



# VERATIN

NSX:VTN

A manufacturing company that is developing sustainable high-value products from low-grade wool





# An untapped opportunity



In Australia there are over three times as many sheep as people. Australia is a leading grower of wool world-wide, accounting for approximately 25% of the market.

However, not all of this wool is suitable for the textile industry, leaving an abundance of low grade wool with little commercial value.

Wool is a hierarchical material that is structurally complex and challenging to transform.

Veratin's **novel technology** unlocks the value of low grade wool turning it into sustainable high value products for a number of industries.





# Investment highlights

- **Revenue generating:** The Company is revenue-generating having established operations and an existing customer base.
- **Growing sales:** In FY21, Veratin made sales of \$40,995.89. In FY22, Veratin made sales of \$64,062.09 — an increase of 56.26% from the previous FY.
- **Efficient and scalable operation:** Veratin implements a lean operating model, maximising investment in marketing, research and development and other value-adding activities. The Company has invested in expanding its manufacturing operations, gearing for rapid growth in FY23 and FY24 with the capacity to manufacture 500,000 L a year (current sales are less than 15,000 L a year).





# Investment highlights

- **Growing online marketplace presence:** The Company has set up eBay, Shopify and Alibaba stores, setting the framework for international expansion.
- **Improved brand awareness:** Since Verigrow's launch, the Company has invested, and continues to invest in print, radio, social and television advertising. The Company is currently running various social media advertising campaigns, a radio advertisement on 6PR and a television advertisement on WIN targeting regional farms. In addition, the Company also featured on an ABC Landline episode (episode 41) focussing on up-cycling low-grade wool.




# Investment highlights

- **Diversification and synergy:** The Company's strategy to pursue several unrelated industries, including agricultural, cosmetic, health foods and materials, is key to reducing the risks associated with any one product. The Company is able to do this by utilising the same technology platform, leading to significant reduction in costs to develop new products.
- **Sustainable green chemistry manufacturing:** Veratin utilises a sustainable and biodegradable resource. The Company implements a green chemistry approach, using benign processes to reduce waste, improve efficiency, and reduce cost. In the case of Verigrow, a clever circular economy was a key feature of product design at its inception.



# Intellectual property




The Company owns intellectual property in the form of patents and trademarks. The Company's patent includes National Phase patent **Organic Fertiliser and Soil Improver**, PCT/AU2017/000165, filed 1 September 2016. This patent assigned to Veratin claims the use of **Verigrow**® as a fertiliser/soil improver.

Veratin's IP strategy is to pursue this patent in the largest agriculture and wool-exporting markets. The company has filed National Phase patents in several jurisdictions: Australia, Brazil, Canada, China, Europe, Japan, Indonesia, New Zealand, South Africa and the United States. To date, the South African patent and the Japanese patent have been granted.





# Intellectual property



Veratin also holds trademarks for **Verigrow** fertiliser and soil improvers, **Veratin** shampoos and conditioners and **Baa baa** beverages. The Verigrow Australian trademark is registered (Trademark Number 1793929) and the US trademark (Serial Number 1793929) is allowed.

Veratin also owns a worldwide exclusive licence for exploiting patented IP related to a **biodegradable polymer**. This novel biopolymer will find applications in a number of consumer products as a plastic replacement material.

Veratin also owns a provisional patent **Alcoholic and non-alcoholic fermented products and method of preparation** using wool, which was filed on 16 September 2022.





# Company overview



## Fertilisers

**\$85B**

Verigrow® Concentrate (launched)

Verigrow® Foliar (launched)

Verigrow® Potting Mix (launched)

**New products in development**



## Biodegradable biopolymers

**\$6B**

Biodegradable plant pots

**Research and development completed, manufacturing to commence in 2023**

<https://www.grandviewresearch.com/industry-analysis/nitrogenous-fertilizer-market>  
<https://www.grandviewresearch.com/industry-analysis/biodegradable-plastics-market>





# Company overview



## Nutraceuticals and functional foods

**\$274B**

Baa Baa™ beverages — Fermented beverages containing wool

**Proof of concept completed, upcoming focus of company**

Amino acid powders from wool

**Upcoming focus of company**

## Cosmetics

**\$376B**

Veratin™ Shampoo

Veratin™ Conditioner

**Research and development completed, manufacturing to commence in 2023**

<https://www.marketsandmarkets.com/Market-Reports/nutraceutical-ingredient-market-1319.html>  
<https://www.grandviewresearch.com/industry-analysis/cosmetics-market>





# Capital structure

NSX code	VTN
Shares on issue	95,316,734 <sup>*</sup>
Options	250,000 <sup>†</sup>
Share price (8 November 2022)	AUD \$0.10
Market capitalisation	AUD \$9.53m
Number of shareholders (8 November 2022)	211

## Top 20\*



## Board and management



<sup>\*</sup> Shareholders approved the issue of 6,000,000 Performance Rights to Executive Chairman Dr Ramiz Boulos, 300,000 shares each to Directors Mr David Vincent and Mr Giuseppe Lenzo at GM on 5 September 2022. Shareholders also approved an Employee Securities Incentive Plan.

<sup>†</sup> Shareholders approved the issue of 1,000,000 Options to each of Dr Ramiz Boulos, Mr David Vincent and Mr Giuseppe Lenzo at GM on 5 September 2022. Securities are yet to be issued.



# Board of directors

## **Dr Ramiz Boulos, PhD GAICD GradCert Bus — Executive Chair**



Dr Boulos is an inventor and entrepreneur. He graduated with a PhD in Chemistry from the University of Western Australia in 2011. Dr Boulos is the inventor of Verigrow® and the founder of Veratin. In 2021, he invented a new biodegradable polymer which he then licensed to Veratin. Dr Boulos holds an Adjunct Lecturer position at Flinders University and he is a graduate of the Australian Institute of Company Directors. The Board considers that Dr Boulos is not an independent Director.





# Board of directors

## **David Vincent — Non-executive Director**

Mr Vincent is the owner and Managing Director of the Farmers Market on Manning, Western Australia's largest farmers market since 2009. The market has an average patronage of around 5,000 people per week. Mr Vincent has a long successful history in retail food and a strong interest in innovative new concepts. He is currently the Chairman of the Western Australian Farmers Market Association. The Board considers that Mr Vincent is an independent Director.



# Board of directors

## **Giuseppe Lenzo, Chartered Accountant BComm GradDipCA — Non-executive Director**

Mr Lenzo is a Chartered Accountant and Registered Tax Agent. He has more than 13 years' experience working in the tax, accounting and business advisory space. During that time Giuseppe has worked for KPMG and Deloitte, two of the largest accounting and consultancy firms worldwide, as well as a boutique tax specialist consultancy firm. Giuseppe currently runs his own practice, G Lenzo Consulting, which has been successfully operating since January 2017. He services a range of small businesses assisting them with their tax, accounting and business advisory needs. The Board considers that Mr Lenzo is an independent Director.



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**VERATIN**