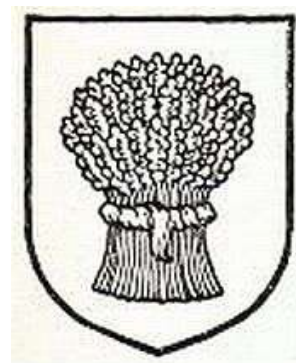


Wednesday, May 13, 2026



HALLGARTEN + COMPANY

Mine Site Visit

Christopher Ecclestone
ceccestone@hallgartenco.com

Joshua Mayfield
jmayfield@hallgartenco.com

Brazil Potash (NASDAQ: GRO | B3: GROF31) Strategy: LONG

Key Metrics	
Price (USD)	\$2.73
12-Month Target Price (USD)	\$7.30
Upside to Target	167%
12mth high-low	\$1.25 to \$3.98
Market Cap (USD mn)	\$145.78
Shares Outstanding (mns)	53.4
Warrants, Options, DSUs & RSUs	26.9
Fully diluted	80.2

Brazil Potash

Go, GRO, Go

- + It was clear from our recent site visit to Autazes that Brazil Potash has crossed the border that divides the explorer from the developer and is now in the construction phase
- + Brazil is the world's leading market for fertilizer (and also the largest importer of growth minerals) with GRO as the leading contender to meet that demand
- + Currently the Brazilian market is 2% self-supplied with potash with GRO potentially replacing 20% of imports, thus a tenfold leap
- + The war in the Middle East has made the supply and sourcing of fertilisers into an almost household issue as the squeeze has been put on supply to both the West and the so-called Global South
- + GRO is an import replacement story in one of the world's leading economies where the annual bill for fertilizer imports is an important concern
- + There is a very strong cost advantage afforded by having an inland source of potash in much closer proximity to the end users than any other global growth minerals players
- + Initial capex is estimated at US\$2.486bn, including US\$200mn in contingencies
- × The CapEx is substantial
- × The company lacks Canadian and German listings, thus undershooting the potential in those two capital markets where fertilizers are well understood and favoured

Autazes – Into the Amazon – Minesite Visit – April 2026

In this Minesite Visit Note, we look at the structure of Brazil Potash, the imperative for some degree of independence in fertilizer supplies, its innate advantages as THE up & coming “onshore” producer of potash in Brazil, how the Autazes project figures in that and the path towards its financing and development to production.

Feeding Brazil's Voracious Potash Appetite

The essential USP of Brazil Potash is the “name on its box”. It is potash for Brazil, the world's hungriest market for fertilizers. We shall elaborate further along as to why this agricultural giant has an outsized appetite for fertilizers but beyond that a unique combination of demand, cost advantages and political factors puts Brazil Potash in the right place, in the right market at the right time.

If one knows how Brazil works, then all ones need to say is that the Autazes Project was designated as a project of “National Importance” by Brazil's Federal Government and National Observatory in September 2020.



Wednesday, May 13, 2026

The Site Visit

- **April 21** – Late afternoon - flight from Miami to Manaus in Amazonas State, Brazil
- Late evening arrival – transfer to hotel
- **April 22** – Morning – transfer to airport for float plane journey (50 something kms) to the landing near to the settlement of Sao Sebastiao
- Mid-Morning – Indigenous celebration of meeting of the families/groups
- Late morning – launch transfer to Autazes – visit to office and reviewing of core
- Lunch in Autazes
- Early afternoon – launch transfer to port site/nursery at Urucubituba
- Road trip to processing/mine site location
- Transfer by float plane back to Manaus
- Police escort to state administration office
- Audience with state governor, former state governor and other authorities
- **April 23** – Visit to Juruá Estaleiro e Navegação shipyards opposite Manaus
- Flight back to Miami

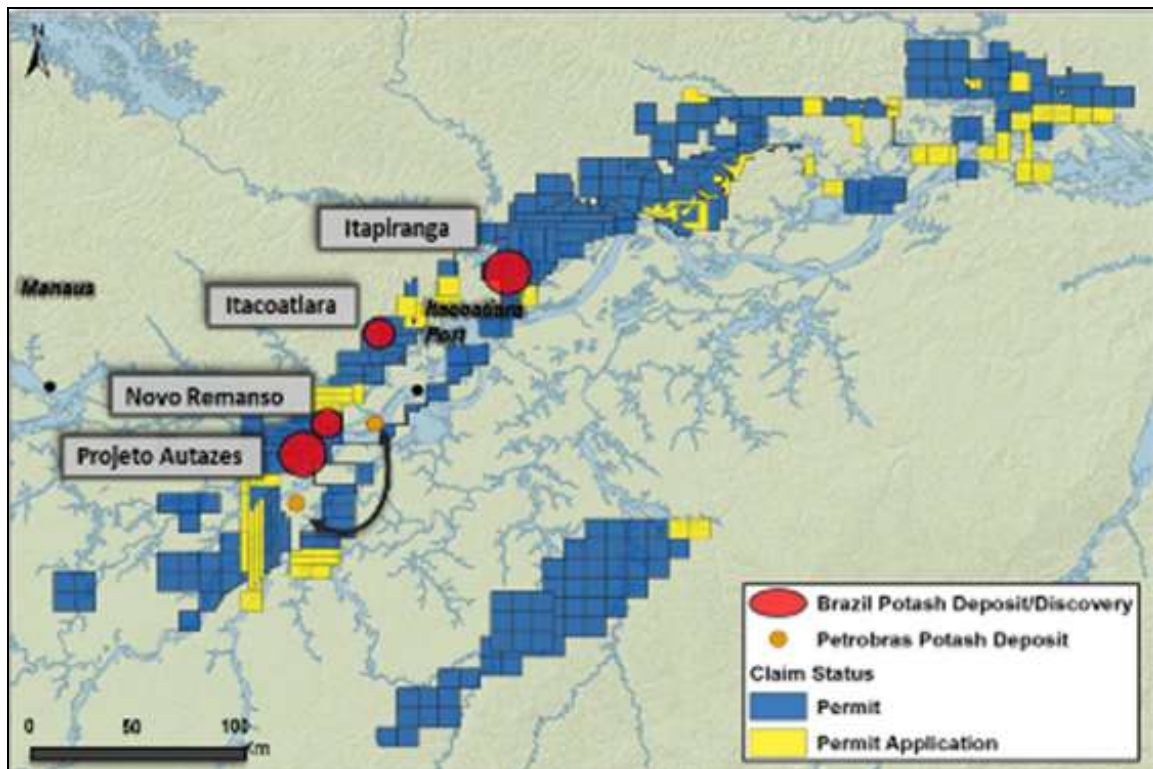
To say the expedition was action-packed is an understatement. There was never a dull moment, and we find it hard to recall if we have ever experienced so many dramatic modes of transportation in such a short time. Only thing lacking was a camel ride.

Manaus

The expedition was based out of Manaus, the capital of the vast state of Amazonas. It stands at the confluence of the Rio Negro (Black River) and the Rio Solimões. It is a vast sprawling conurbation with around 2.2mn people and is one of only two major cities in Amazonas. It is a major industrial centre and the major port on the Amazon and thus the major transport, service and access point for the future Autazes mine.

The Autazes Project

The project is situated in an area encompassing approximately 98 square miles located in the Amazon potash basin near the city of Autazes in the eastern portion of the state of Amazonas, Brazil, within the Central Amazon Basin, between the Amazon River and the Madeira River, approximately 75 miles southeast of the city of Manaus, northern Brazil.



The Mining Concessions

The company holds all of the mineral rights for the Autazes project through its wholly-owned Brazilian subsidiary, Potássio do Brasil Ltda., and such mineral rights are registered with Brazil's national mining regulatory authority, Agência Nacional de Mineração.

Under the current development plan for the Autazes project, Brazil Potash intends to own, lease, have rights of access to or have rights to occupy, through Potássio do Brasil Ltda., 39 rural properties on which the facilities and infrastructure for the Autazes project will be located.

Brazil Potash currently has rights of access to 24 rural properties consisting of a total area of approximately 5.4 square miles, which include the land on which the proposed mine shafts, processing plant, and port for the Autazes project will be constructed.

In early 2024, the company entered into agreements to lease, for a term of six years, a further 15 rural properties consisting of a total area of approximately 4.2 square miles, which primarily will be used for siting the dry-stacked tailings piles.

Into the Amazon

The distance from Manaus to the project site is roughly 166kms by road but is only around 50kms as the crow flies. Additionally, travel by road would have involved two ferry crossings as there are very few bridge crossings of the Amazon and its major tributaries. Thus, from Manaus we flew by float plane to

Wednesday, May 13, 2026

the landing stage near the village of São Sebastião, where we were greeted by the chiefs of several of the tribes/families of the area.



Access

The Autazes project can be accessed from the city of Manaus by crossing the Amazon River (Negro and Solimões) by boat or ferry in the stretch between the port of Ceasa in Manaus and the port of Careiro da Várzea on the right bank of the river, and then travelling via highways BR-319 (16 miles) and AM-254 (58 miles) to the Madeira River, which is also crossed by boat or ferry in order to reach the city of Autazes. From the city of Autazes, highway AM-254 extends approximately eight miles south to the western bank of the Madeira River. From there, access can be achieved by boat via downstream journey of approximately 16 miles on the Madeira River (in a northeast direction) to the boat mooring location at the Urucurituba village, at which the proposed port facilities for the project will be located.

A 7.5-mile unpaved road will be constructed between the Urucurituba village and the entrance to the mine.

Alternatively, the project can be accessed by travelling downstream on the Amazon River to the confluence with the Madeira River and then from there travelling upstream on the Madeira River to the boat mooring location at the Urucurituba village. The entire length of this river route on the Amazon River and the Madeira River is approximately 106 miles.

The Tribal Gathering

The group was here to participate in the 2nd Encounter of the Mura Peoples, the local indigenous groups. The event was a fascinating mix of local culture and modernity. The enthusiasm for the project was

Wednesday, May 13, 2026

palpable as the prospect of jobs and progress for traditionally marginalized groups was a strong draw for the recent votes that have strongly supported the advancement of the Autazes project.

In late August of 2023, the company submitted to the Brazilian Amazonas Environmental Protection Institute an application for the Construction Licenses to ensure that the company could move to the next stage of the permitting process, prior to the expiration of its Preliminary Environmental License on 31st of August 2023 in accordance with its terms.

In September of 2023, Brazil Potash completed the additional consultations with the 36 villages that comprise the local Mura indigenous communities. As of the end of 2023, all of the plans and conditions that were required to be completed and satisfied in order for the completion of the application to obtain the construction licenses (*Licença de Instalação*, literally Installation License) had been completed and approved by the various applicable Brazilian federal, state and municipal agencies.

As of August 2024, Brazil Potash had received from the Brazilian Amazonas Environmental Protection Institute all of the 21 *Licenças de Instalação* required for the construction of the Autazes Project.



Community Relations

With any project that hopes to develop in the Amazon region, a key optic is the relations with local indigenous communities, even if this is more important to external investors rather than Brazilian investors. As the project will take place in proximity to local communities, and, in particular, to the Mura de Autazes Indigenous People, the company has been engaging with community leaders, building a relationship that is reflected in socioeconomic and environmental improvements for indigenous and non-indigenous communities. Because of this relationship, Potássio do Brasil supports implementation of the Mura Good Living Plan, developed from consultations between all Mura villages represented by the Mura Indigenous Council – CIM.



Wednesday, May 13, 2026

The company has implemented, thus far, around 30 socioeconomic and environmental programs, many of which are aligned with the interests and programs proposed by the Mura People. An example of this was the company donating 20,000 seedlings grown in a nursery owned by Potássio do Brasil for reforestation in the municipality of Autazes and the surrounding region.

The Mura de Autazes people are made up of 36 villages and are represented by the Mura Indigenous Council (CIM), and the Company's consultations with the Mura People are fully compliant with the Protocol of Consultation and Consent of the Mura de Autazes Indigenous People, developed in accordance with International Labor Organization 169 (ILO 169) protocols of the United Nations for free, prior and informed consultation. At the Mura People's General Assembly, held in September 2023, the Mura voter participation was 94%, with over 90% voting in support. This far exceeded the criteria established by the Mura people themselves, being a minimum of 60% voter turnout with a minimum of 60% votes in support of approval.

Autazes Itself

The nearest town to the project is Autazes. It ranks as a municipality and had a population of 40,290 as of 2020. The municipality covers an area of 7,599 km². It is located some 50 kms south-east of Manaus, just west of the Madeira River.



As can be noted from the picture above it is quite an important port for the ferry-launches that fan out through the various branches of the Rio Madeiro.

Wednesday, May 13, 2026

The main industry thus far has been fishing (and processing for export) and dairy processing, particularly cheese, of which there are around seven plants in the town. In particular the area is known for cheese from buffalo milk. Two of these plants are currently exporting to global markets.

The potash mine will be transformative with an expected trickle-down effect of around 13,000 to 17,000 jobs, of which many will be in the town.

The town is very neat and tidy and looks quite prosperous. The company's office is shown below:



Permitting

The subject of permitting for GRO is twofold. The environmental component is a requirement in most places, but the siting in the Amazon gives the project heightened sensitivity. This issue the company has dealt with, and more particularly, because the area was previously ravaged by clearing, decades ago, for (largely failed) cattle ranching. Thus, the environment has been significantly harmed by this activity and in fact the Autazes project is turning the clock back with its reforestation efforts.

On the road from the port site to the project, it was clear just how serious the damage that had been wrought was. Being an enormously fecund zone for vegetation regrowth the area was something of a (green) lunar landscape until GRO arrived. The goal is not just regrowth (of the fastest) but rebuilding the rainforest with the right mix of trees and undergrowth. To this end there is the nursery project the company is pursuing.

The other aspect of the permitting is the attitude or and towards the local indigenous communities.

Wednesday, May 13, 2026

The Environment

The Hippocratic principle of “Do no harm” reigns at Brazil Potash. This is most evident in the company’s actual, and intended, custodianship of the environment. This was evident in various of the elements of the project that we saw on the site visit, but most particularly in the company’s tree seedling nursery, which is located several hundred metres from the proposed port site.



This was established in 2021 as part of the company's commitment to environmental restoration and local sustainable development. Since its creation, the nursery has operated in integration with surrounding communities, which participate by collecting native seeds in the forest. By March of 2026, 95,899 seedlings had been produced, of which:

- 64,591 have already been allocated to the Municipality of Autazes, rural communities, the Government of Amazonas, and the Mura indigenous people, directly contributing to reforestation and environmental security actions in the territory
- 4,982 seedlings were used in the recovery of degraded areas on properties acquired by Potássio do Brasil itself
- 26,326 seedlings are currently in the nursery, ready for planting on the company's properties
- To date, the seedlings produced have included more than 50 plant species.

In 2025, the nursery was expanded, and its capacity increased to an annual production of approximately 30,000 seedlings, ensuring the continuity and scale of this initiative.

Wednesday, May 13, 2026

From the drive from the port to the site of the processing plant that the areas intended for planting have been disastrously degraded over previous decades by brutal clearing and unsuitable agricultural practices. Thus, Potássio do Brasil's actions not only prevent new impacts but also promote the active restoration of vegetation cover, aligned with best sustainability practices and the commitments made by the company.

This model strengthens the local economy, values traditional knowledge, and ensures the genetic diversity of the species produced.

In the medium and long term, these restored areas will play strategic roles: they will act as carbon sinks, contribute to the restoration of biodiversity, and, above all, open opportunities for job and income generation for traditional communities through sustainable production systems that reconcile environmental conservation and economic development.



The Port Site

The mine, processing plant and tailings piles for the project will be located approximately 12 miles northeast of the Autazes town center in a rural area, near the village of Lago Soares. The site for the port is located approximately 8.7 miles (14kms) southeast of the processing plant site by road, nearby the village of Urucurituba on the banks of the Madeira River.

The actual loading facility will be floating to deal with the wide disparities in river height between the high water and low water seasons. On this dock will be large covered sheds to protect the material from the climatic conditions (i.e. damp) while awaiting the next convoy of barges to be despatched.

On the plan that follows can be seen the proposed port area, stretching from the river inland for a

Wednesday, May 13, 2026

couple of kilometres. The material from the mine will be taken to the loading station inland and then conveyed to either the storage areas on the floating loading dock or direct onto the barges if a convoy is being loaded.

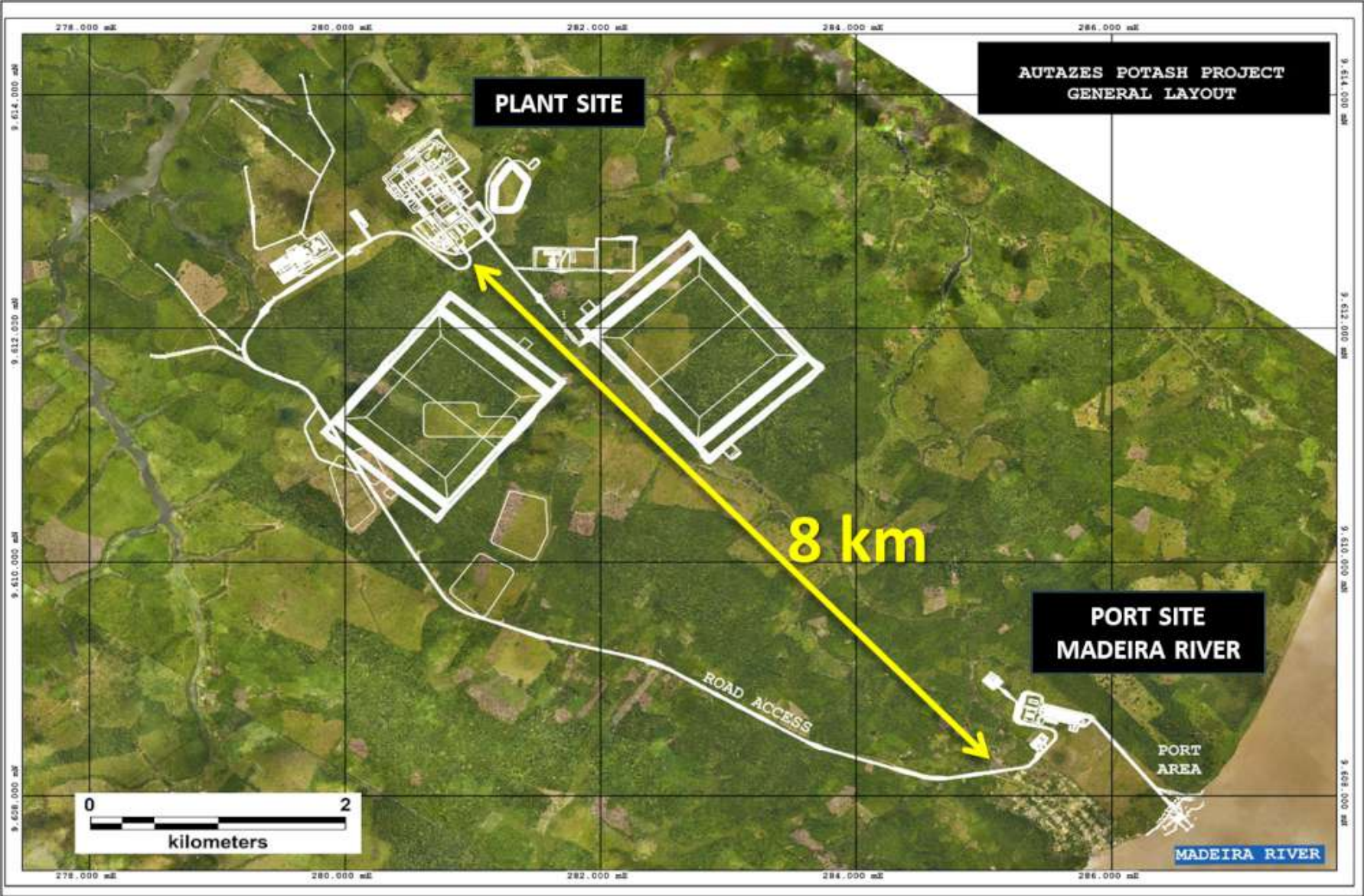


Mine & Processing Site

We arrived at the mine site in a tropical downpour which inhibited our ability to roam about when we got there. It had been deluging down right from when we left the port site until we got to the minesite. The extent of the clearing and levelling was evident and there was a complex of offices and health facilities which has already been installed on site (composed of shipping containers and an overarching shelter).

The terrain at the underground mine and processing plant sites is rather flat with elevations ranging from 8 to 50 m above sea-level. The map on the following page shows the proximity to the port on the Madeira river, a tributary of the Amazon.

During the flood season the river water levels reach maximum (1 in 100 years) heights of approximately 21m and 23m above sea-level in the Madeirinha and Madeira Rivers, respectively. Seasonal variations are around 5m during the low rain season. The proposed surface infrastructure for the project, including the mine shafts, processing plant and tailings storage facility, are all located in areas of higher elevation than the 1 in 100-years water level and are not predicted to be affected by seasonal flooding. However, these floodings are capable of modifying the transport logistics.





Wednesday, May 13, 2026

In late March of 2025, Brazil Potash signed a vegetation management contract with *GRS Ambiental e Logística* (GRS), an Autazes-based firm with extensive experience in environmental management across Amazonas, Pará, and Mato Grosso states. GRS serves corporate clients, various municipal agencies and construction firms throughout Brazil. Their technical team has extensive expertise in vegetation management, environmental activities, sanitation, equipment rental, and land preparation.

The initial service order focused on vegetation management in the mine, road, port, and processing plant areas. All vegetation management activities on low-growth farm ground are being conducted in compliance with the project's approved environmental licenses, which have been reviewed and authorized by the Amazonas Environmental Protection Institute (IPAAM) through Specific Environmental Licenses for all project areas.

In our journeys around Autazes, and the port and site, all the vehicles & drivers were supplied by GRS.

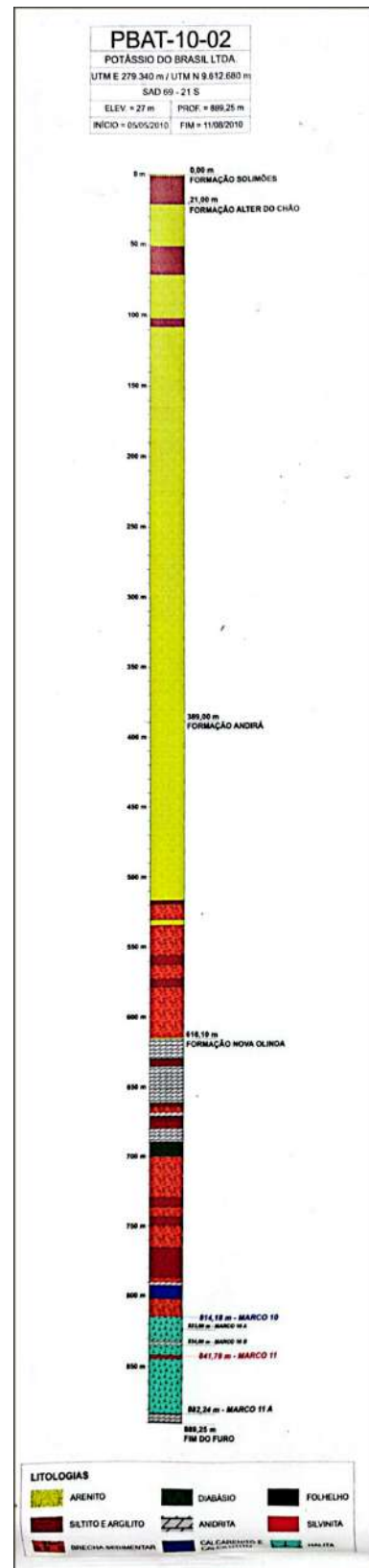
The initial vegetation management tasks are now complete. However, in such a fecund climate as that of Amazonas, the task is perpetually on-going.

The Project Geology – a Layer-Cake

The project zone is somewhat of a layer cake, or in more technical terminology, the potash-bearing horizon is subdivided into the following three zones (from top to bottom):

- Upper Sylvinite zone with an interlayering of red sylvite and halite, and with minor amounts of sulphate minerals. Sometimes minor amounts of carnallite were also detected
- Middle Sulphate zone consisting of various sulphates (anhydrite, kieserite, polyhalite and others) interlayered with sylvite and halite and carnallite distinguished
- Lower Sylvinite zone with an interlayering of white sylvite and halite, and with minor layers of sulphates (mainly anhydrite)

The top of the potash-bearing horizon was determined to be at a



Wednesday, May 13, 2026

depth between approximately 0.4 mile to 0.5 mile. In general, the potash deposit dips from the northwest to the southeast of the Autazes project.

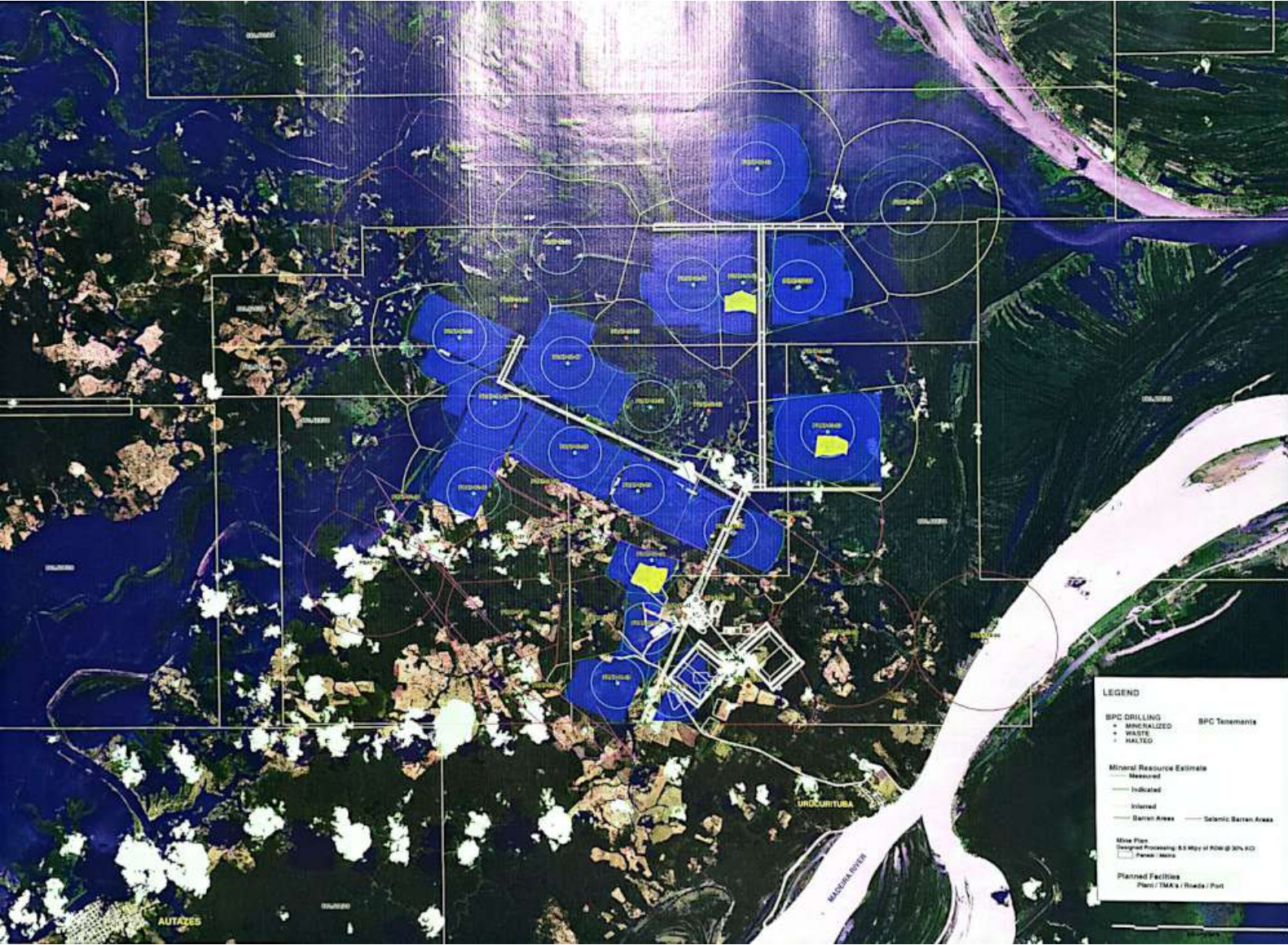
The total thickness of the potash-bearing horizon in the explored area of the Autazes project ranges between 2.3 feet and 13.1 feet, with an average potassium chloride (KCl) grade of 25%. The maximum thickness of the potash-bearing horizon is 13.1 feet and is found in the explored northwestern center of the Autazes project, while the thickness decreases towards the north, southwest and southeast parts of the project. The average thickness of the whole area of the potash-bearing horizon is 6.2 feet. The KCl grade ranges from approximately 10.1% to 43.4%. The highest KCl grades (which are higher than 40% KCl) are found in the eastern part of the project area, while KCl grades of 30% or more are found in the whole central part of the explored Autazes project, interrupted by a suspected northwest to southeast directed low-grade zone.

The Mine & Processing Plant Site

Below can be seen one of the drill collars at the site of the eventual processing plant/aboveground mine structure:



The map on the following page shows the past drill holes that make up the resource/reserve and the anticipated drifts to reach out to the mineralized areas.



Wednesday, May 13, 2026

It is worth noting that the mineralized areas discovered by (and still held by) Petrobras are to the northeast and to the south of the Autazes site and thus accessible by the extension of the drifts should be reached with Petrobras. The addition of the Jauary indigenous territories to the direct north would extend mine life to a bit over 90 years and the Petrobras assets would stretch this to, potentially, over 300 years.

Shafts and Mining Method

The mining method proposed is conventional room and pillar (long pillars 1,500 m) mining with two vertical shafts. One shaft is used to hoist ore and for manpower access and the other is primarily for ventilation. Main development provides access to production panels, room for infrastructure and conveyors, and consists of several intake and return airways. We provide in Appendix III a more extensive description of the mining methods.

While at site the focus of the conversation was largely on the subject of the shafts. As noted at the core room visit, the extensive salt layer (with the water table) above the potash layer means that the potash level must be protected from water filtration which would be an inevitable result of drilling (or shaft-sinking) through the water table, if the downhole/shaft was not thoroughly cased as it passed thru the water table.

The mine will be accessed by means of two vertical shafts: main shaft (#1) and ventilation shaft (#2) and related infrastructure. The shafts have been designed to service a mine production rate of 8.5mn tonnes per annum, at steady state.

The main shaft will have a finished diameter of 7.8 m and a depth of 920 m. The shaft will be equipped with two double drum mineral winders, each in separate winder buildings, providing a maximum hoisting capacity of 9.3mn tonnes per annum with 24 tonne skips.

Shaft sinking will be completed by means of conventional drilling and blasting with mechanical mineral loading into the kibles. The main and ventilation shafts will be sunk concurrently and equipped from the bottom up.

Shaft sinking, equipping and commissioning will take approximately 3.5 years and are the largest capex items coming in at an estimated US\$433.4mn.

Ground stabilization will be required for incompetent ground for the first 420 m below surface and will be completed by means of freezing and grouting. Grouting will continue until the shaft sinking and lining are complete.

Extraction of the potash ore will be done using continuous miners feeding a conveyor system to the skips at the hoist shaft.

On the page that follows can be seen the GRS facility at site, which is composed of shipping containers covered by a roof stretching across the whole complex.

Wednesday, May 13, 2026



Tailings

The proposed tailings disposal mode will be ~30% paste backfill and ~70% brine injection.

The paste backfill is underground disposal of cemented tailings into mined-out voids). ERCOSPLAN designed the backfill plant and provided the technical design of the backfill system for the project.

Matt Simpson expanded on the plans beyond what we had hitherto heard. In the short-term there will be a tailings impoundment above ground next to the processing plant. As the tailings will be primarily salts, the plant is to dewater these and then, post-Year 3 of production send these back underground when a sufficient amount of mined-out voids are available for the task.

The brine will be reinjected into the water table layers above the deposit.

FEED Decisions

In early May, the company announced it had awarded a Front-End Engineering Design (FEED) contract for the processing plant, tailings facility, river barge port, and the upgrade of approximately 13 km of road connecting the plant to port, to a consortium of Wood and Promon Engenharia.

Wood and Promon were selected for their experience, global potash and fertilizer engineering leadership paired with deep, on-the-ground Brazilian execution capability.

This FEED also ensures alignment across surface systems, processing throughput, water balance, power demand, tailings capacity, and port logistics, under a single, coherent engineering framework.

Wood is reputed at the global level in consulting, engineering and operations for the energy and materials sectors. Most particularly their recent project experience includes serving as engineering contractor for K+S's Bethune potash mine in Canada.

Wednesday, May 13, 2026

Promon Engenharia is one of Brazil's leading engineering and project management companies, with more than six decades of experience executing industrial and mining projects in-country, including involvement in some of Brazil's largest fertilizer developments. Promon's contribution will include ensuring compliance with Brazilian engineering standards and construction regulations, integrating with local supply chains and labor markets, and producing designs compatible with Brazilian environmental licensing, permitting processes, and logistical realities.

Next Tasks

Other tasks undertaken of late have been:

- Launched archaeological monitoring and heritage education program
- Raised US\$63.5mn of equity in May to advance project

The company's to-do list for the rest of 2026 are:

- Complete mine shaft and processing-plant engineering to enable debt financing
- Secure a strategic project-level equity partner to help fund construction with limited dilution
- Obtain third-party funding for key infrastructure (Port, Steam Plant, Power, Trucking)
- Expand community training programs to prepare the local workforce
- Order long-lead equipment and begin early civil works following engineering and financing completion

Full Court Press – Meeting the Governor(s)

Having arrived slightly late in our return to Manaus from site, we were surprised to find that not only did our convoy on minibuses receive a heavy police escort to get us from the airport to the meeting at the government offices, but that they managed to stop all the incoming traffic at every on-ramp of the freeway that crossed the city. That we got the Head of State treatment for our cavalcade was probably the best indication of all as to the importance that the local political class placed in the project.

The major political movers and shakers of the state were in attendance. The political scene in Amazonas is often viewed as strongly influenced by traditional families and economic interests. This included the current vice-governor, Tadeu de Souza and Wilson Lima the outgoing governor (since 2019). The latter was re-elected in 2022 but is ineligible to seek a third consecutive term under Brazil's re-election rules for executive offices. He will be running for the state's senatorial seat in Brasilia in the Federal elections later in the year. He also accompanied the group to dinner that evening.

The current political ascendancy in the state is of the centre-right, namely the PSC (Partido Social Cristão), which merged into the Podemos (We Can) grouping in 2022. But he appears to represent the

Wednesday, May 13, 2026

UNIÃO, centre-right liberal grouping now.



The 2026 Amazonas general election will be held in early October 2026. Voters will elect a governor and vice governor, two senators, eight representatives for the Chamber of Deputies, and 24 members of the Legislative Assembly of Amazonas. If no candidate for governor receives a majority of the valid votes in the first round, a runoff election will be held on 25 October.

The praise and enthusiasm for the project was fulsome. There were also some not so veiled critiques of “outsiders” (read foreign NGOs) trying to crimp the economic potential of the state. Also great stress was placed upon GRO’s sound relations with the indigenous population and that group having swung its support behind the project.

At end of the session at the government offices there was a group photo with Matt Simpson, the CEO of GRO, flanked by the incoming governor to the right and the former governor to his left. The gentleman with the blue tie on the right side of the photo was clearly a major force in politics in the state.



Wednesday, May 13, 2026

The Juruá Estaleiro (Shipyard)

The last day in Manaus started out with a visit to the Juruá shipyard which stands on the opposite bank of the Rio Negro (Black River) from Manaus and is reached by the Ponte Rio Negro, an impressive suspension bridge, which in some versions is the only bridge crossing the Amazon.

The object of this visit was to acquaint the analysts and PMs with GRO's strategy on transport. It will most likely be here that the company will commission not only the future barge fleet but also the floating port/loading facility to be moored at Urucutiba

Juruá Estaleiro e Navegação Ltda is the leading naval construction firm in Amazonas, and indeed the north of Brazil, and was an exceedingly impressive operation. Frankly, we must admit to being rather blown away not only by the facilities themselves, but by the progressive attitude of the owners/management. There was a distinct feeling of family firm about the enterprise with the whole extended workforce being viewed as "family".

The firm was founded some 40 years ago in the coastal state of Acre but had initiated its outpost in Manaus as recently as 2009. The operation now employs some 3,000 workers. It has since come to dominate the local shipbuilding scene, though we did note a smaller competitor at the Manaus end of the bridge.

Upon our arrival, we were met by the son and daughter of the founder (who had passed away a couple of years before). His name was Francisco "Chiquinho" Camely and his vision, besides the shipyard, was the educational establishment attached to the plant which is shown on the following page.

Here the company provides schooling to pre-high schoolers, primarily in Portuguese, maths and English.

Also attached to this Institute is the welding school, in which the company literally churns out an army of welders. Most interestingly the star alumni of this welding training operation are women. In the last few years, the company has gone from four women on the plant floor to over 300 as the school has produced female welders that have been found to be better at the task than men. Not quite Rosie the Riveter of WW2 fame, but the Brazilian equivalent!

Wednesday, May 13, 2026



Brazil Potash sees this as a model for a training/school model in Autazes where GRO plans to replicate the welder training concept and broaden it skillsets covered.

The shipyards construct:

- Ferries
- Public port facilities (IP4)
- River tugboats/barges
- Transfer stations
- Mooring systems
- Port terminals
- Hotel boats

An almost completed barge can be seen in the gallery on the following page (at the top left). At any given time, there are three of these under construction in each “train” of the vast hangars of the shipyard. As each one is completed it is floated off by launching into the Amazon by means of rolling them on airbags. There appeared to be at least three trains for barge production (some of which are shown at the lower right), and the shipyard is ramping up production of these vessels from three completions per month to seven per month.



Wednesday, May 13, 2026

It is the barges and port terminal products that Brazil Potash will be requiring for shipping out product. Each convoy will consist of around 20 of these 350-tonne barges. It is clear that these can potentially be leased or otherwise moved off balance sheet by contracting with a third-party to operate the fleet.

In the gallery on the following page can be seen: at the top right the floating dry dock. It is notable that the river here (in its high season when we visited) is 7kms wide, shrinking to 4kms wide when it is the “dry” season. Ergo, loading facilities (as at the project site) will need to be floating so they can move as the river waxes and wanes during the year.

Below one can see an almost finished floating grain port (the largest in the Americas). The facility for GRO will be somewhat similar except that it will have a fully-enclosed shed to protect the potash from the climate (i.e. damp) while loading.



The Shelf Filing

In the first half of April, the company filed a Form F-3 to register up to US\$250mn of common shares, preferred shares, subscription receipts, warrants, rights, debt securities, stock purchase contracts, stock purchase units, depositary shares and units.

The filing includes an at-the-market (ATM) prospectus supplement covering up to US\$125mn of common shares as part of the US\$250mn shelf. The base prospectus will be supplemented with specific terms, pricing, distribution methods and net proceeds treatment in future prospectus supplements. At

Wednesday, May 13, 2026

the time the public float was reported as \$111,563,743 based on 54,244,915 common shares outstanding and a per-share price of \$3.36 as of the 8th of April 2026.

Risks

It is important to highlight some of the potential risks for Brazil Potash and thus one should consider:

- × Potash price fluctuations
- × Issues with indigenous communities
- × Environmental considerations
- × Financing challenges

Price fluctuations are common in the potash space though violent changes from an existing price trend are primarily prompted from outside the production/demand sphere such as when prices spiked in 2022 due to the onset of the Ukrainian War when sanctions and other measures restricted supplies of Russian and Belarussian potash to the West and most recently in the fallout from the War Upon Iran. When considering Brazil, and Brazil Potash, in particular one would note that in a global price decline scenario, companies based within Brazil would be given an even greater advantage as shipping costs would make costs of imported potash even more expensive relatively and give those external producers less room to compete in the internal market.

It should be noted that the Autazes project is not located on Indigenous land, the closest reserve is 5 miles away and based on Brazilian law any indigenous people located within 6 miles from a future mine site have the right to be consulted. On September 25, 2023, the Mura indigenous people completed free, prior and informed consultations following United Nations International Labour Organization Convention 169 protocols with over 90% voting in support, based on 94% of the invited tribe's participating, to permit and construct the project.

Opposition by any indigenous, governmental or non-governmental organization to the company's operations may, under certain circumstances, require modification of the development or operation of the project. However it was clear from our session at the government offices that the political establishment in the State have swung behind the project, particularly due to the indigenous populations having endorsed the development.

Financing challenges come with the territory in the mining space. Brazil Potash is beginning the major push with its financing efforts, particularly with the recent shelf filing. If the Franco Nevada royalty option is exercised then, reputationally, a substantial advantage would benefit the company in its financing endeavours, as FNV's endorsement would be very well seen. Within Brazil we would see substantial development financing being directed the company's way from governmental institutions being encouraged to get behind the project. A good example of this would be the National Bank for Economic and Social Development (BNDES). One should also not discount the potential entry of a strategic shareholder from the global potash players.

Wednesday, May 13, 2026

Investment Thesis

At this critical nexus of geopolitical risk and Brazilian fertilizer independence is where Brazil Potash comes into play.

The launch of Brazil Potash on the B3 Exchange in May of 2025 represented a significant boost to the company's national profile making the stock accessible to Brazilian investors.

The company is not exaggerating when it refers to the Autazes project as one of the world's largest undeveloped potash basins in Brazil's own backyard. The most critical aspect is that the potash will be sold domestically—for Brazilian farmers first—thus fulfilling the goals of the National Fertilizer Plan.

The site visit made clear that the company is very advanced in site preparation for the processing plant and the port terminal for the Autazes project. The port and other infrastructure is one of the greatest advantages compared with other mining projects in the sector. The Autazes potash mine is located near to the Madeira River which gives the company downriver access to Mato Grosso, where the captive market of Brazilian soybean and corn producers hunger for a domestic supply of fertilizers.

Brazil Potash isn't concerned about its market strategy, because Brazil is already the biggest importer of potash in the world. Brazil Potash is a clear Brazilian agriculture play, fitting with the government's National Fertilizer plan to increase domestic production sources of potash supplies for farmers. Brazil is ahead of the game—way ahead of the U.S.—in terms of plans to diversify domestic and international sources of potash fertilizers.

Rationale & Rating

The traumatic birth pangs of Brazil Potash as a publicly listed company are fading into memory due to the strong uplift of the stock in recent months. This is particularly poignant as it has occurred as mining markets have been buffeted by the headwinds of the war in the Middle East. As 12-month charts and twelve-month share price hi-lows leave behind the dark period, the share price has been liberated from the negative factors which weighed on its share price in the first year and a half in the market.

GRO stands squarely in the sparsely-occupied middle of a universe of potash stocks that consists of two (or three) international majors and above a clutch of small-caps, ever struggling with the challenges of financing projects in a mineral that was scarcely on the radar of most mining investors.

Indeed, potash mining investors scarcely are evident in the Australian or London markets, with this being very much a Canadian specialty, while the US markets tend to view the sub-space as adjacent to the chemicals sector (as Lithium once was) rather than as a mining activity. It should be remembered that GRO, while a Canadian-domiciled company does not have a Canadian listing, though it does report to SEDAR. A move in GRO's market capitalisation to over CAD\$300mn should trigger moves to add a listing on the TSX (main board), which would centre the company in the midst of the most informed and well-disposed capital market towards fertilizer stories.

Wednesday, May 13, 2026

The Brazil Potash story is underpinned by three key supports. These are Franco Nevada, the largest mining royalty entity which has digressed from its usual silo of precious metals to favour Brazil Potash, CD Capital which is one of the most important, and yet low-key, PE funds in the mining space and finally, the Brazilian agricultural “establishment”. The latter cannot be underestimated as Brazil is a top ten economic power and while not particularly *dirigiste*, it is intensely nationalist and has long been focused on import-replacement as a major leg of its economic and political development strategies.

As our visit to Amazonas, and to site, showed, Brazil Potash is firmly positioned on the launch pad for development. It meets a swathe of the country’s development goals and thus should be seen as part of Brazil Inc.

In light of its key strategic positioning, long mine life and positioning in the potash mid-tier, we reiterate our **LONG** rating on Brazil Potash and our 12-month target price of USD\$7.30.



Appendix I: Pricing & Offtakes

The Pricing Pressure is On

The war upon Iran has significantly altered perspectives and outlooks for the fertilizer and thus agricultural spaces. Fertilizers have been distorted by the reduction in flows for Urea and Nitrogen fertilizers out of the war zone. The knock-on effects for agriculture are just starting to become evident.

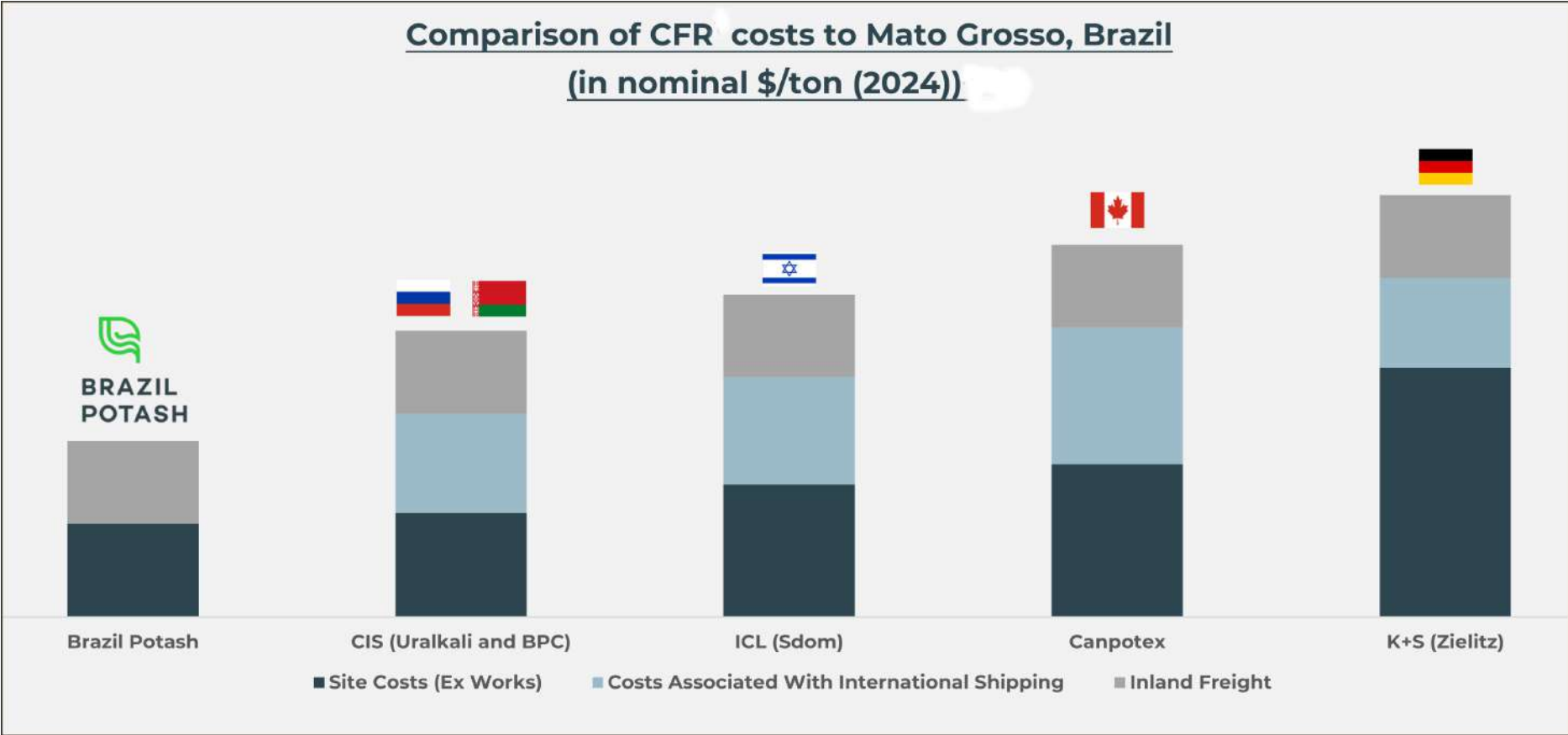
Word of the street is that:

- The CFR Brazil potash price currently US\$400 - \$408 per tonne
 - Canpotex and Russia are charging \$420 – 430 per tonne for July supply
 - Price increase is mainly freight rate/fuel price driven; since the war in Iran, shipping rates from Vancouver to Brazil have increased 40%
 - This likely means inland Brazil transportation costs are up at least another 20% from ~US\$90 – \$100 per tonne to ~\$110 – \$120 per tonne

Since the war in Iran started, potash prices are up 8.5% in Brazil and 10% in USA. It is felt that there is no demand destruction (as yet) at US\$400 per tonne, but this is expected for 2H26 when prices move to \$420 - \$430/T. Ergo, potash prices are moving up but likely to sustain around the US\$420 - \$430 per tonne level, but there is a risk of near-term demand destruction from higher pricing.

These currently reigning prices are substantially above those utilised in the economic models for the project, which we shall discuss anon.

To add further piquancy there is the Canada-USA-Mexico trade agreement, where the USA, much like Brazil, imports 95% of its potash with ~80-85% coming from Canada and the balance from Russia. Potash currently has ZERO tariffs based on the existing CUSMA agreement but could face ~20% tariffs if this agreement is not renewed.



Wednesday, May 13, 2026

The Autazes “Premium”...

.....or is a discount for local consumers. This is the win-win aspect of GRO. It will be able to severely undercut the imported product and yet get a higher margin than the international players, while domestic farmers will get a price advantage.

It is estimated that the delivered cost of potash from the Autazes project to Brazilian farmers will be approximately half of the average cost of potash imported into Brazil, and Brazil Potash should be profitable at prices, where approximately 70% of existing potash producers outside of Brazil would not be profitable.

Potash imported into Brazil has a substantially higher marginal delivered cost than potash produced in Brazil, providing a margin advantage for domestic potash producers, particularly in Brazil Potash’s case since the Autazes project is only five miles from a major river system. This provides a structural margin advantage given Brazil’s current reliance on imported potash, and market pricing that reflects elevated import costs.

The bar chart on the preceding page reflects a comparison of Brazil Potash’s estimated cost and freight (CFR) costs of delivering potash product to farmers in the state of Mato Grosso, against the estimated CFR costs of certain current major international producers and exporters of potash delivering their potash to Mato Grosso.

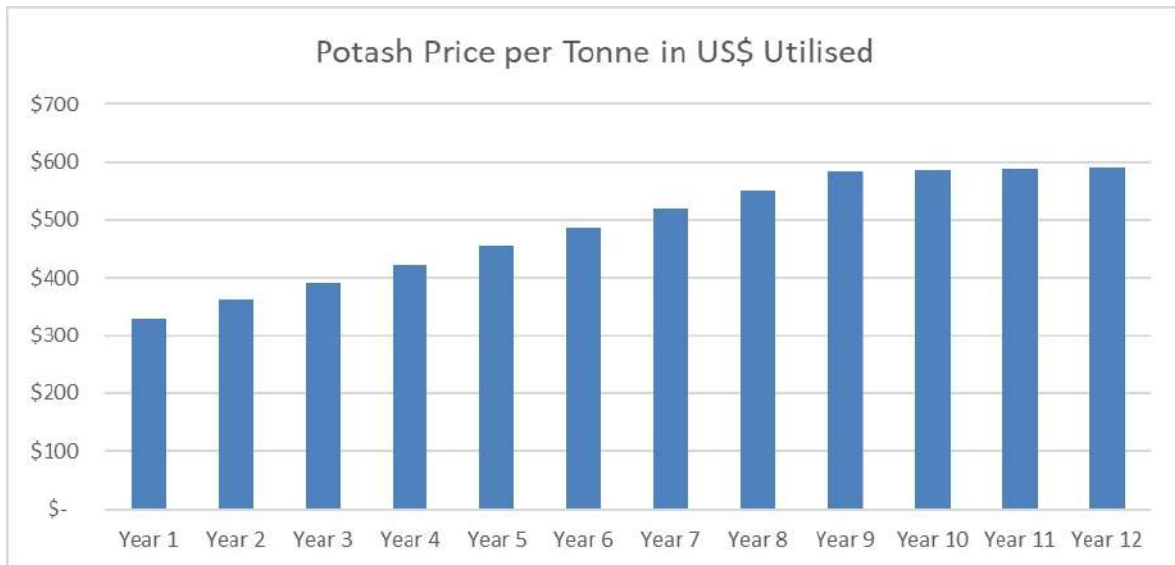
These calculations (from GRO IPO prospectus) were based on the following:

- international shipping costs include road and/or rail freight costs from the respective production plants of such competitors to the respective ports in those countries, ocean freight costs, port charges (operation and demurrage), and *ad hoc* handling expenses
- inland freight costs to Mato Grosso includes either freight costs from the Paranaguá port in Brazil to Mato Grosso (with respect to imported potash produced by Brazil Potash’s competitors), or inland road transportation costs from the Autazes project to Mato Grosso (with respect to potash to be produced by the Autazes project)
- all road, rail, and ocean freight costs and port charges are estimated by CRU Group (a business intelligence company focused on the global mining, metals and fertilizers industries)

Price Projections

With the Iran War having erupted since our Initiation of Coverage, events have overtaken pricing considerations as we noted at the start of this appendix.

However, it is useful to repeat here the assumptions that the economic model of the PFS utilised. Thus, the chart on the following page shows the progression of potash pricing in the first twelve years of production:



Offtakers

In October of 2022, Brazil Potash cut a deal with the Brazilian farm conglomerate, Amaggi, signing agreements aimed at the purchase, sale and shipping of 2.4 million tonnes of potash. Under the agreements, Amaggi will be legally required to buy 500,000 tonnes of potash per annum for at least 15 years.

In addition, Amaggi’s logistics arm will ship 2.4 million tonnes of annual potash production to Brazilian inland river ports connected to major farming regions.

The potash sale price in the offtake and marketing agreements will be based on the spot delivered price for granular muriate of potash (MOP) in Brazil, plus inland freight savings minus a discount.

Then there was a further agreement with Keytrade Fertilizantes Brasil, the Brazilian subsidiary of the Swiss company, Keytrade AG, one of the world's leading fertilizer trading companies. In late August of 2025, the company signed a definite offtake agreement for ~900k ton/yr of potash with Keytrade.

The third offtake agreement was with Kimia Solutions. This was significant because it has agreed to purchase 704,000 tonnes of potash on an annual basis, over a period of ten years.

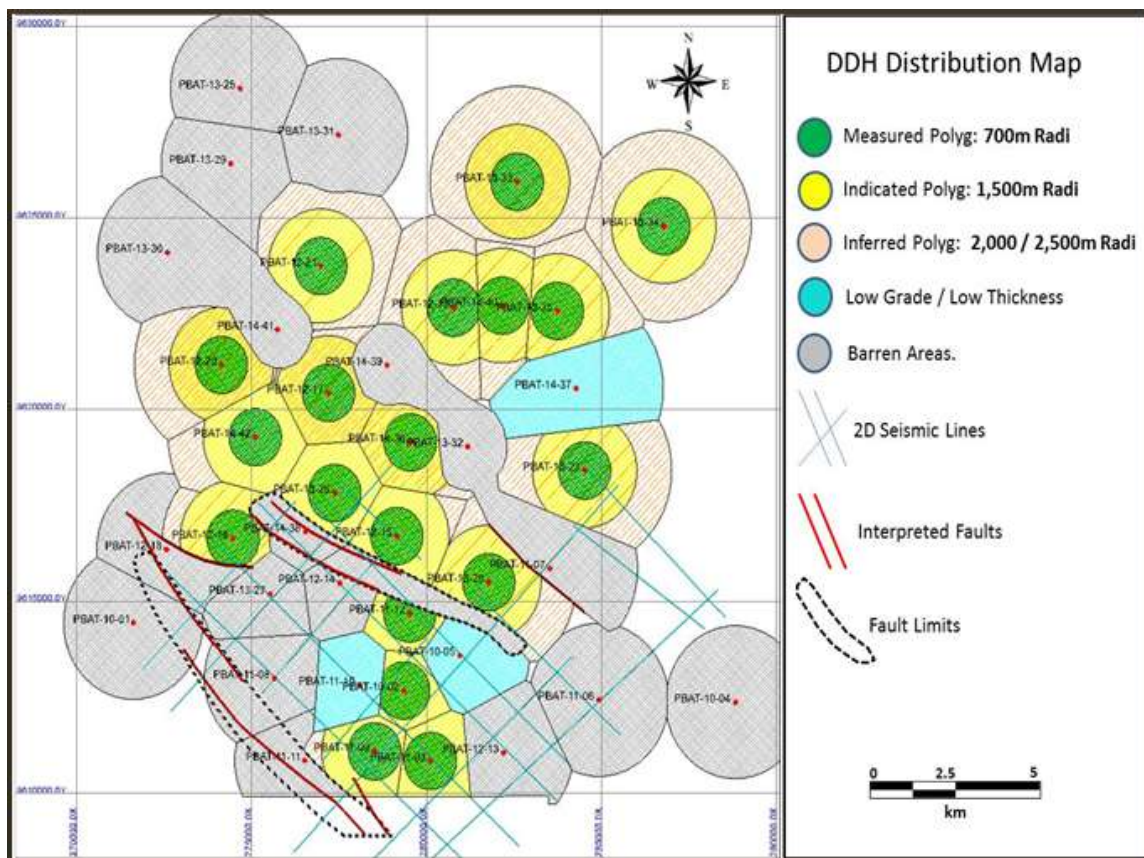
This last deal took the running total of the company’s potash production under binding take-or-pay arrangements to at least 90%.

Appendix II: Reserves & Drilling

Drilling

Drilling began in December of 2009 and, to date, a total of 43 exploration holes have been drilled within and in the vicinity of the Autazes project, which include good core recovery, geophysical well-logging in 29 exploration holes, and sampling and chemical/mineralogical assaying of obtained drill cores.

The map below shows the seismic survey lines of the 2D seismic surveys conducted in 2000 and 2015, the locations of the exploration holes drilled by GRO, and the areas for which it has the mineral rights.



The Reserve

As noted in our Initiation, an updated mineral resource and reserve estimate was included in the PFS prepared by ERCOSPLAN and published in October of 2022. This is shown at the right.

As the original mineral rights of the project intersected with the so-called Jauary Indigenous Land, these mineral rights were discriminated between the mineral rights located inside the indigenous land and mineral rights located outside of it.

Mineral Reserve		
Category	KCl %	Potash mns tonnes
Proven	28.87%	62.42
Probable	27.45%	110.97
Proven & Probable	<u>27.96%</u>	<u>173.39</u>

The map below shows the indigenous lands vis-à-vis the project site.



Thus, the mineral reserves were only reported by ERCOSPLAN for the mineral rights located outside the Jauary Indigenous Land. These amount to Probable mineral reserves of 111 million tonnes at an average KCl grade of 27.5% and to Proven mineral reserves of 62 million tonnes at an average KCl grade of 28.9%.

The mineral rights located inside the Jauary Indigenous Land will be considered in the future, after production Year 15 (according to the updated mine plan).

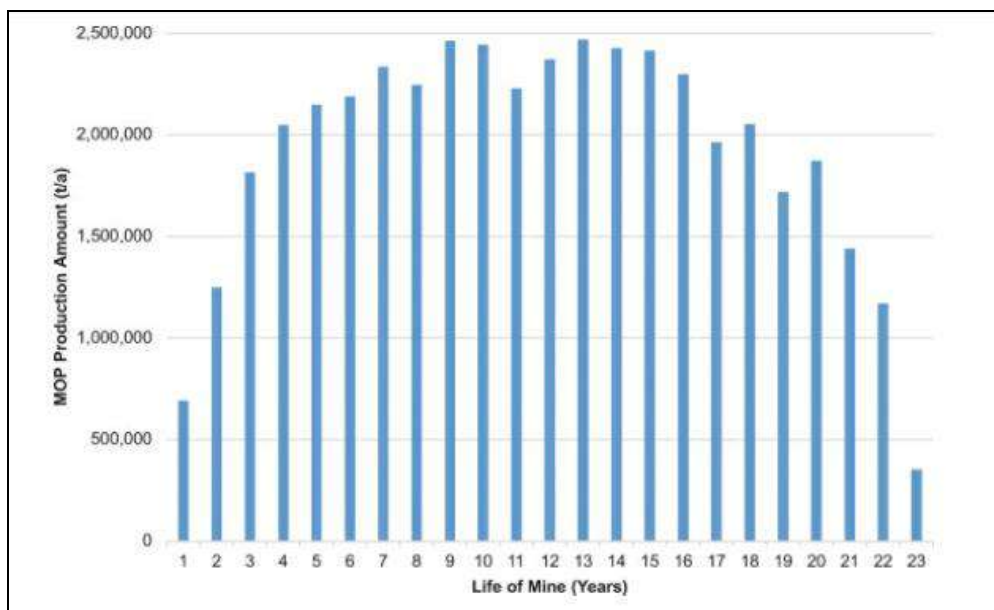
Appendix III: Mine Parameters

Mine & Processing Plant

The plan is to mine up to 8.5mn tonnes per annum of run-of-mine (ROM) ore, once fully ramped up, using conventional room and pillar methods, the hot leach processing plant is designed to have a capacity to produce up to 2.44mn tonnes per annum of granular Muriate of Potash (MOP) for 23 years, including the ramp-up and ramp-down periods.

The mining method proposed is conventional room and pillar (long pillars 1,500 m) mining with two vertical shafts. One shaft is used to hoist ore and for manpower access and the other is primarily for ventilation. Main development provides access to production panels, room for infrastructure and conveyors, and consists of several intake and return airways.

The mine schedule consists of 1.5-year pre-production, followed by a three-year ramp-up to a target production rate of 8.5mn tonnes per annum run-of-mine (ROM) for 17 years, ramping down over a three-year period due to reserve/workplace limitations.



Wednesday, May 13, 2026

Over the 17-year period, at the full run-rate, the mine will supply the mill with an average annual tonnage of 8.32 million tonnes at a grade of 27.3% KCl.

Autazes, as a deep-level underground mine, requires refrigeration, as well as an elevated ventilation system, to provide a compliant atmosphere for operations. Main fans will be located on the surface and will exhaust via the ventilation shaft (upcast shaft). There will be three fan-motor sets installed with all three operating and no standby units.

Processing

The Autazes potash processing plant has a nominal capacity to produce 2.16mn tpa of granular potash product. The nominal capacity is based on a mineralization grade of 27% KCl and 7,620 operating hours per year, with an average mining rate of 8,320,000 tpa.

The nominal milling rate is 1,092 tonnes per hour (tph) through two production trains (i.e. 546 tph per train). The mill will operate 24 hours per day.

CapEx

In the table below can be seen the estimated CapEx as calculated by ERCOSPLAN.

Autazes - Capital Expenditure		
Item	Category	Total Costs
		US\$ mn
Mining	Underground Mine	268
	Shafts	433.4
	Site-General	68.3
	Process Plant	608.7
Process Plant & Equipment	Tailings Management	72.1
	Utilities	69.9
	Ancillary Services	28.3
	Off-Site Facilities	221.7
Indirect Costs		135.2
Owner's Costs		165.8
Contingency		200.2
Total Project Costs (Pre-Tax)		2271.6
Taxes, Duties, Fees		214.5
Total Project Costs (After Tax)		2486.1
Escalation		N/A
Total Costs (Including Escalation)		2486.1

The estimates of CapEx and OpEx have been prepared with an accuracy level of approximately ±25% with a contingency range of not more than 10%.

Appendix IV: Brazil & Potash

Overview of Brazil's Potash Market

Brazil's role as a primary demand driver for the global potash market is uncontested, due to Brazil's GDP-driven expansion of the agricultural sector. Data reveals that Brazil's total fertilizer deliveries reached approximately 44 million tonnes in 2024, with potash imports consisting of 13 million tonnes at 35% of the overall total. On the one hand, Brazil is a world leader in soybean production, which covered 46 million hectares in the 2024/2025 season. On the other hand, logistical challenges have meant that more potash shipments have been unable to reach the demand centers within the various regions of Brazil. The Port of Paranaguá alone had managed 9 million tonnes of fertilizer imports in 2024, serving as a critical gateway for Brazil's potash imports.

This agricultural activity translates directly into massive potash consumption. The state of Mato Grosso single-handedly consumed 2.8 million tonnes of potash in 2024, highlighting the regional concentration of demand. To address its import reliance, Brazil's National Fertilizer Plan aims to boost domestic potash production to 3 million tonnes by 2025.

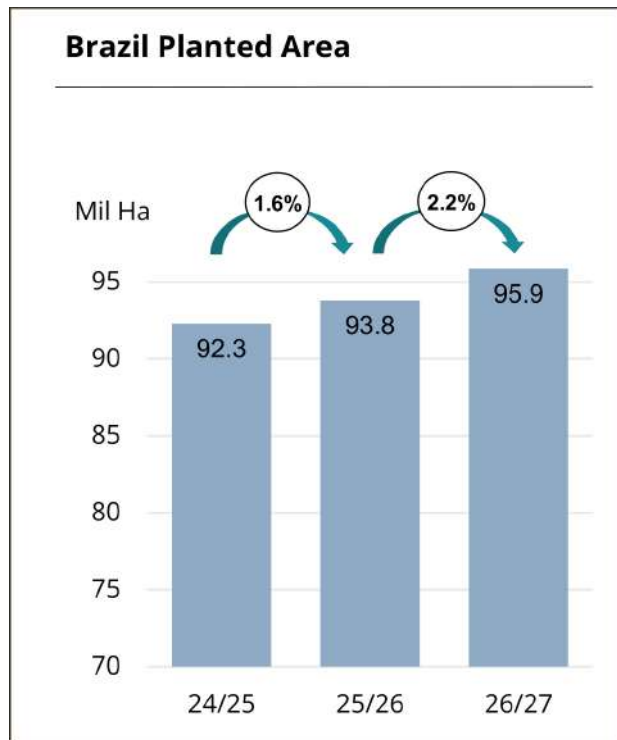
Projects like Autazes are pivotal to this goal. Furthermore, significant potash demand comes from sugarcane, covering some eight million hectares, and the second-crop corn area, spanning 17 million hectares, underscoring Brazil's foundational importance to the market.

Brazil is now the world's second-largest consumer of potash fertilizers, with imports meeting over 95% of the Brazilian demand. Brazilian farmers apply between 150-180 kg of potash per hectare for soybeans, not to mention other crops like the Safrinha corn crop. At the same time, fertilizer application is rapidly growing to meet the demands for food production in the Asia-Pacific region for domestic staple crops like maize, cereals, and rice. It goes without saying that the majority of KCl extraction from potash mineralization is processed for potash fertilizers. It is estimated that between 90% and 95% of potash is used for agricultural fertilizers.

Booming Agriculture Drives Demand

Last year, agribusiness exports from Brazil hit approximately USD\$164bn and made up almost half of the country's total trade. Brazil is already one of the world's largest exporters of soy, corn, sugar and beef -

and the country is still gaining market share. Thus, when Brazil relies on fertilizer imports to supply the world with food, volatility in fertilizer prices becomes a significant affordability issue for consumers around the globe. Over the past twenty years (2005-2025), the global fertilizer market has become increasingly more interconnected to geopolitical risk and Brazil's fertilizer imports.



Source: The Mosaic Company

Brazil has already been a major force in global agriculture market trends since the beginning of this century. From 2005-2025, Brazil's prominent role in the fertilizer market expanded in parallel with the the country's economic development plans to increase export-driven policies around agricultural commodities. Over this time period Brazil's contribution to global food supply and demand has made it an indispensable part of the BRICS (Brazil, Russia, India, China, South Africa) multilateral political framework. By 2022, Brazil had become one of the world's largest fertilizer importers—reflecting higher yields, greater nutrient intensity, multiple annual harvests per acre, and the scale required to feed a growing world.

Brazil's Position within the Global Potash Market

Brazil is still beholden to fertilizer import dependence from a variety of sources around the world.

Brazil intends to expand its national fertilizer strategy by boosting domestic production capacity to 73 million tonnes by 2036. At present, Brazil's domestic fertilizer production is below 50 million tonnes per year. The Ministry of Agriculture and Livestock (MAPA) and delegates of the Brazilian Association for Fertilizer Diffusion (ANDA) were keen on providing support to the new goals for Brazil's domestic fertilizer production. High profile domestic fertilizer production projects are in place to meet the rising fertilizer demand for Brazil's agriculture industry, including Brazil Potash's Autazes project, which intends to develop an in-country muriate of potash (MOP) resource for Brazil to reduce dependence on imports from Canada, Russia and Belarus.

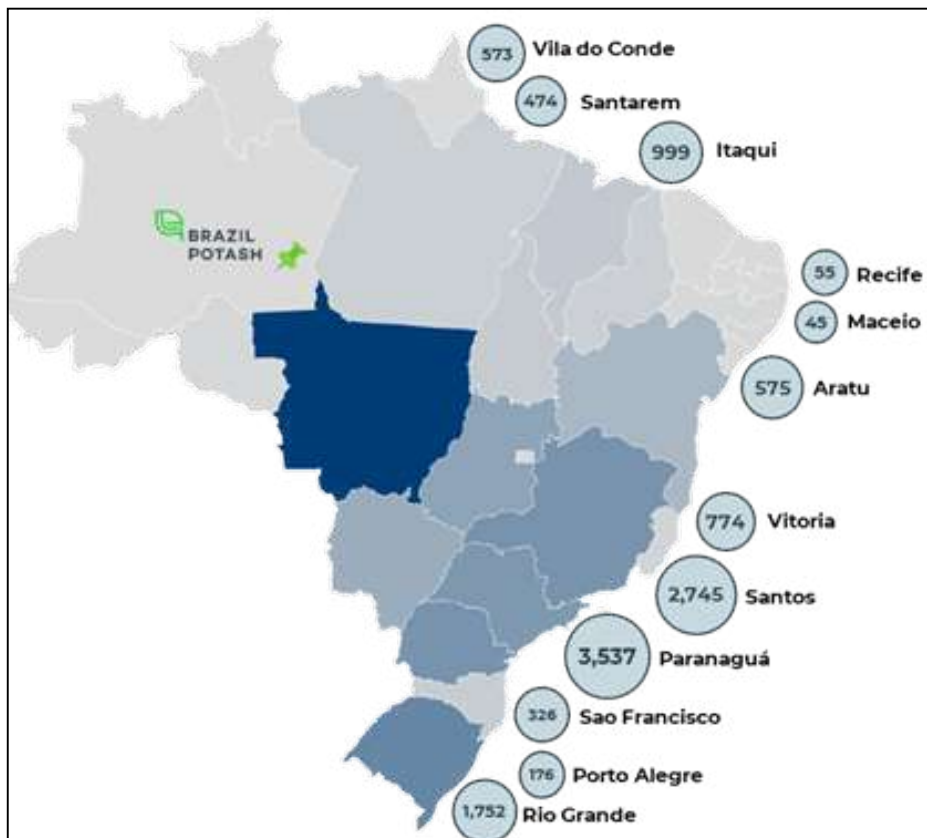
Fertilizer prices have subsided after hitting an all-time high on global markets in March 2022, but the commodity remains volatile in international politics today. Fertilizers are an important part of the global economic recovery in emerging markets, as governments across Africa, the Middle East, and Asia are dealing with a global food crisis in the post-Covid-19 era. The case of Brazil's fertilizer diplomacy

indicates that global commodities are taking on greater prominence in the diplomacy of developing countries.

Brazil's National Fertilizer Plan reflects that global fertilizer markets have become susceptible to geopolitical trends. The country engages in fertilizer diplomacy due to uncertain scenarios in the global fertilizer markets. For instance, the extreme volatility in global fertilizer prices caused several key producer countries to ban exports of fertilizer during the Covid-19 pandemic. Tensions arising from geopolitical risk and military strategy over the war in Ukraine will determine the outcomes of global fertilizer market scenarios in the future. Belarus is one of the world's largest producers of potash fertilizers and remains under the influence of Russia's geopolitical objectives during the invasion. This is likely to have a ripple effect on global commodities markets and other aspects of the raw materials supply chains.

How Potash Gets Where it is Needed

The map at the right shows MOP Imports in thousands of tonnes by port, as of 2020. The dark blue is the state of Mato Grosso, which is the epicentre of the soy production of Brazil. Its (relative) proximity to the Brazil Potash project at Autazes is notable.



Over 70% of imports enter the country through ports in southern states with Paranaqua receiving the highest volumes of MOP with over 3.5mn tonnes in 2020.

Wednesday, May 13, 2026

Fertilizer Demand Drivers

Updates on Brazil's National Fertilizer Plan were revealed at the 12th Brazilian Fertilizer Congress held in Sao Paulo. Brazil intends to expand its national fertilizer strategy by boosting domestic production capacity to 73 million tonnes by 2036. At present, Brazil's domestic fertilizer production is below 50 million tonnes per year. The Ministry of Agriculture and Livestock (MAPA) and delegates of the Brazilian Association for Fertilizer Diffusion (ANDA) were keen on providing support to the new goals for Brazil's domestic fertilizer production. High profile domestic fertilizer production projects are in place to meet the rising fertilizer demand for Brazil's agriculture industry, including Brazil Potash's Autazes project.

Brazil's fertilizer import dilemma is a classic example of how potash resources fit into the geopolitical risk for a country's domestic agriculture production and national food security, especially one which has a GDP-driven export economy like Brazil. There were other issues addressed at the Sao Paulo event, such as the Bioinputs Law and credit issues for Brazilian farmers. Both of those topics are related to fertilizer affordability.

Food Security as the Watchwords

Brazil has evolved into one of the world's champions for food security, and this makes the country's domestic fertilizer supply chain a critical factor for economic development. Brazil Potash will solve the challenges posed by local Brazilian farmers and agribusiness sector by providing an in-country source of potash production. In doing so, Brazil Potash is securing a critical mineral and strengthening Brazil's leadership in global food security for the benefit of the entire world.

Food security isn't a short-term commodity play for investors. Volatility in the food and fertilizer prices should be viewed as part of a multi-decade investment strategy in key crop-producing areas. Potash fertilizer markets will always go through commodity cycles; nevertheless, investments into low-cost domestic potash production enhances Brazil's ability to feed its own consumers and the rest of the world.

Important disclosures

I, Christopher Ecclestone, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

Hallgarten's Equity Research rating system consists of LONG, SHORT and NEUTRAL recommendations. LONG suggests capital appreciation to our target price during the next twelve months, while SHORT suggests capital depreciation to our target price during the next twelve months. NEUTRAL denotes a stock that is not likely to provide outstanding performance in either direction during the next twelve months, or it is a stock that we do not wish to place a rating on at the present time. Information contained herein is based on sources that we believe to be reliable, but we do not guarantee their accuracy. Prices and opinions concerning the composition of market sectors included in this report reflect the judgments of this date and are subject to change without notice. This report is for information purposes only and is not intended as an offer to sell or as a solicitation to buy securities.

Hallgarten & Company acts as a strategic consultant to Brazil Potash and as such is compensated for those services, but does not hold any stock in the company, nor has the right to hold any stock in the future.

Hallgarten & Company or persons associated do own securities of the securities described herein but may not make purchases or sales within one month, before or after, the publication of this report. Additional information is available upon request.

© 2026 Hallgarten & Company Ltd. All rights reserved.

Reprints of Hallgarten reports are prohibited without permission.

Web access at:

Research: www.hallgartenco.com

60 Madison Ave, 6th Floor, New York, NY, 10010