

THE PHOENIX



INTELLIGENT SOLUTIONS FOR A
MORE SUSTAINABLE AND
PROFITABLE AGRICULTURE

SPECIAL FEATURE - AGRITECH

Verde's Latest News Release

Verde's Technological Achievements Pave the Way for Entrance Into the Agri-tech Market

- Verde expects its proprietary technologies will allow for successful penetration of multiple agri-tech markets: crop nutrition, crop protection, soil improvement and increased sustainability.
- As a result, the Company proposes changing its name to *VerdeAgriTech* to better reflect its progression and commitment to agricultural technology innovation.
- Verde expects to start initial TK47 production using small existing idle industrial facilities on a contract basis. This approach can reduce upfront capital cost and accelerate cash generation ("Phase 1").
- Verde's agri-tech growth plan includes partnerships with some of the world's largest agricultural producers. In time and upon the successful implementation of Phase 1, Verde expects to substantially grow TK47 production by advancing initiatives to develop its own Greenfield site production facility ("Phase 2").

[Click here](#) for the full news release

The Agri-tech Market

Investment in agri-tech amounted to US\$ 2.06 billion in the first half of 2015 and is on track to beat last year's record of US\$ 2.36 billion¹. According to Todd Solow, a partner at Norwest Equity Partners (Minneapolis, U.S.), "if you have differentiated technology and can prove to the market that you have yield-enhancing capabilities, you have the potential for very significant growth."² The agri-tech market is involved in defining new opportunities for technology, products and processes in the agriculture sector, a cornerstone of the global economy representing nearly 8.5% of world GDP.

Agricultural science and technology is one of the fastest growing markets driven by global changes such as rising population (projected to reach 10 billion by 2050), development of emerging economies, climate change and

shortages of resources³. The agricultural upswing is being determined not only by these global trends, but also by increasingly demanding and conscious consumers, who oppose excessive use of chemicals, and favour organic and sustainable farming.

“The State of AgTech” – www.techcrunch.com

“Now, in the second millennium, we are challenged in new ways to increase productivity while minimizing inputs, managing costs and respecting the environment. We have reached a tipping point of sorts, and there is a new sense of urgency. Arable land and water are in short supply. Climate change is having a big impact on crop variability and yield. The global food system will need to be capable of producing food for a projected 9 billion people by 2050. That’s no small mandate.

In order to truly move the needle in agtech, we need a shift from an isolated, siloed view to a more inclusive, collaborative view. We’re starting to see it — chefs are connecting with farmers, farmers are connecting with consumers, healthcare is connecting with food science. But now more than ever, scientists, engineers, farmers and environmentalists need to close ranks to take a serious look at how to address the production end of our food system with new and integrated knowledge.”

For the full article [here](#).

AGRICULTURAL COMMODITY MARKETS

“Fuel-price shocks have a big influence on the price of food” – The Economist

“The prices of staple crops, like those of other commodities, are falling fast. In August they reached their lowest level for eight years, down by over 41% from their peak in 2011. That is not because people are eating less, or because farmers have become much more productive. Nor is it because of a slowdown in Chinese growth, in contrast to many other commodities. Whether going down or up, food prices are largely driven by other factors, among them oil prices and government policy.

Oil first. Cheap fuel means cheaper food. Natural gas, whose price is tied to that of oil, is used for producing fertiliser; other hydrocarbons are used for machinery and transport.”

[Click here](#) to read the full article.

“Land the size of Great Britain needed to feed Chinese meat demand” – Financial Times

“Agricultural land equivalent to the size of England, Scotland and Wales, will be needed to meet the demand of future Chinese [meat consumption](#), as the portion of protein in diets steadily increases, according to a report.

This increase, in turn, will mean that an additional 15-20m hectares of agricultural land will be needed, according to the corporate finance arm of auditors PwC.

The shift in diets will place enormous burdens on an already challenged domestic food system and have significant ramifications on international trade in agriculture.”

[Click here](#) for the full article.

¹ According to AgFunder which matches startups with investors (www.agfunder.com)

² Nickel, R., & Gillam, G. (2015, September 15). Market turbulence or not, North American investors plow into farm tech. *Reuters*.

³ GOV.UK. (Updated 2015, December 24). "UK Strategy for agricultural technologies: executive summary." Retrieved from <https://www.gov.uk/government/publications/uk-agricultural-technologies-strategy/uk-agricultural-technologies-strategy-executive-summary>

BRAZILIAN POLITICS & ECONOMY

"Brazil president shuffles Cabinet, combines ministries" – Yahoo News

Brazilian President Dilma Rousseff reduced the size of her Cabinet on Friday and announced spending cuts to shore up support for her government's efforts to introduce fiscal reforms.

Read the full article [here](#)

Brazil's weakening currency



MORE THAN A FERTILIZER

Research has shown that by integrating TK47 into their nutrient management systems, farmer's benefit from TK47's multi-functionality in 4 key aspects:

1. Crop nutrition
2. Crop protection
3. Soil improvement
4. Sustainable agriculture



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