Ag Opportunities in Feed & Fertilizer

Alan Doering Sr. Scientist of Coproducts, AURI

Accelerating Ag Innovation and Investment

Brent Ratliff

Managing Partner, Ani-Tek, LLC

Accelerating Ag Innovation and Investment

Ani-Tek™ Business Overview

Updated: 01/01/18



Background

- Established in 2017, Ani-Tek, LLC is focused on <u>product development</u> and <u>supporting new products</u> in the US Swine market.
- Ani-Tek, LLC Managing Partners
 - Dr. Aaron Gaines Shelbina, MO
 - Dr. James Usry Social Circle, GA
 - Brent Ratliff, MS Le Sueur, MN
- Market
 - Our target customers are Integrated Swine Accounts (top 40), Feed Companies and Consulting Nutritionists.
 - Expanding into broiler and layer markets.



Current Portfolio

- Swine Market
 - Feed intake enhancement product Lactation and Nursery
 - Food to Feed commodity bakery and specialty ingredients
 - Specialty Dairy Protein young animal immune support
- Wild and Captive Deer
 - feed additives to support overall health



Customer Driven Product Development

- Swine Production
 - Feed cost reduction
 - Feed Efficiency
 - Improved performance
 - Livability
 - Biosecurity



Science Leads

- Customers are well educated
- Nutrient based nutrition
- Research is not optional, It is demanded



How AURI is an ideal partner

- NutriVance Experience
- Small Company Opportunity



James Crook

General Manager, Union Creek Organics

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James Curren

CEO and Founder, Javacycle

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Craig Holden

Pres. & Chairman, Sustane Natural Fertilizer, Inc.

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Minnesota's Organic Fertilizer From Kenyon to Hong Kong

The Jockey Club at Kau Sai Chau, Hong Kong, New Territories

2019 New Uses Forum

Agricultural Utilization Research Institute

Minneapolis Marriott West, March 27, 2019

Craig Holden
Suståne Natural Fertilizer, Inc.

www.sustane.com

1. Key issues in the fertilizer industry today. (The 'What')

United Nations Sixth Annual Global Environmental Outlook 2019-03-13 - Calls for unprecedented action:

- A. Reduce land degradation
- B. Limit pollution
- C. Improve water management and quality
- D. Mitigate climate change

Reduce land degradation • Limit pollution • Improve water management & quality • Mitigate Climate Change

Starribune

Find a way to have yo lunch outside today.

"Pollution tied to farms will take decades to fix."

So. Minn. water crisis rises

Pollution tied to farms will take decades to fix, state study finds.

The finding emerged from

9 of 41 major MN watersheds have less than 20% of lakes that are swimmable or fishable

watersheds where less

41 major Minnesota watersheds inventoried to this

date have uncovered ...

than one-fifth of the lakes fully support swimming fishing

20 of 41 major MN watersheds have less than 20% of rivers that are swimmable or fishable

watersheds where less than one-fifth of the rivers fully support swimming, fishing

MURKY WATER: N of the Minnesota (left) Mississippi rivers show comparative water ou Minnesota is No. 1 in U.S. & World Turkey Production at 46 mill. per year. Eastgate Farms – Rice and Dakota Counties, Northfield, Minnesota

Produce 460,000 turkeys per year, or 1% of Minnesota's 46 million total

Eastgate Farms' turkeys generate 4,600 tons of manure per year

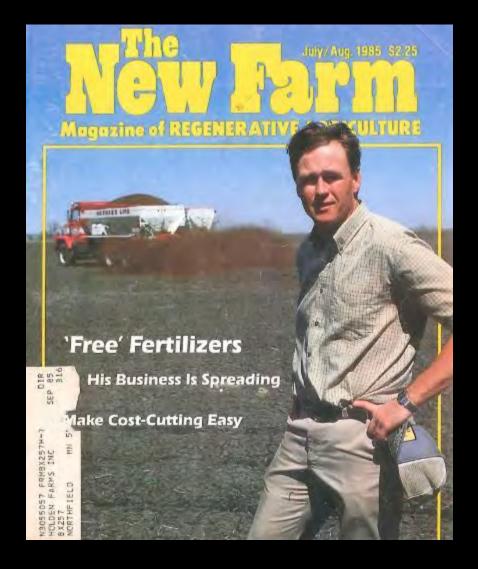
Minnesota turkey flocks generate (est.) 460,000+ tons of manure per year

Year round poultry production = year round manure generation = Treatment, storage and land application challenges

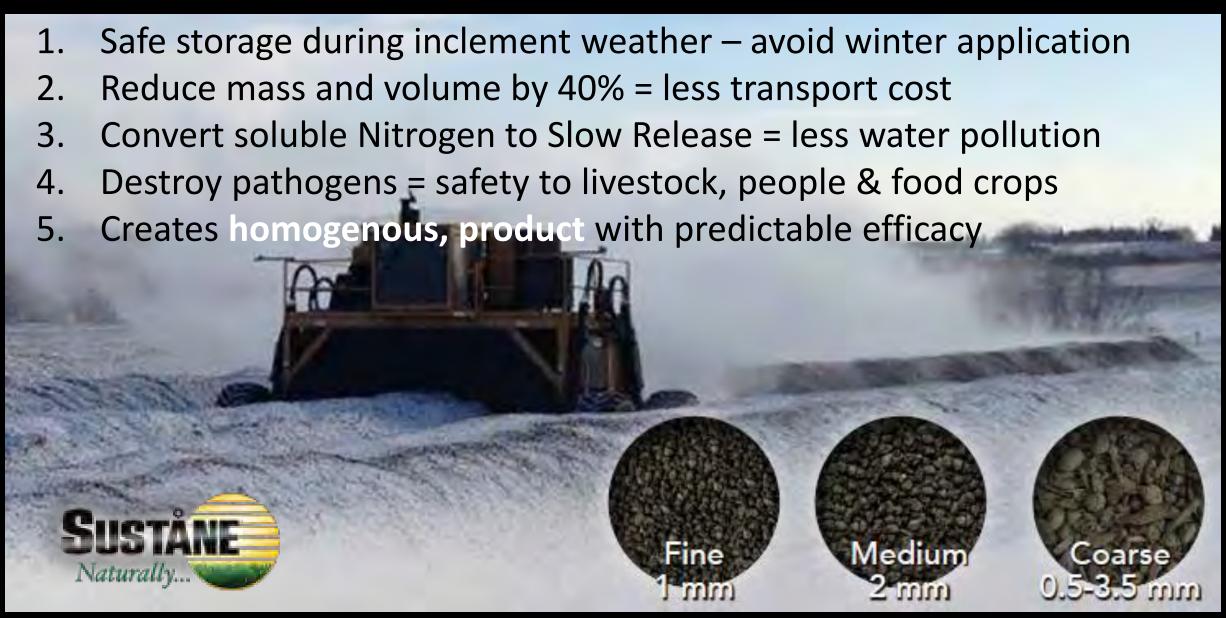
Sustane Natural Fertilizer manages about 40,000 tons of turkey manure per year by composting and marketing.

2. Addressing the Issues, ('So What?') – Origin of the business:
In 1980 at Holden Farms - started composting turkey litter and marketing compost to southeastern Minnesota farmers

We were the first to prove efficacy and method of lower application rates at 1 to 2 ton per acre = profitable yields, reduced pollution potential. But...there were huge logistical challenges: Trucking and land application of 25,000 tpy All within 3 weeks in spring, maybe 2 in fall. Tractor-trailers haul compost to the application site, where it is applied by high-capacity spreader trucks.



Benefits of aerobic composting as a management system:



Making Suståne: Biologically stable organic fertilizer





Sustane is a science-based company

Research at Suståne Over 900 trials performed over the past 30 years



Organic fertilizers can perform as well as or better than synthetic fertilizers!

Suståne 4-6-4 applied at 50 lb. per acre
Direct with seed.



MAP 11-51-0
applied at 50 lb.
per acre
Direct with seed.

Fertilizer trials on wheat – Manitoba 1991

Organic + Synthetic Superior to Synthetic Only Blue Salvia 47 Days after Treatment



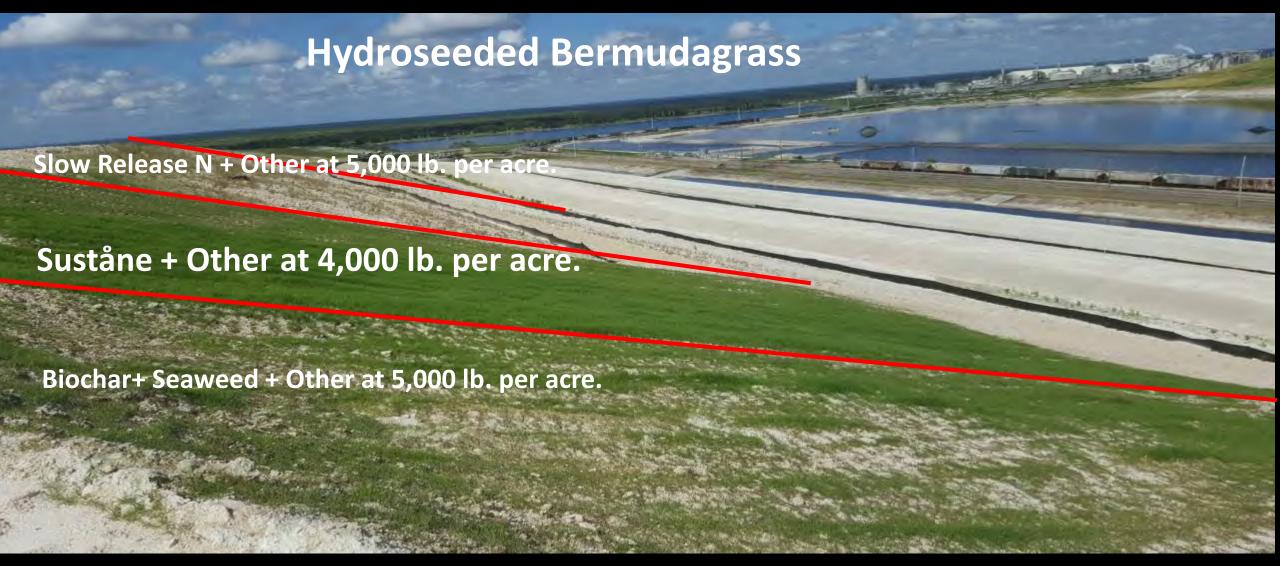
Suståne+ Sumicoat 12-12-12 0.85 Lb. N/cu. yd.

\$35 / bag wholesale

Osmocote 14-14-14 0.85 Lb. N/cu. yd. Nutricote T70 13-13-13 0.85 Lb. N/cu. yd.

\$65 to \$105 / bag wholesale

Mosaic's Florida Phosphate Mine Tailings Slope Stabilization 2016



Two weeks after seeding

Customer Service is Paramount

- Technical support for all customers
- Global support to diverse market channels
- Site visits to provide customer solutions



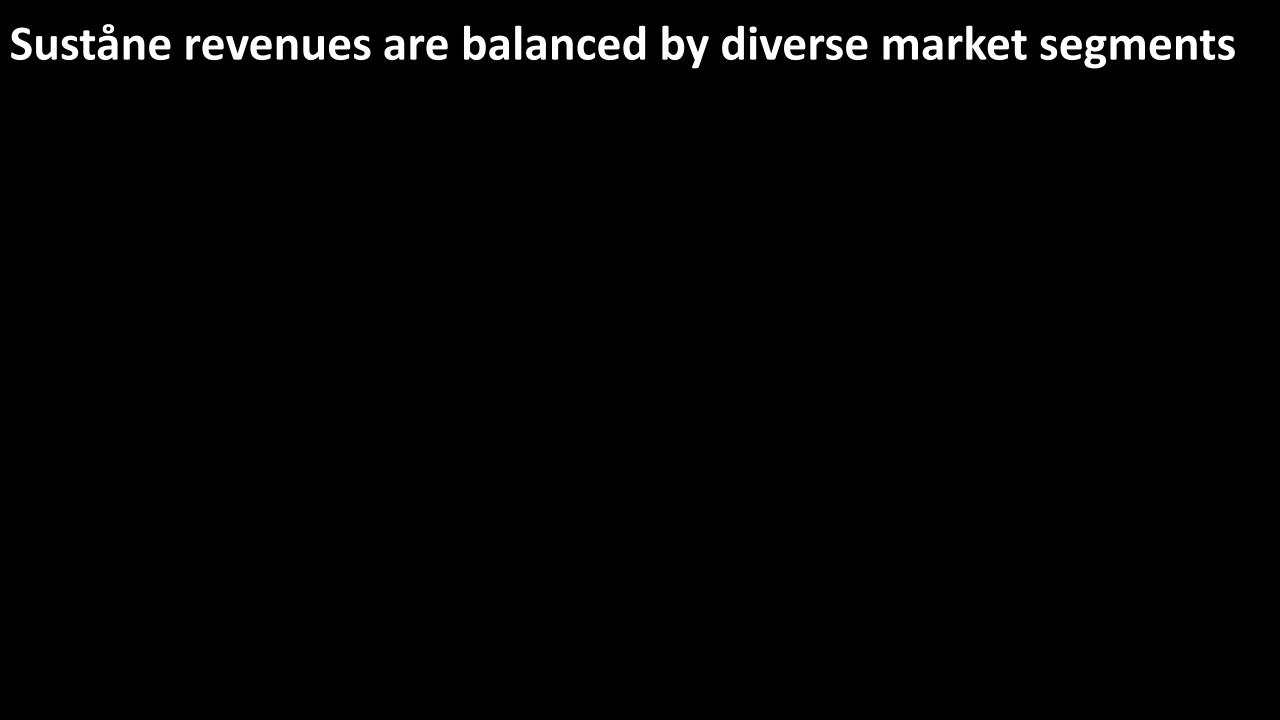
Suståne's Diverse Markets Reduce Risk

Landscape Maintenance - Disney Shanghai China





Organic Wheat - Tappan, North Dakota



Suståne Products Used in 6 Market Segments in 60 Countries





3. 'Now What?' Steps Sustane is taking to enter new market opportunities:
As of 2019 there are 46 Sustane products for Professional markets





































New market opportunities:14 products for Consumer markets











Steps Suståne is taking to enter new market opportunities: 28 products for Private Label markets











MICHIGAN PEAT COMPANY













Sustane Natural Fertilizers

...healthy soils, for a healthy planet.

Better resource management for a Sustainable world

"Thank you for your time and for sharing this great part of the world with me."



Audience Q & A

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RURAL OPPORTUNITY INITIATIVE

Private Investment Driving Rural Prosperity



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