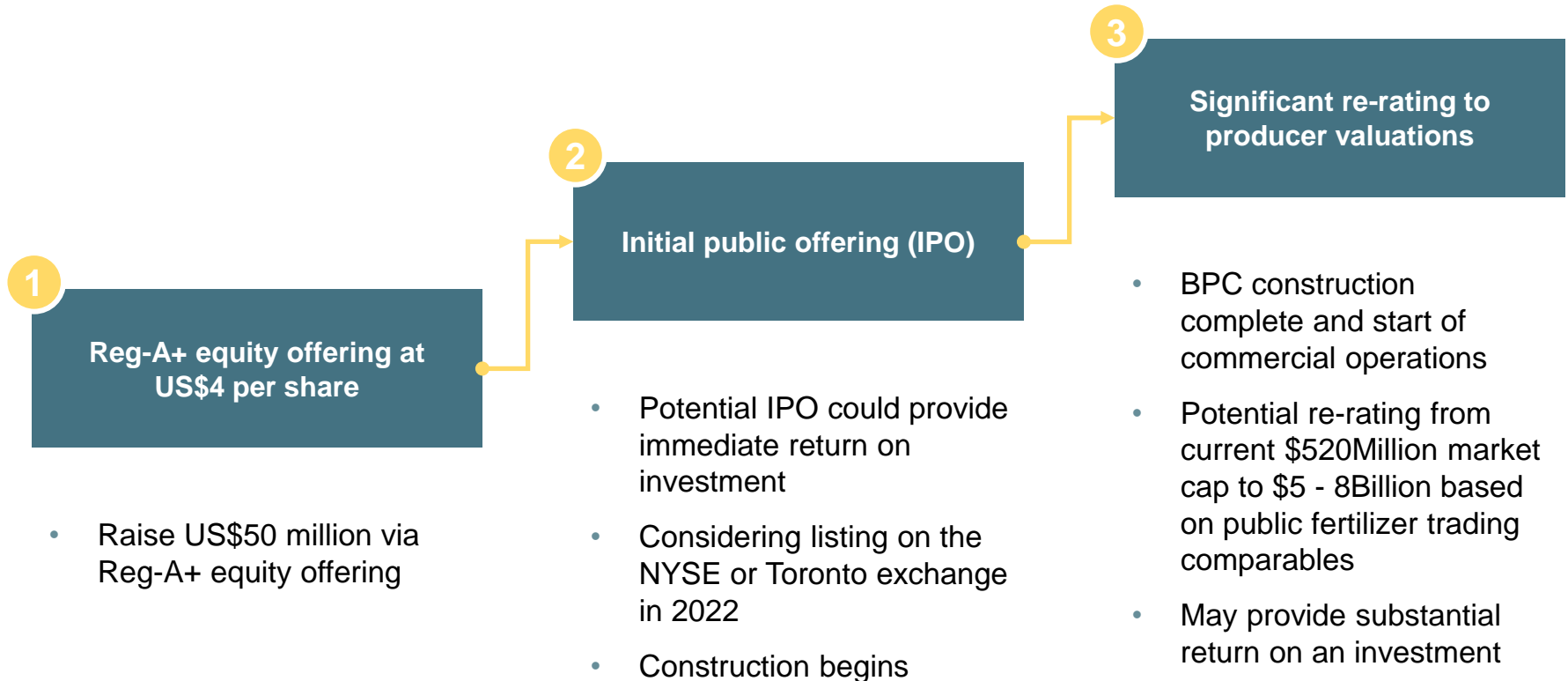
**2.4 million**

tonnes of potash  
production annually  
from just first phase

**Significant**

# Roadmap

Pathway to becoming a world-class Impact Investment and fertilizer producer



*Allows investors to play a pivotal part in securing food for our world's growing population*

# Offering Details

- Brazil Potash seeks to raise US\$50M @ \$4 per share
- Proceeds used to bring the Autazes potash project to a construction ready state
- Potential Initial Public Offering (IPO) in 12 - 18 months on the New York or Toronto Stock Exchange.
- New investors will join current prominent investors including CD Capital (34% ownership), Sentient Group (23%), Forbes & Manhattan (14%) and local Brazil shareholders Grupo Simoes (4%) and Benchimol (3%)
- United States Regulation A+ offering qualified by the Securities Exchange Commission under provisions of Regulation A from the Securities Act of 1933. To view the qualified offering memorandum, see link at <https://www.potassiodobrasil.com.br/landing/invest-now>

# Autazes - a Meaningful Impact Project

Strives to create significant employment and positive social impacts



Sustainable jobs for the people in the Amazon

~5000 direct and indirect new jobs during several decades of operation



Unnecessary international transport of potash saves ~508kTpa of GHG emissions



Potash supply facilitates the reuse of existing arable land – mitigating deforestation



Remove thousands of people from diesel generated power by connecting to Brazil's national electricity grid – ~75% hydro<sup>1</sup>



Investing in local school programs that ensure ~170 children learn core skills such as growing vegetables and school tutoring



No primary rainforest is affected by the Project due to its small footprint and location on existing farmland

**BPC's Project will help to reduce GHGs by over 508,000 tonnes per year, equivalent to planting 23 million trees!**

# Senior Management

Proven track record in mine construction, operations and potash sales



**Stan Bharti**  
Executive Chairman

Founder of Forbes & Manhattan; over 30 years of experience in mining, agriculture, energy, finance and technology

Experienced in emerging markets, with a proven track record in leveraging top tier management and operational professionals

Invested and raised \$10 billion+ over the last 10 years



**Matt Simpson**  
CEO

Previously served as General Manager at Rio Tinto's Iron Ore Company of Canada managing over \$300 million / year spend, accountable for all operations, maintenance and technical people to safely move > 70Mtpa

Previously worked with Hatch Consulting, designing and constructing metallurgical refineries globally



**Helio Diniz**  
Managing Director, Brazil

40 years of extensive in the evaluation and development of major Brazilian mines including being a founder of Brazil Potash

Former Managing Director Brazil for Xstrata (now Glencore)



**Guilherme Jacome**  
Director Brazil, Project Director

Engineer, MBA FDC (Brazil) and MBA IMD (Switzerland)

Former General Manager of global projects for Vale

Experience includes greenfield, brownfield and expansion of Brazil underground Potash Mine

## Notable Management Experience



# Use of Funds Raised

Construction Ready

Start Construction

Funded Amount	25%	50%	75%	100%
Obtain Construction License	\$4,568,750	\$8,000,000	\$8,000,000	\$8,000,000
Environmental & Social License Compliance	3,000,000	5,000,000	5,000,000	5,000,000
Engineering/Permits	0	4,000,000	4,000,000	4,000,000
Optimize Feasibility Study	0	1,637,500	3,000,000	3,000,000
Land Acquisitions & Mineral Rights	2,500,000	2,500,000	2,500,000	6,000,000
Basic Engineering	0	0	3,706,250	9,275,000
Testwork	0	0	6,000,000	6,000,000
Compensation	1,000,000	1,750,538	1,750,538	1,750,538
General & Admin	1,000,000	1,249,462	2,249,462	5,249,462
<b>TOTAL</b>	<b>12,068,750</b>	<b>24,137,500</b>	<b>36,206,250</b>	<b>48,275,000</b>

# Fund the Food of the Future

EXTRACT | NOURISH | FLOURISH

	<b>Brazil is one of the world's largest agricultural producers and this project aims to supply 25% of the country's potash needs</b>	<b>1</b>
	<b>Brazil is the world's second largest and highest growth market for potash but imports 96% of its needs</b>	<b>2</b>
	<b>Autazes benefits from a structural and sustainable cost advantage</b>	<b>3</b>
	<b>Multi-generational operation potential given basin size</b>	<b>4</b>
	<b>Autazes delivers strong social and environmental benefits including ~508kT Green House Gas Emission savings</b>	<b>5</b>
	<b>Compelling project economics from Phase I and ability to increase future production</b>	<b>6</b>
	<b>High quality management team with extensive Brazil experience</b>	<b>7</b>



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