



Bifox Ltd Shareholder Business Development Update – Oct 2022 to Mar 2023:

Executive Summary

Dear shareholders,

This is an interim high level business development update with input from the new Bifox management team and will be followed by a subsequent detailed shareholder update in April encompassing all pre IPO capital raising, IPO plans and associated operational production, sales and business development announcements along with the delayed 2022 audited accounts.

Bifox Business Development : over the past five months Bifox has evolved into an agricultural business with two internal business divisions: Operations and Commercial. From its initial mining profile, delivering a one product commodity, phosphate rock (PR), Bifox has evolved into an agribusiness aiming to add value to its phosphate product , expanding sales to international markets, increasing production volumes dramatically whilst derisking the business through new markets, products and distribution partners. A senior management team has been assembled, a strategic business plan developed, and associated new operational financial model developed. Concrete actions have been taken and specific milestones achieved in this short period of time from October 2022 to March 2023.

The Operational Division manages phosphate rock production. This task includes direct activities such as mining, processing, bagging and loading into a truck. It also includes indirect and supporting activities like permitting, infrastructure development, safety, security, human resources, public relations, concessions maintenance, exploration, environmental and specifically paleontological related duties, administrative procedures creation, and planning, among others. Progress in last months has been impressive in all fronts. Mining, contractors have been procured and selected, and a mining plan is in place. In process, several tests have been developed to improve Bifox phosphate rock P2O5 product content to 30%. In permitting, all permits have been applied and maintained. A safety plan is in place and 0 lost time and 0 accidents have occurred. The production team has been designed, selected, recruited and now in place to support expanding phosphate rock production at Caldera from 5ktpm up to 10ktpm in 2023.

Lead by a mining professional with over 25 years' experience and with many international projects developed, the team also includes a mining engineer, geologist, construction specialist, among others. Close relationships have been developed with local and regional authorities, both public (Major, Governor, State Defence Council, National Monuments Council, etc.) and private (Chamber of Construction, Chamber of Mining, etc.), concessions are under expansion through application and acquisitions, three exploration plans have



been designed and are ready to be deployed simultaneously.

The Commercial Division is in charge of commercializing the product. This includes direct activities such as sales, marketing, promotion, product development and product definition, logistics, registers, business development, and pricing policy definition. Again, this task also includes indirect activities like human resources, policies, financial policies, and internal procedures. In the last 3 months this division was created from scratch to a solid yet growing unit. The sales forecast evolved from 15 ktpy last year sales in Chile to a 0.5 Mtons per year target, including Chilean domestic and international markets. Our marketing effort includes a brand refresh and webpage under complete overhaul. We have participated promoting Bifox in international events such as the FLA (Fertilizer Latin America) in Rio, Brazil, and the CRU Phosphates, in Istanbul, Turkey, where we presented the Bifox production business. Our efforts in product development aim to define the best phosphate product range including (powder, granulated, microgranulated) to blends with different nutrients, or acidulated to produce phosphate fertilizers. We have worked on new routes and logistics other than traditional domestic trucks, aiming to obtain competitive access internationally through the Port of Caldera, 8km from our Caldera production site. We have registered our Bifox PR product in Argentina, Brasil Paraguay and Uruguay, and will now register in USA, Mexico, Central America, as our next immediate targets. Bifox is currently developing 8 different business opportunities with companies of 4 countries in LATAM, with the target to secure offtakes, access new markets, expand the business and derisk through new products and markets. These opportunities include organic fertilizers, global mining operations product blending, and innovative blends with very high added value, that will provide stability, and diversify the company from the commodity phosphate rock. A Bio Agri Tech product market development team has been assembled lead by an experienced agronomist with over 30 years' experience, an international soils nutrients Phd specialist, and an accompanying sales force.

All best Tim

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