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HALLGARTEN + COMPANY

Sector Coverage

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Growth Minerals Review

Truth Social Zingers Roil the Waters

October 2026

Growth Minerals Sector

Truth Social Zingers Roil the Waters

- + Canpotex's \$500-million investment will increase potash shipments from Saskatchewan via Vancouver to meet growing demand in Latin American potash markets
- + The Constanta-Varna-Burgas (CVB) region seized the sharp rise in Euronext futures for corn and wheat
- + Argentina is experiencing a perfect storm (in a good way) for its agricultural exports in turn shaping and reshaping global markets for fertilizers and agriculture
- × President Trump's meandering comments have raised public awareness about potash from Russia and Belarus and yet failed to tame fertilizer prices and outlook on supply and demand
- × Food exports from Russia's Baltic and Arctic ports will take over raw materials for fertilizers due to Black Sea issues
- × Wheat and corn exports from the Black Sea region are in doubt
- × Brazilian corn and soybeans must face stark realities in fertilizers
- × Meanwhile U.S. corn and soybeans wallow in the backwash of the US-China trade war

Canpotex's Eleventh-Hour Investment for the Global Potash Market

On the 25th of September an important announcement by Canpotex came out during a tumultuous time in President Trump's tariff war on Canada: A \$500-million investment will be carried out over the next two years to upgrade the export terminal in Vancouver, Canada. This investment will increase potash shipments from the mines in Saskatchewan Province. Canpotex claims that potash shipments will be boosted annually to 11 million tons after the terminal upgrades are completed.

On this modernization strategy, we had a discussion with The Globe & Mail about what this will mean for the global potash market and specifically the Latin American market for potash. A lot of

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the focus on future potash exports from BHP's Jansen mine is on the Brazilian market, and K+S has a notable presence in the Brazilian potash market as well. The questions revolving around the future potash demand for Brazil are twofold: hedging against geopolitical risk and securing the world's food supply. Canpotex ensures that it will be the leading force in both scenarios for Brazil and the rest of the world. As the saying has been for decades, "Saskatchewan is helping feed the world, one potash shipment at a time."

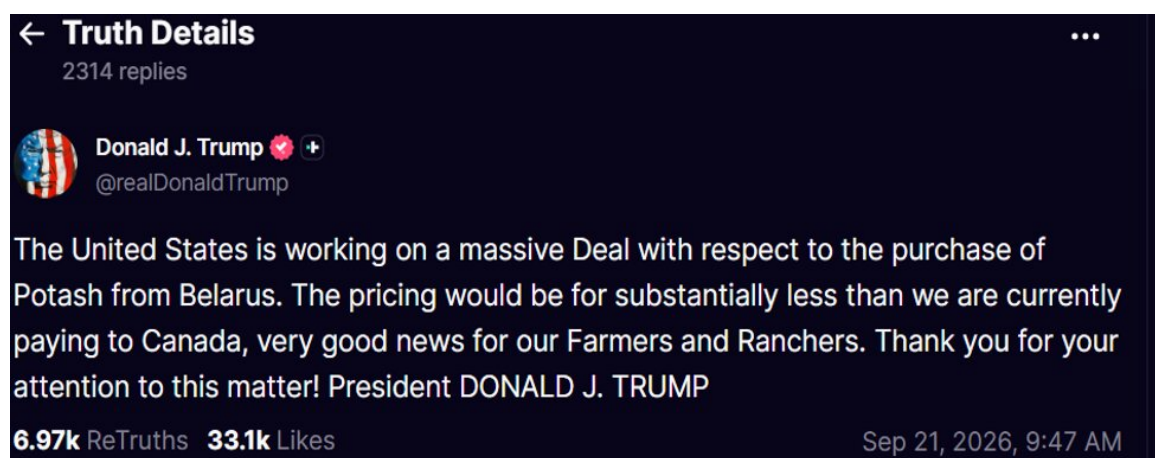
However, the reason that Canpotex isn't the only *tour de force* in the global potash market is because there are large-scale mines in the Urals of Belarus and Russia. They are inevitably targeting a dominance on potash pricing and trading in the East of Suez markets, where there is also a growing demand for potash fertilizers in China, India, Bangladesh, Indonesia, and more to come in the future with the emergence of national food security politics throughout the rice-growing areas of the world. China, for example, surpassed 11 million tons of potash imports in the first half of 2026.

The Neptune Terminal – Managing the Spoils

Another important point is about an additional ownership stake in the Neptune terminal. This export terminal is not only for potash shipments, since Elk Valley Resources, a former subsidiary of global mining giant Teck Resources, also uses the terminal to export steel-making coal. Elk Valley Resources doesn't belong to Teck anymore because it was sold to Glencore for US\$7.3 billion back in 2024. This means that Canpotex must co-manage the Neptune terminal with a completely different company and shareholder under Glencore.

A non-sensical US-Belarus potash deal announced on Trump's Truth Social

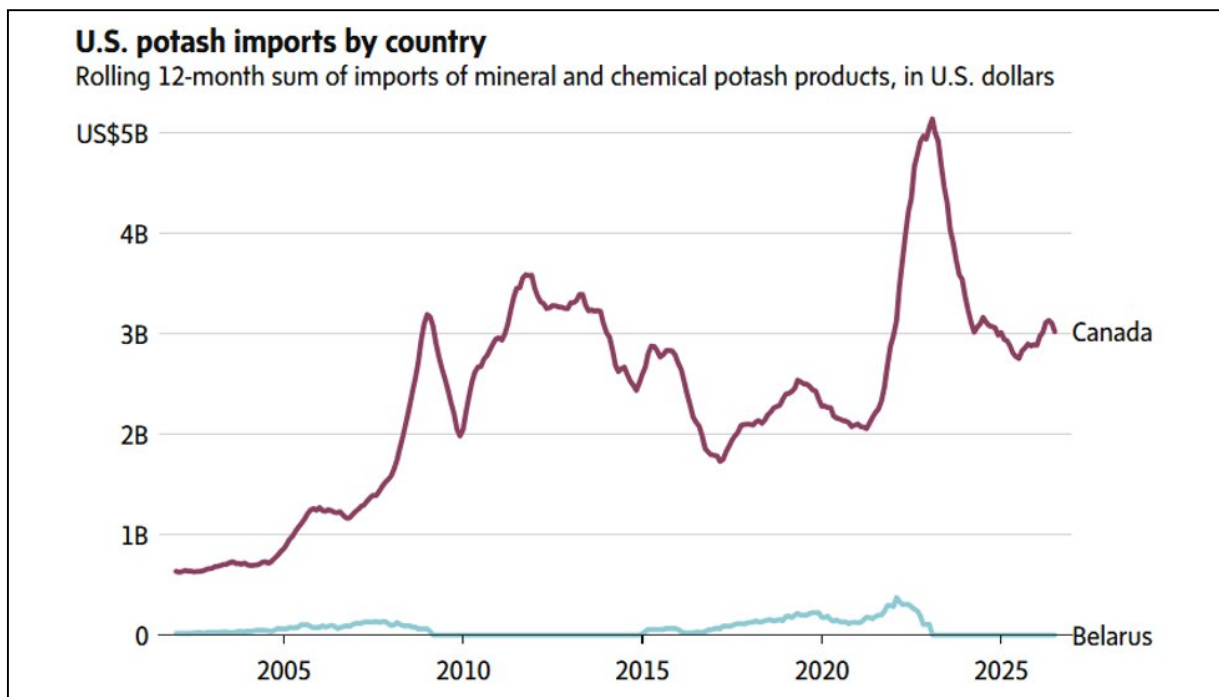
After President Trump's Truth Social post on 21 September the conversations around a U.S.-Belarus potash deal were spread obnoxiously on social media networks, and even international media such as CNN covered the controversial trade topic. At one point in time, Belarus was the highest trending topic on X—and all the posts were related to potash, not human rights.



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It seems that a global public awareness campaign about potash from Russia and Belarus has finally paid off. Trump's Truth Social post makes the argument that the potash price matters more for U.S. farmers, but what matters the most for U.S. potash prices is stability without exposure to supply chain shocks. Critics have pointed to the rise in U.S. MOP imports from Russia in recent years. From 2023-2025, there was a marginal increase in MOP imports from Russia. This had more to do with railroad issues, especially in 2024 when there were widespread strikes across Canada's labor force. This wasn't a decision made because of the price of MOP. In fact, Canadian imports still rose in 2024 and 2025, which is likely because of the MOP price stability as opposed to any supply chain issue.

In our discussion with The Globe & Mail about this breaking news story, we shared our concerns about the realistic outcomes for President Trump using potash imports as leverage against Canada in ongoing trade discussions. It is the market that will ultimately decide on where the potash ends up and at what cost it will get to farmers worldwide. The U.S. still spent over US\$5 billion to buy Canadian potash during the unprecedented price surge from 2021-2022. The price didn't fall until there was demand destruction from U.S. farmers, not because Russia and Belarus came back into the market during that time.



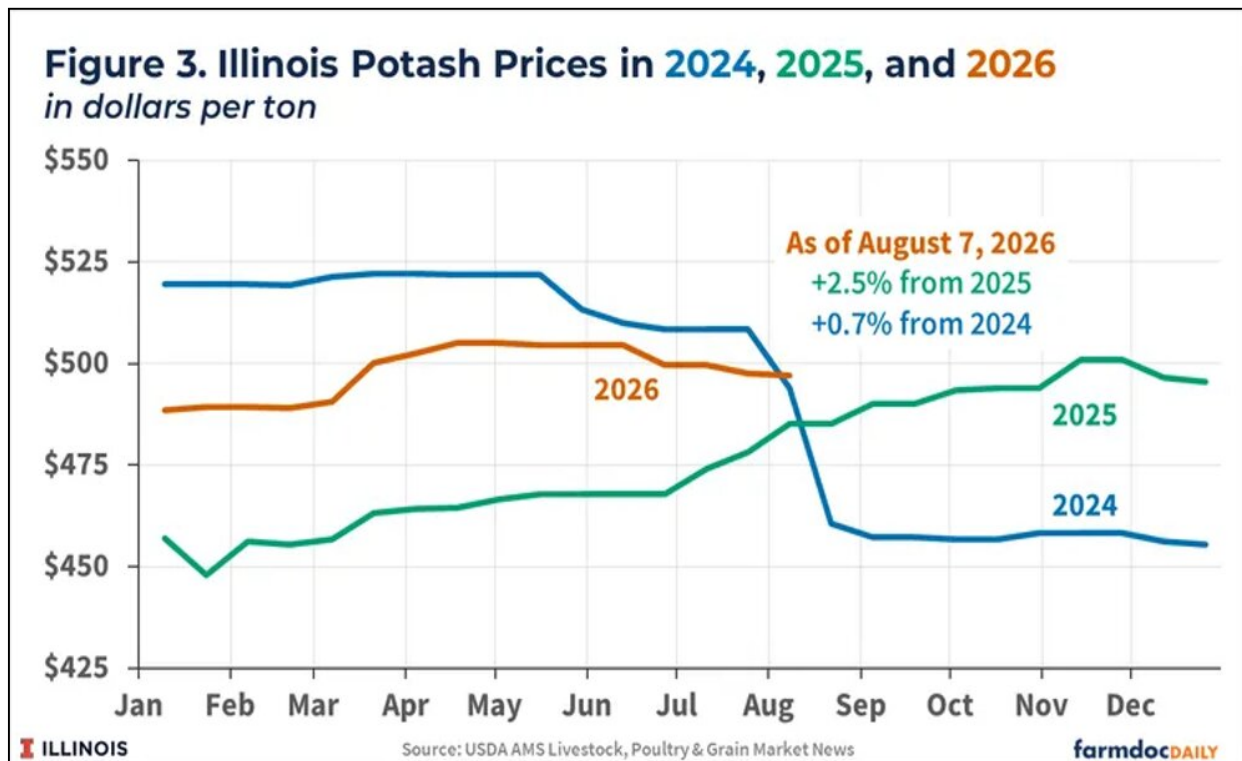
Source: The Globe and Mail/U.S. Census Bureau

<https://www.theglobeandmail.com/world/us-politics/article-trump-potash-deal-belarus-canada/>

After cooler heads prevailed in the mass media space, Pan Schwann of the Saskatchewan Mining

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Association went on Canada's CTV News to share an important insight: "We don't use a lot of potash in Canada. Our soils are non-depleted in potassium, but almost 50% of our product does go into the U.S. market right now." This is an advantage that goes under the radar when talking about the geopolitics of fertilizers. The world's largest fertilizer producers do not consume a significant amount of their own production, and that's why China must stockpile potash, because domestic potash production in China cannot meet the demand for soil depletion on farms.



Source: USDA Illinois

<https://www.agriculture.com/partners-fertilizer-and-fuel-prices-higher-heading-into-fall-2026-12057882>

Russia hints at *force majeure* on potash production

A genuinely alarming concern for the global potash market surfaced when the Russian government announced it will need Baltic and Arctic ports to export grain and other food supplies to global markets. In other words, food exports from Russia's ports will take over raw materials for fertilizers during the ongoing escalation of attacks with Ukraine on the Black Sea trade routes and infrastructure.

This is an obvious tactic by the Russian government to beat Ukraine on wheat and grain supplies to the global markets. Nevertheless, it has been reported that nearly 90% of Russia's seaborne grain exports were previously shipped through on trade routes and infrastructure in the Black Sea region,

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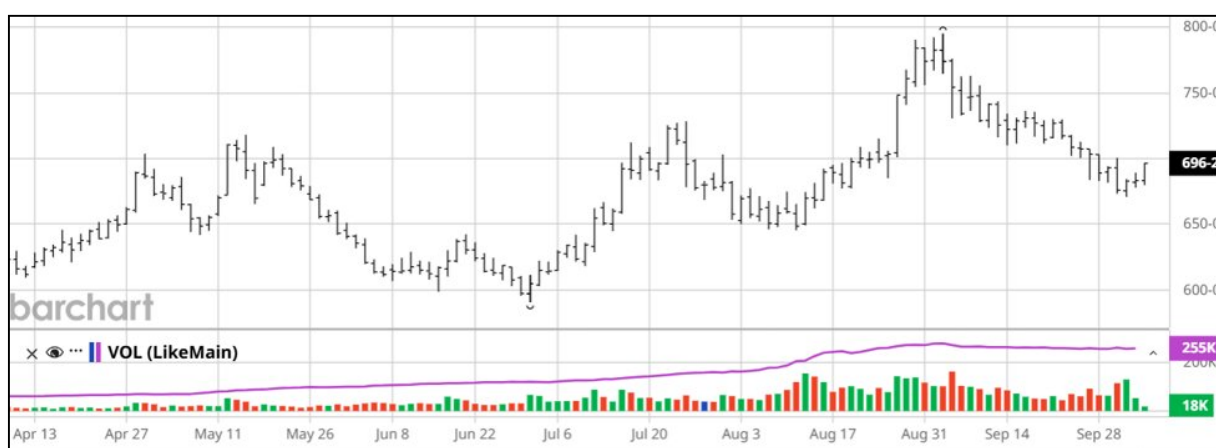
so there's a real need to shift exports through a different route to global markets. This is the context wherein a speculation that Russian MOP fertilizer production will have to be cut by 20-25% production if trade on the Black Sea doesn't normalize in the short term.

This potential risk event should move potash prices. Although a declaration of *force majeure* is doubtful to influence the price of the next China MOP contract, once India and China start buying more from Belarus, the rest of the world market will have to pay more for MOP supplies outside of Urals. The potential risk on price movements caused by any of Uralkali/Eurochem's potash production cuts, especially as *force majeure* on production of MOP from Russia, will be decisive, even though the Baltic terminal wouldn't be used solely for grain exports in the long term. Thus, Russia could allow the Belarusian Potash Company (BPC) to resume its own potash exports in place of Russian MOP exports to make up for a loss of production in Russia.

Black Sea attacks create shortfall in wheat and corn markets

Wheat and corn exports from the Black Sea region are in doubt due to the escalation of the Black Sea war between Russia and Ukraine. Wheat has already seen unprecedented crop issues in the United States where persistently dry weather has led to a reduction in the wheat crop. Meanwhile, the lack of accessibility of fertilizers from the Persian Gulf has caused Australia to miss out on an opportunity to grab market share during this ongoing crisis. Thus, wheat supplies should remain in a precarious state for global trade going into 2027.

The International Grains Council cut the global wheat forecast for the 2026/27 crop season by 4 million metric tons to 817 million tons.



Source: barchart, wheat futures on the CBOT December 2026 contract as of 5 October 2026

The risk premium building into global wheat supplies from the Black Sea should hold for the short term, because the damage and destruction from Russian and Ukrainian grain infrastructure is still ongoing. The risk to Black Sea transport infrastructure and grain terminals have caused Ukraine to

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seek alternative trade routes via Romania and Poland since the war began in 2022. This is a controversial issue for E.U. farmers who resent Ukraine's crops entering the E.U. market. For example, Romania's agriculture minister Barna Tánczos told Politico reporters: "The interest for our own farmers remains a priority."

Moreover, Black Sea wheat producers Romania and Bulgaria seized the sharp rise in Euronext futures this year to sell their wheat at higher values into the E.U. market where they can sell at a higher premium to the CBOT spot price. The Constanta-Varna-Burgas (CVB) region is one to watch for the global wheat and corn markets going into 2027. Ukrainian wheat has no other option than to enter the E.U. market from the Danube River, but Romania and Bulgaria can also sell wheat globally on the CBOT spot price.

Corn is a different story. Bulgaria has been trading corn from the CVB region at a higher price to milling wheat by around 5 euros per ton since the end of September. This is because E.U. corn production, boasted by France's smallest corn harvest since 1980, has seen an unexpected shortfall reflected in higher Euronext futures. CVB corn prices have risen from 193€/mt in July to 225€/mt in September. Milling wheat prices came down from 226€/mt to 220€/mt during the full month of September.

Estimates reveal that total E.U. corn production should come in at between 46-48 million mts, which is comparatively lower than initial estimates in August for 50 million mts.

World's biggest import markets for corn and wheat switch to Argentina

It was a perfect storm (in a good way) of events for Argentina this year. While the rest of the world didn't have the acreage, nor the fertilizers, to boost corn production ahead of El Niño, Argentina seized the advantage from Russia and Ukraine's absence to boost exports of corn and wheat.

Wheat importers from across Southwest and Southeast Asian markets have been sourcing more wheat from Argentina to make up for the export disruptions from the Black Sea and Australia. This includes Indonesia, the world's second-largest wheat buyer, that pays higher prices for alternative supplies from Argentina during times of wheat shortfalls. Indonesia, Bangladesh and Vietnam all have increasingly turned to Argentina as the main wheat supplier, with total purchases of 1.95 million tons of wheat from the 2024-25 crop season.

Argentina is also the world's third largest corn exporter.

According to various media sources, Argentina's corn exports to North Africa have replaced shipments of corn from the Black Sea region to around 6.5 million tons during the first seven months of 2026. Egypt and Algeria have both imported up to 2.4 million tons while Morocco has imported approximately 1.5 million tons of Argentine corn. This has led to Argentina's export surplus of more than 10 million tons of corn for the full marketing year of 2026, on the back of a 2025/26 harvest estimated at 71.7 million tons.

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Argentina is in the best position to grab market share during stronger crop prices. Argentina's bumper harvest, supply stability and lack of competition from Black Sea exports could bring the farm sector values to around US\$40 billion in 2027. According to the Rosario Grain Exchange, this would be the second-highest annual total in Argentina's history. The year 2022 currently holds as the highest value for Argentina's total crop exports.



Source: barchart, corn futures on the CBOT on December 2026 contract as of 5 October 2026

In the month of July, Argentina exported 5.14 million tons of corn, which was reportedly the biggest month for corn exports in Argentina's history, topping the 5.08 million tons shipped in April and reinforcing the country's role as a key global corn supplier.

The Rosario grains exchange reported that Argentine soybean sales rose in August and September due to stronger demand from China. The exchange said 1.03 million tons of soybeans were traded in the last week of August to September 2. This was the largest weekly soybean trade volume for the 2025/26 crop season.

But the real soybean trade story is in Brazil

In August, China's soybean imports rose to 12.1 million tons, up 3.2% month over month. Cumulative imports for the first eight months of the year reached 74.3 million tons, an increase of 1.3% YoY thanks to rising Brazilian exports. Agroconsult in Brazil predicts Brazil's 2026/27 soybean planted area to remain flat, stalling a 19-year streak of increases on soybean acreage to meet China's higher demand.

As usual, Brazil had a strong start to the months of August and September in soybean production. Total Brazilian soybean export commitments rose YoY by 1.93 million tons to 93.45 million tons. Agroconsult estimates that 10.54 million tons of soybeans were shipped in August. The USDA's August WASDE projection for Brazil's annual soybean exports was 115 million tons, while other projections have Brazil's soybean exports at 110 million tons.

However, tighter profit margins and rising fertilizer costs are key factors, with Brazil's fertilizer

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imports forecast to fall more than 10%. This could weigh negatively on planting and acreage decision-making for soybeans. If China decides to buy more soybeans from the U.S. or Argentina, then Brazil's outlook will depend on access to fertilizers than can boost soybean crop yields on less planted acres.

In Brazilian corn production, the domestic stocks-to-use ratio is increasingly coming into play, as more corn stocks in Brazil have been diverted to meet the demand for ethanol production. For example, Conab raised Brazil's 2025/26 corn crop production figures, but cut export forecasts by 3 million tons due to stronger ethanol demand in the Brazilian market.

The chart below reveals all of the figures for Brazilian corn and soybeans from the previous two crop seasons:

Conab Brazil Corn/Soy S&D			
Sept. 15, 2026; millions of metric tons			
@kannbwx	25/26 Sep	25/26 Aug	24/25
Corn Production	144.01	142.96	141.2
Second corn prod.	112.13	111.03	113.2
Corn exports	43.92	46.5	41.6
Corn ending stocks	15.65	15.18	12.1
Soy Production	180.41	180.46	171.5
Soy exports	116.20	116.24	108.2
Soy ending stocks	9.17	9.19	9.97

Data source: Conab Zaner Ag Hedge | Research

Source: Conab/Zaner Ag Hedge

Conab's 2026/27 crop outlook for Brazil has total corn output at 148 million tons and soybeans at 181.6 million tons. If soybean acreage is reduced for the 2026/27 crop season, then fertilizers will determine whether the slowest planting growth in 20 years can be offset by higher soybean prices and larger volumes for China.

As for U.S. corn and soybeans...

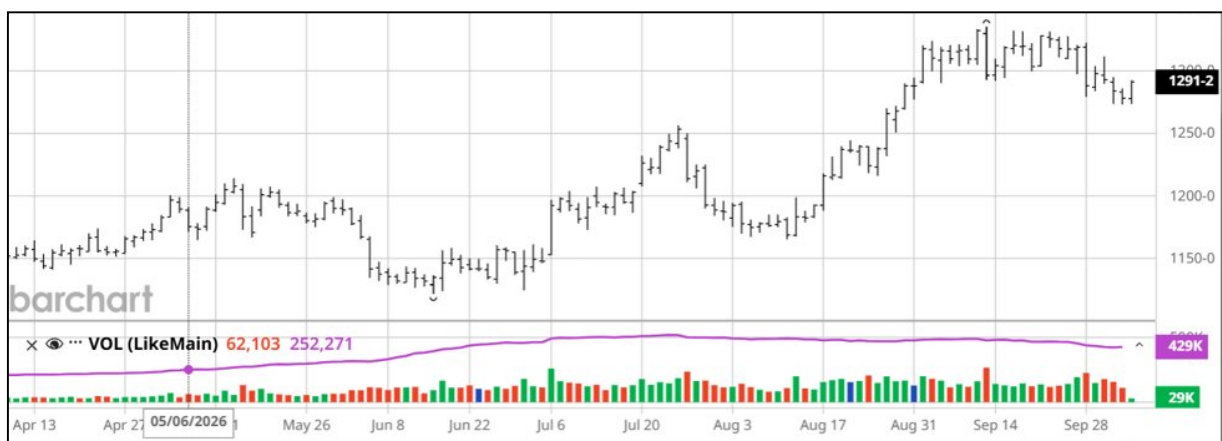
One strategy for U.S. farmers to hedge against agricultural commodities prices is to increase soybean acreage at the expense of corn for the 2026/27 crop season. This is a strategy to reduce expensive fertilizer applications as well. CBOT corn prices have not reacted positively to any news

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on the U.S.-China trade situation. The USDA also reported larger-than-expected U.S. corn inventories going into the fall season at around 2.1 billion bushels. This is well above market expectations of 1.9 billion bushels of corn stocks.

An increase of 1 million acres in soybean planting did boost the U.S. soybean production forecast to 4.5 billion bushels, with U.S. soybean exports expected to reach 1.69 billion bushels during the 2026/27 marketing season. U.S. soybean farmers and exporters will benefit from prices at or above USD \$12 per bushel. This is one of key strengths for U.S. agriculture going into 2027.

However, China's agreement to reduce tariffs on U.S. agricultural goods didn't include soybeans, so where soybean inventories and stocks will end up are still up in the air for the export outlook.



Source: barchart, soybean futures on the CBOT November 2026 contract as of 5 October 2026

Acreage battle in the U.S. meets El Niño risks in Latin America

On the U.S. agriculture media segment called “The Acreage Battle” Illinois farmer and owner of AgMarket.net Matt Bennet provided some insights about the global agricultural commodities market. He specifically pointed to the lack of acres in the U.S. as a critical problem for the U.S.-China soybean trade. He believes that when China buys more soybeans from the U.S. that there's going to be “an intense acreage battle” for corn vs. soybean plantings.

Farmers in Brazil and Argentina will try to hedge their acres against high fertilizer prices and El Niño risks, all the while taking advantage of large trade volumes across the soybean, corn and wheat import markets globally.

The E.U. has allowed Ukraine to export agricultural goods without tariffs and other preferential treatment since the war began in 2022. Going forward, Ukraine's agricultural commodities will not be accessible for political reasons, and it is more feasible to buy corn and wheat from Romania and Bulgaria.

China can lean on Russia, Ukraine, Argentina and Brazil for all its agriculture import needs, and

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obviously President Xi isn't satisfied with the Trump Administration, otherwise soybeans would have been a positive outcome from the Trump-Xi meeting (in other words, there wasn't any positive outcome from the Trump-Xi meeting for U.S. farmers).

Farmers, Start Your Engines

The U.S. soybean farmers need to move on from China and take full advantage of current prices for soybeans. U.S. corn farmers also need to stop lobbying and start marketing. There is too much time, effort and expenses going into a new Farm Bill which still hasn't been finalized. At the same time, Brazil is already pushing ahead with its own domestic ethanol market strategy for Safhrina corn. It remains to be seen whether the U.S. corn farmers will have a comparative advantage in ethanol. The latter will be more of a corn processing and domestic consumption scenario.

Russian and Ukrainian corn crops and export forecasts keep going down, and they are not going to significantly rebound going into the 2026/27 crop season. The U.S. ag cooperatives need to strategize on how to compete with Argentina and Brazil, with a looming El Niño risk being forecasted to affect Latin American exports that will be needed for North African and Southeast Asian markets. The time is now for U.S. farmers to seize higher CBOT corn prices and the lack of Russian and Ukrainian corn on the global market. The same goes for soybeans and wheat.

A Note on Aguia Resources:

We dropped this from our table a couple of issues back and that generated some comment. We were constantly being told that the Phosphate was the main game and yet the suspicion existed that some hedging of bets was going on when suddenly the gold in Colombia started getting way more airtime. Then, lo and behold, the company ran into problems with its environmental licenses in Brazil. We suspect we dodged a bullet there.

GROWTH MINERALS STOCKS

	Security	Ticker	Rating	Currency	Market Cap. mns	Status	Country
Potash	Kore Potash	LSE: KP2	Neutral	GBP	194.66	Developer	Congo Brazzaville
	Millennial Potash	TSX-V: MLP	LONG	CAD	262.43	Developer	Gabon
	Brazil Potash	NYSE: GRO	LONG	USD	141.23	Developer	Brazil
	Nutrien	NTR.to, NYSE: NTR	Neutral	CAD	48,365	Producer	Canada
	Altamin	ASX: AZI	Neutral	ASX	20.73	Explorer	Italy
	Intrepid Potash	NYSE: IPI	Neutral	USD	451.2	Producer	USA
	Ethiopotash B.V.		Neutral	Private		Developer	Ethiopia
	Verde Agritech	NPK.to	Neutral	CAD	45.15	Producer	Brazil
	Sage Potash	SAGE.v	Neutral	CAD	22.24	Developer	USA
	Peak Minerals		Neutral	Private		Developer	USA
	Buffalo Potash	TSX-V: BUFF	Neutral	CAD	104.17	Developer	Canada
	Karnalyte Resources	KRN.to	Neutral	CAD	13.85	Developer	Canada
	K2O Potash		Neutral	Private		Explorer	Poland
	American Critical	CSE: KCLI	Neutral	CAD	20.64	Explorer	USA
	Gensource Potash	TSX-V: GSP	Neutral	CAD	69.36	Developer	Canada
	The Mosaic Company	NYSE: MOS	Neutral	USD	6,657	Producer	Canada/USA
	Emmerson	LSE: EML	Neutral	GBP	19	Developer	Morocco
	Acron	MOEX: AKRN	Neutral	RUB	673,751	Producer	Russia

GROWTH MINERALS STOCKS

	Security	Ticker	Rating	Currency	Market Cap. mns	Status	Country
Phosphate	First Phosphate	CSE: PHOS	LONG	CAD	\$376.4	Developer	Canada
	Nevada Organic	CSE:NOP	Neutral	CAD	\$16.0	Explorer	USA
	Kropz	LSE: KRPZ	Neutral	GBP	£7.0	Producer	South Africa
	ItaFos	TSX-V: IFOS	Neutral	CAD	\$420.7	Developer	Guinea-Bissau/Brazil
	PhosCo	PHO.ax	Neutral	AUD	\$89.2	Developer	Tunisia
	Arianne Phosphate	DAN.v	AVOID	CAD	\$70.8	Explorer	Canada
	Minbos	MNB.ax	LONG	AUD	\$21.1	Developer	Angola
	Keras Resources	KRS.L	Neutral	GBP	\$3.15	Producer	Utah
	Canadian Phosphate	CP8.ax	Neutral	AUD	\$55.2	Developer	BC/Utah/Mexico
	Bifox		Neutral	Private		Developer	Chile/Peru

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