

Essen Atlas

climate smart solutions

Investor Presentation



Our Focus: Industrial Hemp

Natural fibers and material science

01.

Strength: Hemp provides the world with some of the strongest natural fibers

02.

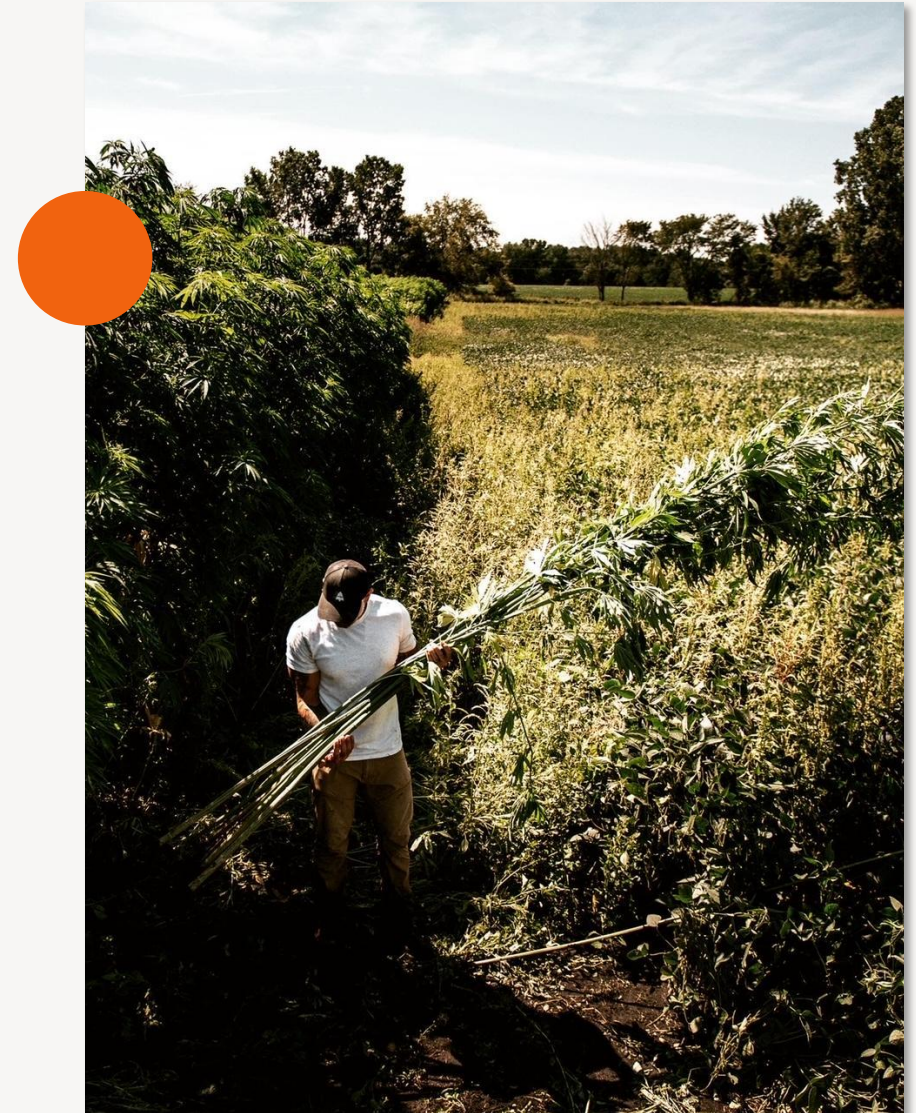
Light weight: Based on quality and strength testing, hemp can create lighter components in manufacturing compared to synthetic fibers

03.

Sustainability: Hemp is a renewable industry and also provides soil remediation to our world beyond just the “product.”

04.

Domestic: This material is grown in our own backyard, within miles from our processing facility, ready to ship to our customers.



How it works

Multiple use applications, one facility

The client dictates material specifications.



Essen Atlas provides solutions based on client input and needs.

Hurd

The inner, woody core of the plant stalk



Bast Fiber

Fibrous material from the outside of the stalk



Combination

Non-separated, sized and specified



About

Our team



Rusty Peterson

Co-Founder & Chief
Strategy Officer

Business development and relationship building. Multiple years developing supply chain for industrial hemp. Farming, data capture, SOP clarification and end use application development of natural fibers. Founder of Align Agro.



Cory VanderZwaag

Co-Founder, Chief
Operations Officer

Cory is uniquely positioned between the worlds of design, engineering, and agriculture. Founder of Vz-tec industrial cannabis equipment.



Travis Peterson

Chief Financial
Officer

Global business leader with strong successes in rebuilding poor & non-existent relationships. Significant experience in leading diverse, global and cross-functional teams to develop & execute on global sales strategies to defend and grow various businesses.



Larry Kocher

Chief of Material
Innovations

25+ years experience aligning fibers and material development. Substrate and molding expertise directly relating to Innovation and manufacturing.

Our Allies



Andrew Bishop
Engineering and
facility design



Ken Elliott
Owner of IND HEMP



John Bradley
Owner of Tetra Hemp



Christie Apple
Agronomy & Soil Health
Specialist



Jamie Campbell-Petty
Co-Founder Midwest
Hemp Council



Kelly Ann Flynn
Clemson University



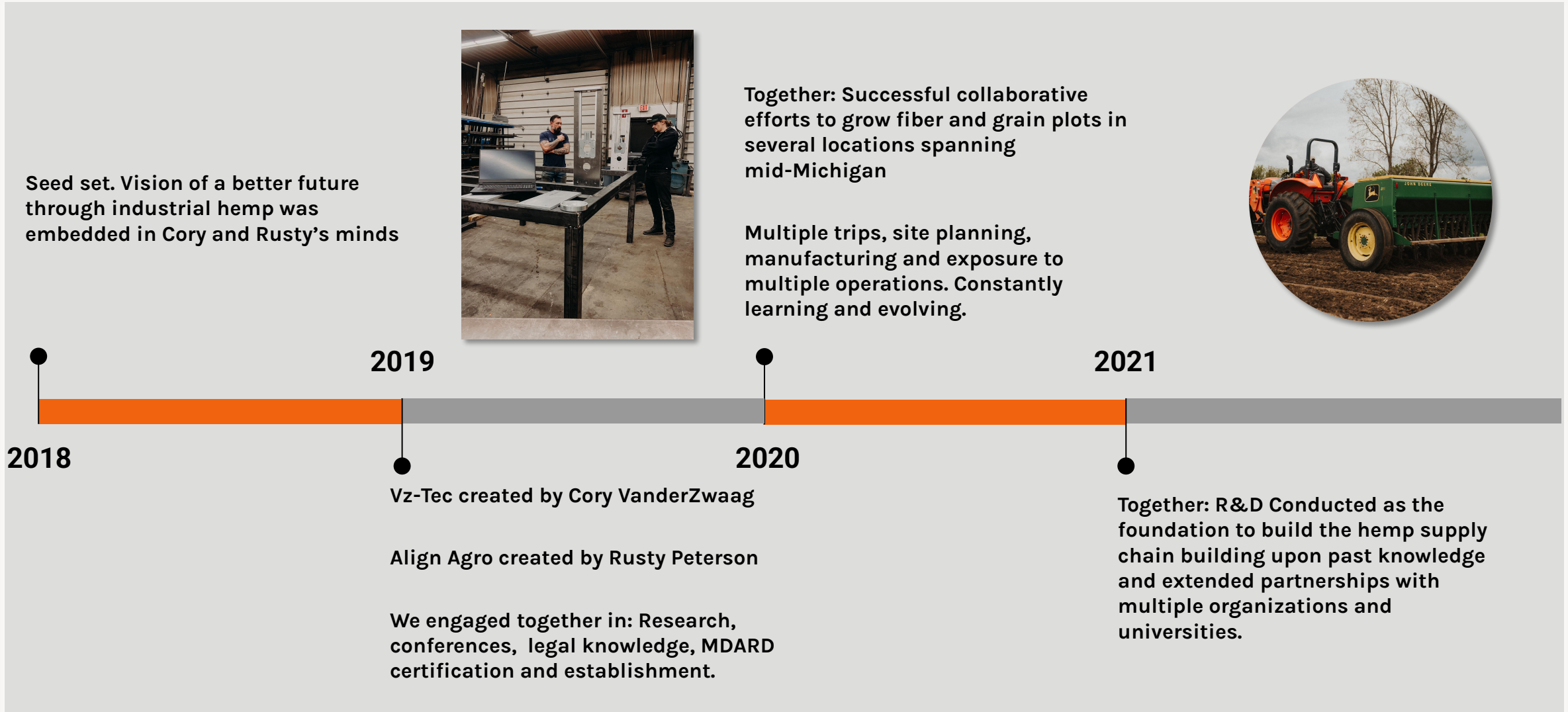
**Midwest Natural
Fibers**



**Global Hemp
Association**

Founders Connection

Time in, boots in the dirt and being intimately tied from seed to end use



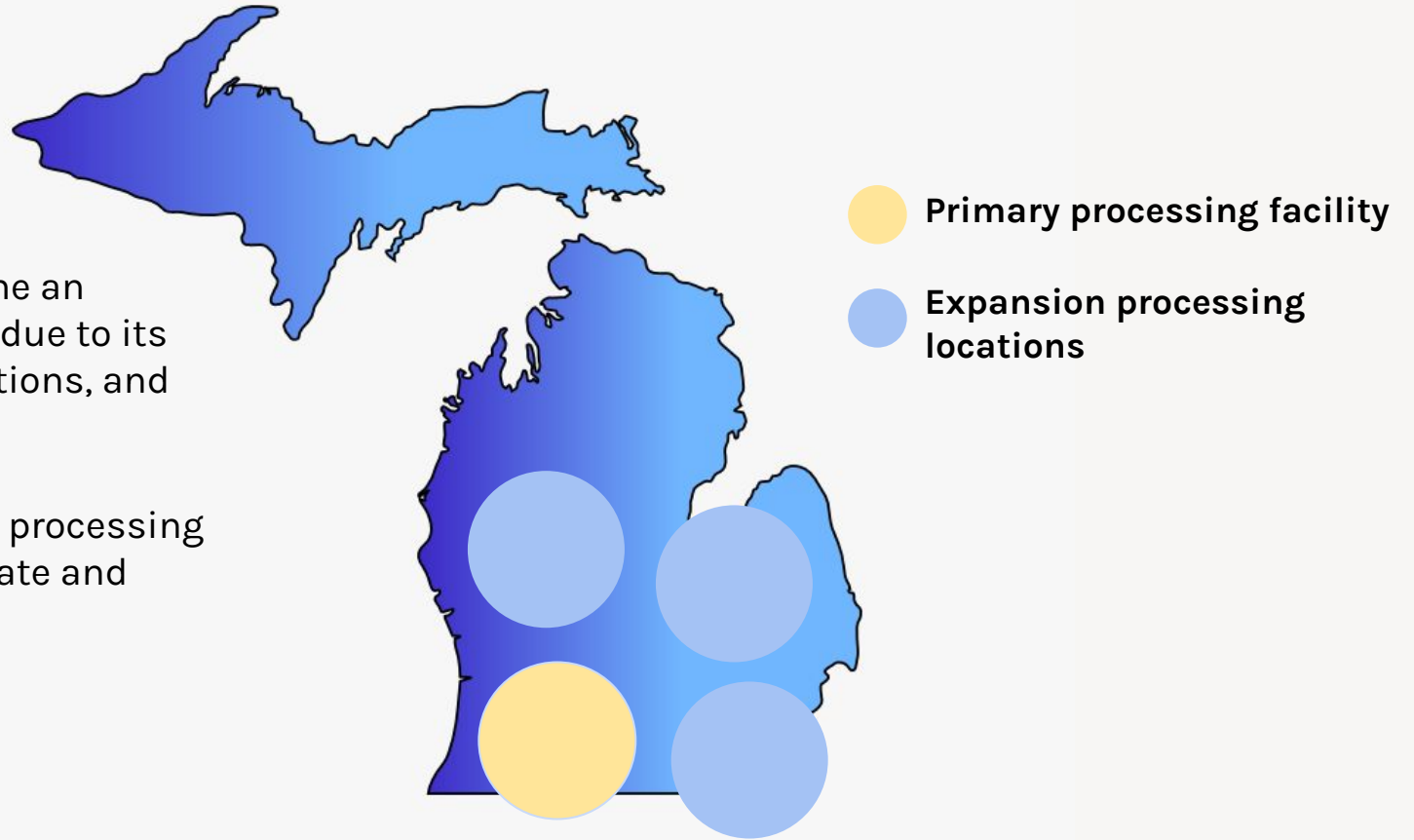
Michigan based fiber Company

Economic Development

Industrial Hemp is a sustainable, renewable, CO2 absorbing, temperature and drought resistant crop that will **disrupt global mass markets.**

Michigan has a time sensitive opportunity to become an industry leader in the fledgling hemp fiber industry due to its proximity to the manufacturing industry, soil conditions, and scalable geographical location.

EsSEN Atlas is building the blueprint for hemp fiber processing operations that can be replicated throughout the state and beyond.



The Difference between Industrial Hemp and CBD/Marijuana

Industrial Hemp

Grown for stalks like that of trees

Traditional row crop growing conditions

Commodity, not a specialty

Applications for just about every sector

Its own industry with less barriers to entry and completely separate



CBD/Marijuana

Grown for Flower and Medicinal Properties

Horticultural and Labor Intensive

More likely to be involved with legal implications

Highly regulated; requires substantial investment for certifications

The Collective Problem

Solved, industrial hemp provides positive, sustainable solutions for all.

- 🔑 Industry partnerships and collaborations are at a crawl, the industry needs to run. Demand cannot be met, due to a non-existent supply chain.
- 🔑 Farmers do not have the standard operating procedures they need to be successful, due to the lack of acreage grown and collection of those practices
- 🔑 **“Boots on the ground” perspective is not common in the industry but a key component***
- 🔑 Tested, consistent, and regionally feasible domestic supply does not exist
- 🔑 Market demand far exceeds what is currently supplied and exceeds projections over the next 2-3 years.

*Industry knowledge gained from actually planting, harvesting, collaborating with farmers and processing is THE missing key component for most operations/investors.



The Plant's Resiliency & Mitigation Against Risk

Mitigating against season challenges



- High level of resiliency against pests & disease
- Drought resistant
- Prolific root system that allows for strength and taproot stability
- High turgidity from the vascular system within the plant that mitigates snapping and allows plant to stand back up
- Primordial stem has a robust xylem/phloem system that builds lignan and strengthens the plant
- Traditional crop insurance will be applied to contracted acreage as primary
- Disaster crop insurance through the USDA is a secondary safety net applied to our farms

Opportunities

Within each sector of **plastics, composites and non wovens** there are multiple specifications of material that our processing will be able to produce and provide consistently. Multiple specifications have been identified and our processing ensures those materials. Replacing or in addition to talc, calcium carbonate and fiberglass allows an array of solutions.



Plastics

At 20-40% filler, it can be lightweight and reduce plastics inputs



Composites

Utilized as reinforcements on multiple applications



Non-wovens

Thermoset/thermocompression adds isotropic mechanical properties to final material

Examples of real world applications of hemp



Our Strategic Plan

Essen Atlas has already sourced existing material from the market, as well as from our own farming operations to start supplying our identified customers with material. Scaled planting starting in April 2022, within the Great Lakes region, where upwards of 43% of plastics compounding happens for the United States, uniquely positions us to supply multiple organizations with value added material that is cost comparative.

Close Proximity to Customers

Efficient supply chain to customers

2020 Polypropylene Market value at 75.12B with a CAGR of 5.2% (2021-2028) *

*Report ID: FBI101583 fortune business insights



Existing and growing relationships with customers, suppliers and talent

Early market entrant

Cultivated hemp industry specific knowledge that provides strategic advantage for future opportunities

Our Culture

Business & Continued Learning
Focus

Continually learning, developing relationships and pushing forward is not filler. We are here today because of our hard work, “boot-strapping” attitude and our courage to be actionable. The industry has told us they believe it can be done, because they believe in us. Together we can and together, **WE WILL.**



The “ASK”

Seed Raise: \$330,000

Total farming cost for year 1 | Payment to farmer for grown biomass | Equipment deposit and testing

Series A: \$2.5M

CapX for equipment stack | Operating expenses | 50,000 square foot facility lease

Essen Atlas company evaluation @ \$14.26M

Financials - 3 Year Projections



Projected P&L	Year 1	Year 2	Year 3
Gross sales	\$799,200	\$7,031,500	\$12,480,000
Costs of Goods Sold	\$277,649	\$2,100,055	\$5,817,850
Gross Profit	\$521,551	\$4,931,445	\$6,662,150
Gross Profit Margin	65.26%	70.13%	53.38%
Operating Expenditures	\$264,565	\$776,524	\$999,809
SG&A	\$364,627	\$597,098	\$1,103,184
Total Expenses	\$629,193	\$2,206,954	\$3,269,660
Net Operating Income	-\$60,585	\$2,706,242	\$4,192,302
Net Operating Income Margin	-7.58%	38.49%	33.59%
Equipment Purchases/CAPEX	\$1,805,000	\$0	\$90,000

*Forecast was developed by calculating expected volumes are therefore a high-level estimate based on management's belief about how much production volume will be possible. This analysis therefore assumes that 100% of what can be grown and processed can be sold. Based on average price model.

Financials - 3 Year Projections Detail



Summary

- ❖ The projected revenues are considered to be conservative by the management team.
- ❖ The forecast was developed with the base estimation of how much production volume will be possible, processed, and sold.
- ❖ The founders run a very lean operation so they intend to reach scale while maintaining optimal margins. Optimal margins will enable the management team to harvest their cash flow to reinvest and scale the business.

Year 1-3



Year 1

- 300 Acres (~2,100,000 lbs)
- Equipment stack
- Harvester and baler

Year 2

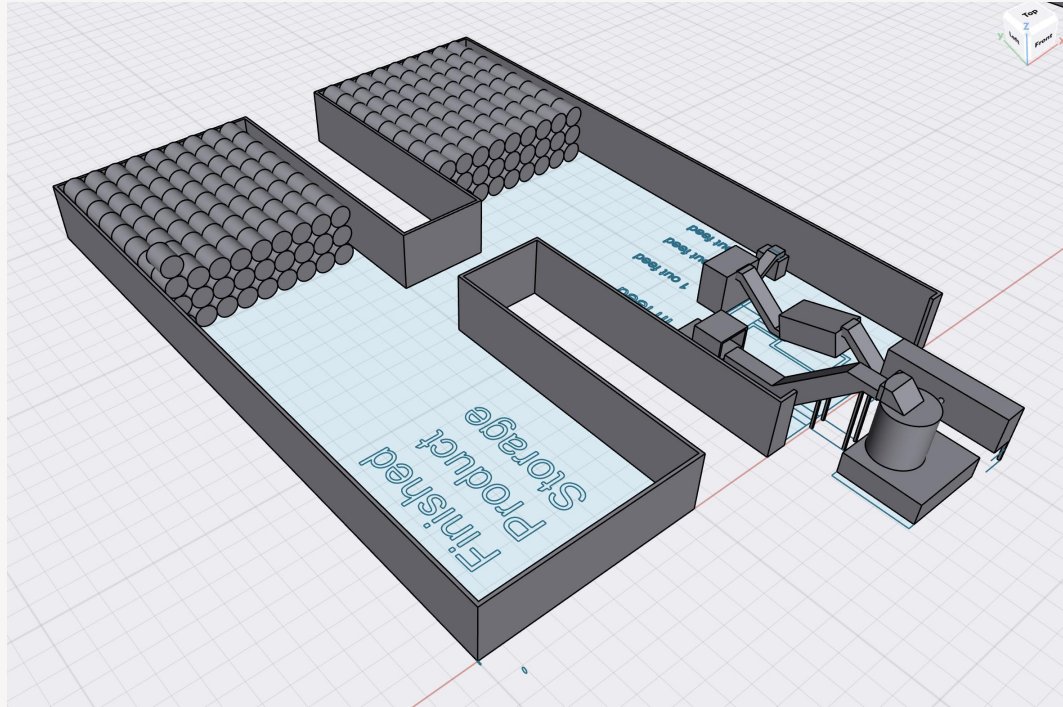
- 2,500 Acres (~17,500,000 lbs)
- 50,000sqft facility lease
- Additional bale storage

Year 3

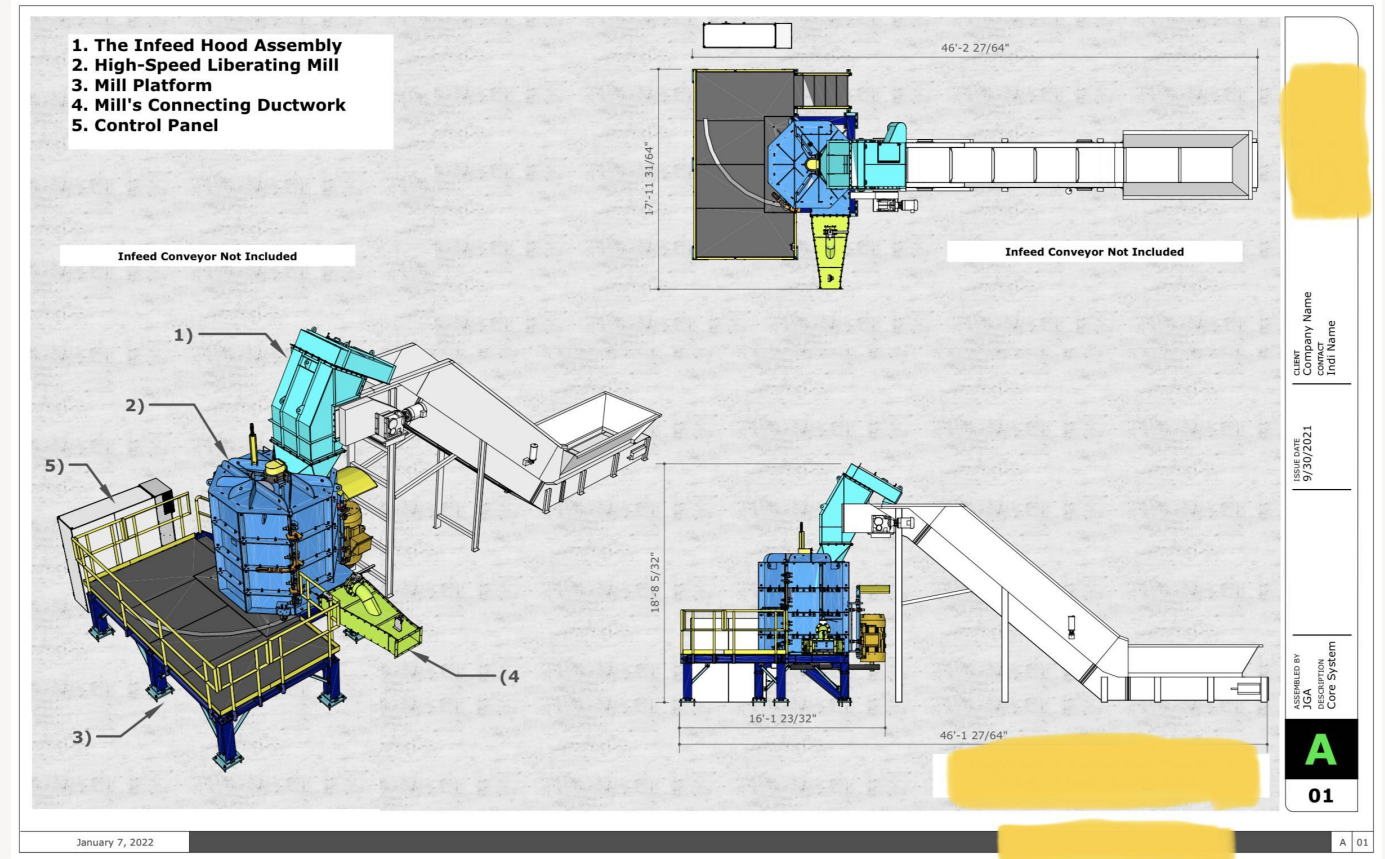
- 6,000 Acres (42,000,000 lbs)
- 2nd harvester and baler
- 2nd facility compression baler
- Additional bale storage

Equipment and layout

year 1



Year 1 building



Main Mill in equipment stack

Farm Equipment

Seamless adaptation for farmers





“BE THE CHANGE
YOU WISH TO SEE
IN THE WORLD

”

- Mahatma Gandhi



Keep in Touch

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