

Closed Loop Environmental AG-Waste Recycling



The Evolution of Horse Bedding

www.hipointag.com | Fuzedgold.com

Go to Market Strategy – AUSTRALIA



Our mission is clear. To produce the healthiest & most sustainable recycled agricultural-products while reducing leaching and methane off-gassing to preserve and protect our planet.

HiPoint | Fuzed - Gold
The evolution of horse bedding

Hypo Allergenic
Anti Bacterial
Dust Free
Comfortable
Absorbent



The Most Sustainable Horse bedding in the world

Our Story

We encourage you to watch the 6-minute video before continuing this presentation (see video below or click this link)

<https://bit.ly/HPAG-6M>

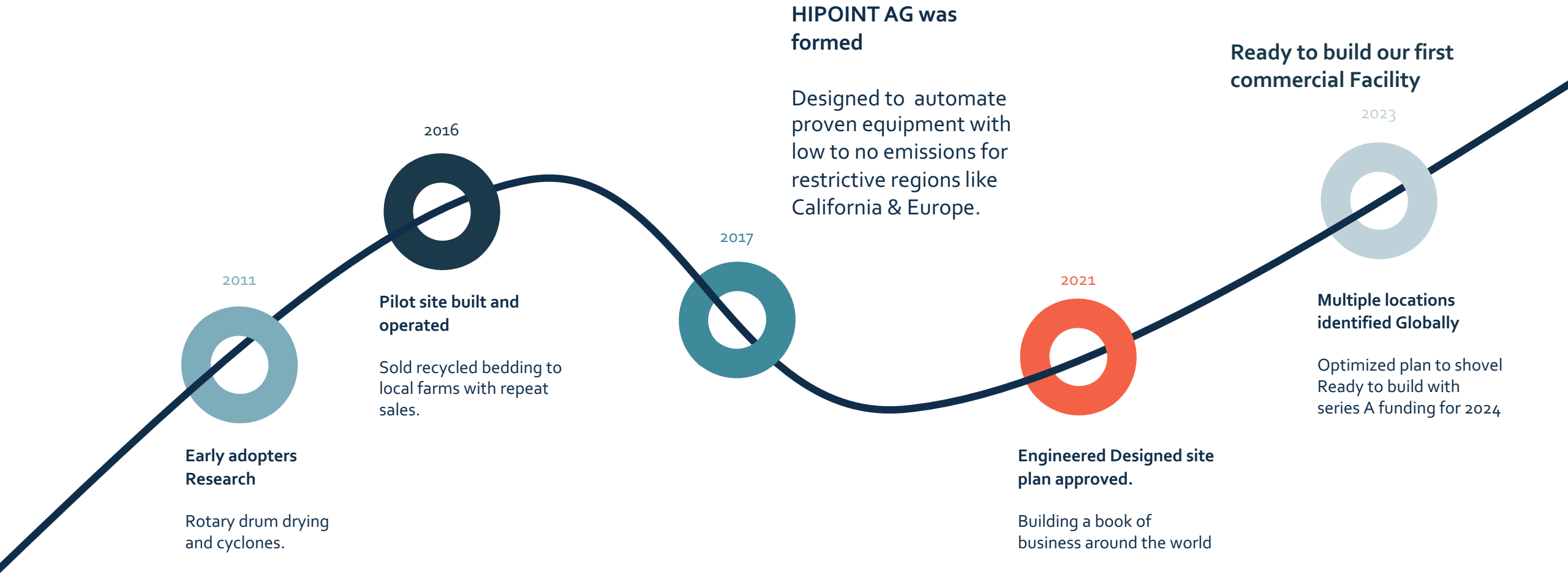


HiPoint AG is revolutionizing the biomass recycling industry by producing premium-infused wood shavings and high-quality by-products from stall residual waste in a patent-pending, sustainable manner.

Our closed-loop waste management system helps minimize deforestation, reduce emissions, and actively protect the environment in the heart of equestrian regions.

Through the influence of the horse, we aim to bring equestrians and environmental stewardship together through education, technology, and economic prosperity for farm operations to effect meaningful change.

Company traction



Early Adopters

Pilot built – bedding sold

Patent pending designed –
engineered and developed

Recycling Facility
Ready to be built



Australian Equine Market

The Australian equine industry has over 340,000 registered racehorses producing an estimated 4 million tons of waste per year. National estimates of the total horses in the country range between 900,000 and 1.8 million



Australian Statistics

- Australia has the second most racecourses in the world only second to the USA
- Nearly two million spectators came out to races at the 360 registered racecourses
- Thoroughbred Racing industry has added \$3.2 billion (AUD) to the economy with indirect impacts bringing that to \$9.1 billion
- Horseracing employs over 250,000 people

- ✓ Lots of waste
- ✓ Lots of nutrients
- ✓ Lots of protection
- ✓ Priceless value



The need for Sustainability.

The high volume of wood shavings used and wasted can be recycled to reduce deforestation. Left unmanaged, stall waste causes leaching and off-gassing that is critically affecting our land, waterways, and the air we breathe.



15 Billion cubic ft

Estimated global wood shavings used annually

36 million tons

Wood waste manure in North America alone

1.4m tons Methane

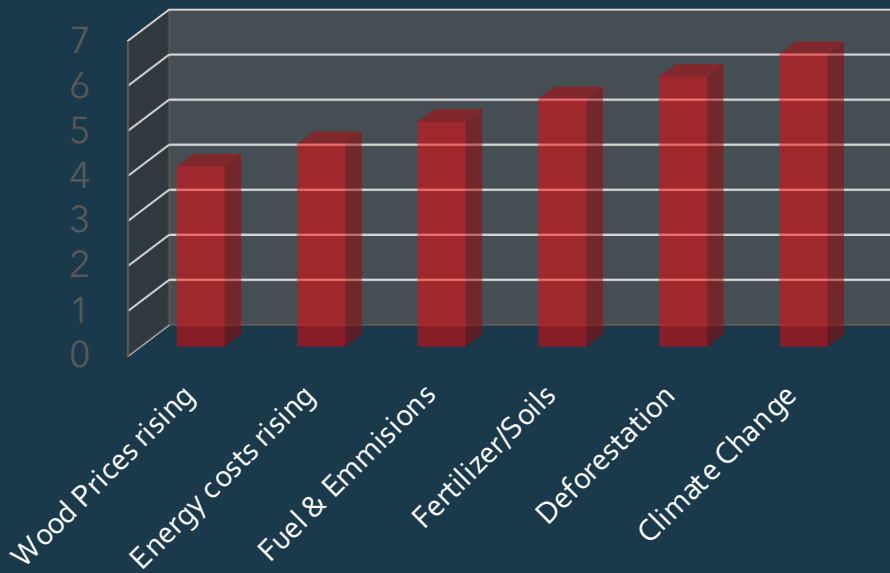
10% of animal methane produced by horses 1.4 mm CH₄

500 tons Phosphorous

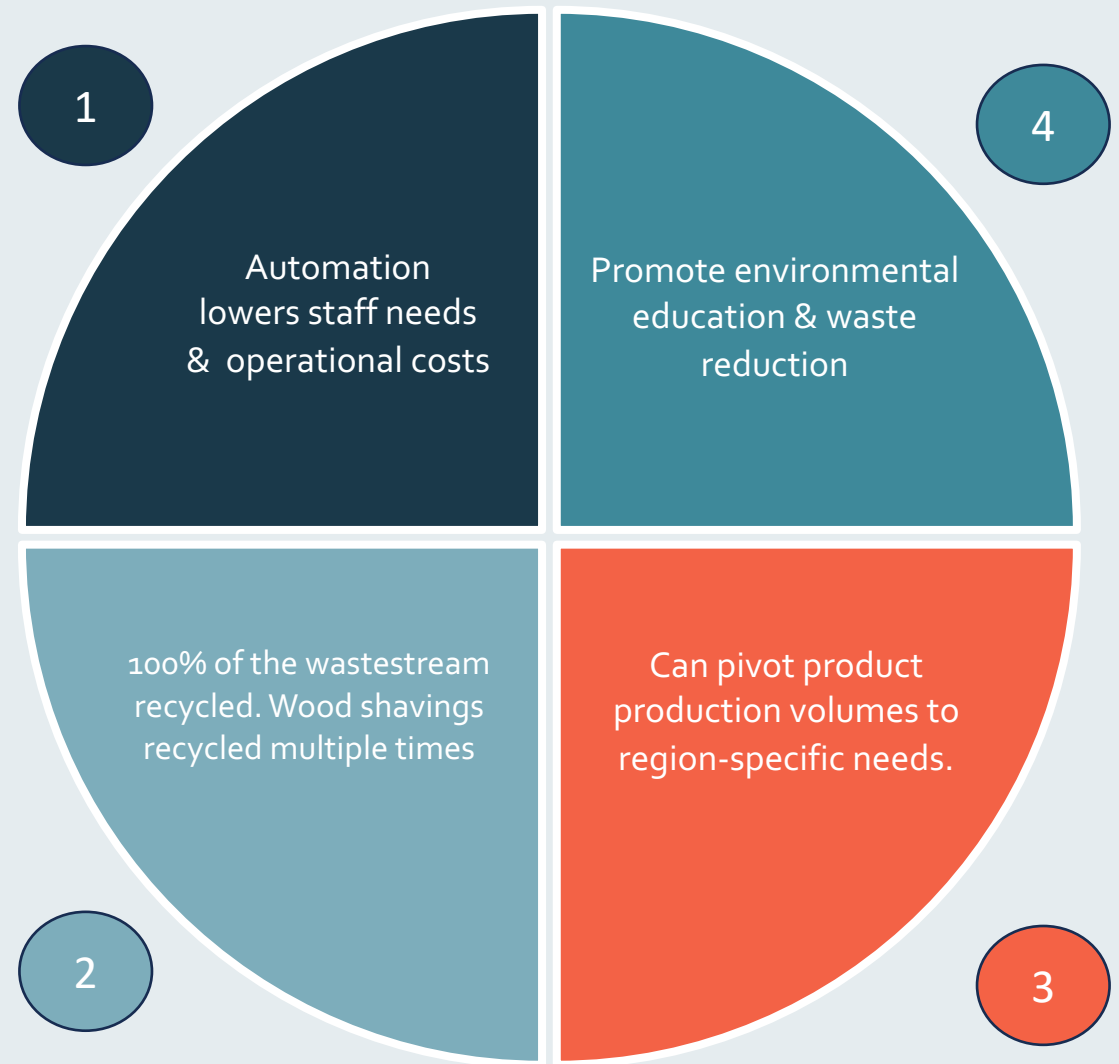
Each horse produces 35 lb./yr. X 3MM high-end horses.

The Business Model

Costs are rising due to the environmental impact of key products. HiPoint recycles and upcycles the total waste stream at high margins taking advantage of our times.



Key USP's





HiPoint Impact Value Proposition

Our vision is to build self-sustaining centers of excellence, to educate, administer and grow a healthy planet. HiPoint transforms agricultural waste into profits. Driving innovation, research, & collaboration to solutions.

Improve water quality

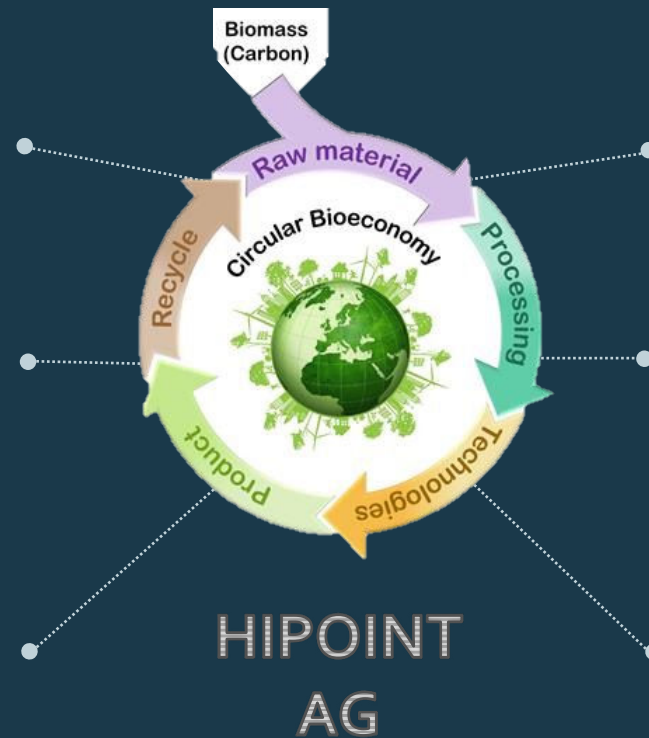
Remove phosphorous from waterways and creates water from waste for reuse.

Reduce deforestation

By recycling the same fiber 5 times, we can reduce 75% of shavings needed

Protect the Environment

Removing waste and manufacturing next life products bedding, soils, & fuel.



Improve Waste Mgmt. BMP's

Lead the way in best practises to reduce any need for antiquated inadequate dumping methods.

Reduce carbon footprint

Through enhanced waste management BMPs and Biomass pyrolysis

Regenerative Agriculture

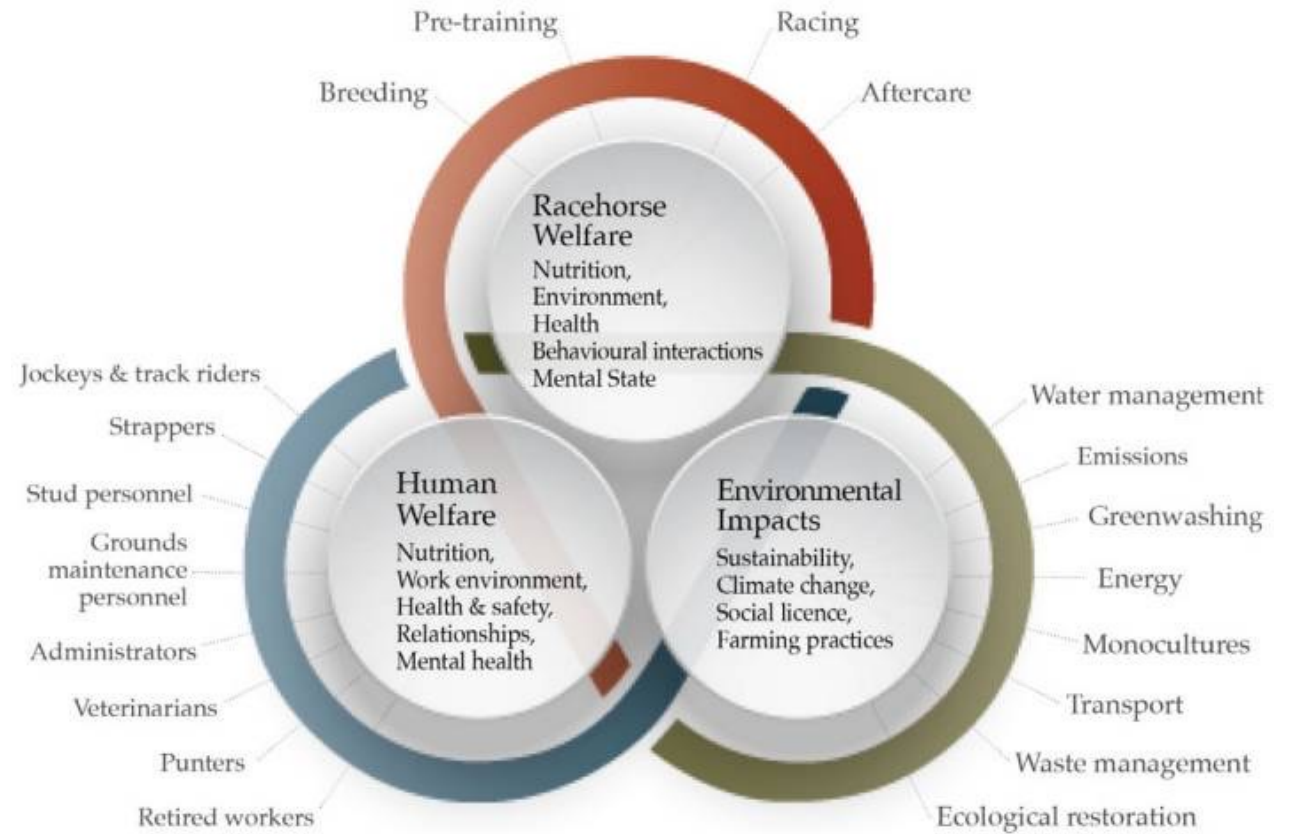
Better soil for the grounds, reducing nitrate-deficient soils, reduced need for chemical fertilizers.

Encourage incremental improvements in horse, human and environmental impact across the racing sector. Ref: one welfare model

Intro: 40,000 horse races on the flat in 48 countries and 8000 jump races in 16 countries per year. In 2020, the 57-country International Federation of Horseracing Authorities (IFHA) issued its standards based on the Five Domains model.

- 1. White Griffin** observed that most people who participated in this study cited Waste & Recycling as their foremost environmental priorities.
- 2. Physical Environment:** that cause negative effects such as aversive odors, air pollutants such as Ammonia and Dust, the horse is an obligate nasal breather, and needs optimal airways – (*HiPoint uses bedding to improve breathing, colic and reduced smell.*)
- 3. Work Environment:** Organic dust and **inorganic dust** create hazards that may result in acute or Chronic Respiratory Diseases.
- 4. Environmental Impact:** waste and recycling, commercial partnerships & supply chain, including Reputation Management and Social Responsibility. (*The HiPoint business model*)
- 5. Climate Change:** The use of **water** by the Thoroughbred breeding and racing industry is of growing importance as the planet faces the consequences of **anthropogenic Climate Change.** Racetracks, auction venues, and breeding establishments all use Significant Amounts of Water. (*HiPoint creates two million gallons of water per year from the process.*)

Horseracing Sustainability and Viability Model.



Enhanced One Welfare Model applied to the Thoroughbred Breeding and Racing Industry



We are solving the New Manure Crisis of the 21st century.

Synergy Partners



Horse Care
and safety

Horse & Rider Welfare
into the Modern era

Enhancing Society
& the Environment

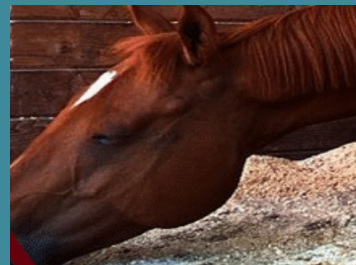
Better bedding for horse/rider
Protecting Breathing & Hives

An Equestrian Evolution
Hypoallergenic Recycled Bedding.

Reducing methane off-gassing,
Water Leaching & Deforestation



HiPoint Infusion





We are solving the New Manure Crisis of the 21st century.

The Result



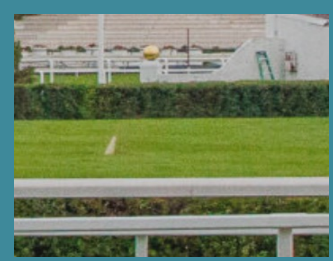
Reusing waste
All year-round



Anti viral Dust free
Recycled bedding



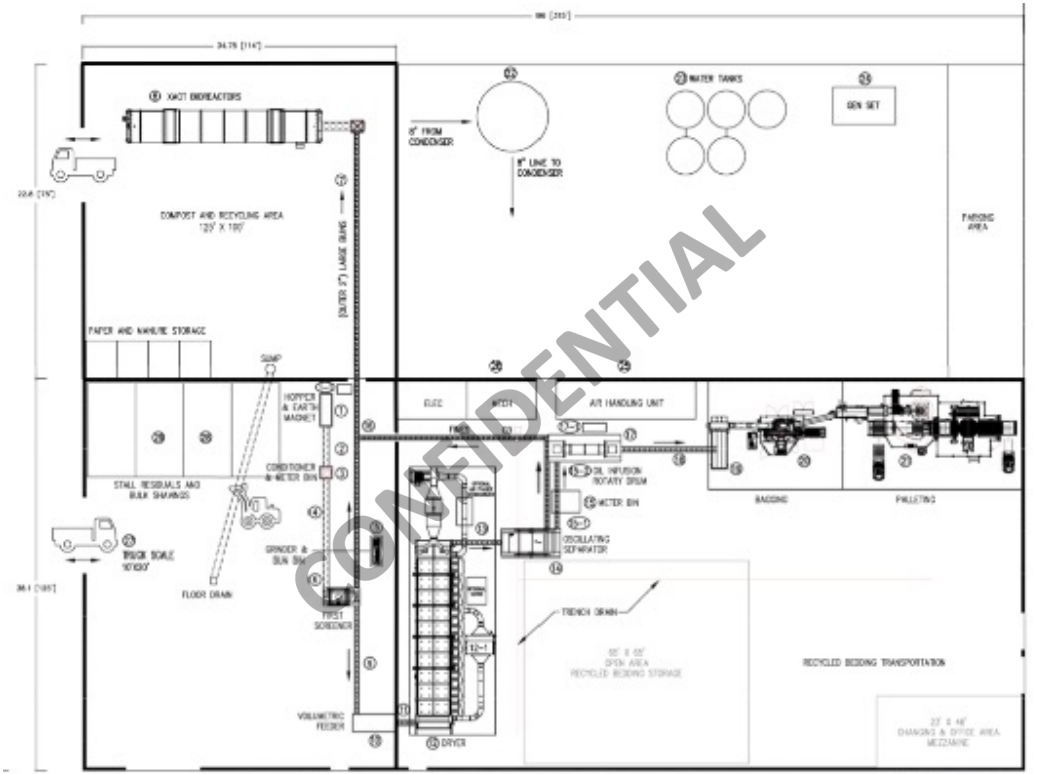
A New standard in
Green Racing



Closed Loop Zero Waste Recycling Facility

6- step environmental process built in the heart of equestrian regions, we separates, sterilizes, and infuses a patent-pending natural compound back into the bedding to be rebagged for resale to the same farms. While the nonwoody biomass manure is separated and blended in bioreactors to make biofertilizers in 5 days, not months, as with regular composting.

Designed engineered & approved 2023 ©



The Six Steps	Explanation
1. Mixology	Separates the shavings from manure & paraphernalia
2. Thermodynamic Drying	Input drying - removes moisture, fecal coliforms, odor, and pathogens
3. Super Separation	Separate shavings by size and remove all organic matter fines and dust
4. Infusion	Micro-misting N4L organic mixture for improved horse health
5. Bagging	Ease of transport and protects the quality of bedding over time
6. Bioreactor	Organic matter and manure processed for soils/fuel

BENEFITS

- ✓ Reduce Operational costs by building in the heart of equine regions.
- ✓ Offer superior bedding at competitive prices & higher margins.
- ✓ Promotes healthier bedding for the horse and barn environment.
- ✓ Reduction in veterinary costs
- ✓ A great PR story that can spread the name of sustainability & safety.
- ✓ Easily Duplicated



Case Study

Dr. Dorothee Bienzle, University of Guelph

Allergenic testing on recycled bedding

The study revealed that horses bedded on recycled bedding exhibited improved airway conditions, including clear carina, minimal mucus, and opening of the bronchi, in contrast to horses bedded on straw for shorter periods. These horses showed lower airway resistance and better bronchial scores compared to straw bedding. Additionally, the recycled bedding was easier to handle, dust-free, and mold-free.

recycled bedding



straw



Cross-section of the lung bronchi



HEALTHY



This study showed that horses with respiratory disease. (RAO) stalled on recycled bedding, exhibited a decline in asthmatic episodes.

Dr Dorothy Bienzle

Value Proposition

- ✓ We anticipate a standard build time of 10 to 12 months for our single line Clydesdale model
- ✓ We use the waste as a resource, creating bedding, biofertilizers, and irrigation water.
- ✓ Our Clydesdale model stats:
 - 35,000 tons input feedstock
 - 800,000 bedding bags made
 - 10,000 tons of fertilizer produced
 - 1-2 m gallons of water captured



Ability to expand to a dual-line process, the Shire

Our Shire model stats:

- 70,000 tons
- 1.6 m bedding bags
- 20,000 tons fertilizer
- 3m+ gallons of water

We are solving the
The new Manure Crisis
of the 21st Century.



Single Line Facility “The Clydesdale”

\$6.5m * Processing 35,000 tons per year (3000 horses)

\$6.5 m

Installed *(no building)

35,000

Tons Produced

800,000

Shavings bags

10,000

Tons biofertilizer

\$875,000

Tipping fees*

\$7 m

Gross Revenue

\$4.7 m

Gross Profit

\$3.5 m

EBITDA

50%

Margin





Three Facility sizes to choose:

Our key single-line Clydesdale system for 35,000 tons of waste producing 800,000 bags would be optimal for Australia

Statistics

HiPoint P&L (full production)

Type	The Morgan	The Clydesdale	The Shire
	Starter	Single Line	Double Line
Est Building size Sq Ft.	25,000	35,000	45,000
Horses (or)	1,500	3,000	5,000
Tons Waste Input	20,000	35,000	65,000
Shaving bags	470,000	800,000	1,400,000
Biofertilizer ton	6,000	10,000	23,000
Water reuse - gallons (est)*	1,000,000	2,000,000	4,000,000

Type	The Morgan	The Clydesdale	The Shire
	Starter	Single Line	Double Line
Tipping Fee/ton*	\$25	\$25	\$25
Bedding Price avg.	\$6.75	\$6.75	\$6.75
Biofertilizer price bags	\$ 6.00	\$ 6.00	\$6.00
Biofertilizer price bulk/ton	\$ 175.00	\$175.00	\$175.00
Gross Full production	\$5,500,000	\$9,500,000	\$18,500,000
EBITDA Full production	\$ 3,000,000	\$5,500,000	\$11,500,000

- ❖ 35,000 tons single line – a dual line can run to 70,000 tons – The modelling predicts running 65,000 tons with a 3% increase per year
- ❖ Water capture is dependent on urea and moisture in the bedding
- ❖ 3rd shift may be required to maximize volumes
- ❖ The numbers are rounded. An Average volume increase of 2-4% per year and an average price increase of 4% per year are expected.
- ❖ Fluid projections based on input costs. Not a guarantee of earning, financials use forward thinking projections.

Market Size and Competition

Competitors.

- **Shavings**
Blue Frog. BedMax. Champion
- **Biofertilizers**
Scotts. Growell.
- **HTP Pyrolysis**
Gore. HTEC. IEA Bioenergy.

References available on request

**Biomass Gasification
Hydrogen**

GOAL: Use high heat thermal conversion to create portable electric power for farms and rural villages



**Wood shavings
animal bedding**

The shavings industry for bedding animals and manure removal is exponentially rising due to transportation & lack of wood supply.

Biofertilizer market

Non-Woody biomass with biochar in 5 days instead of months long composting and leaching outside.

\$45 bn

\$13 bn

\$5 bn

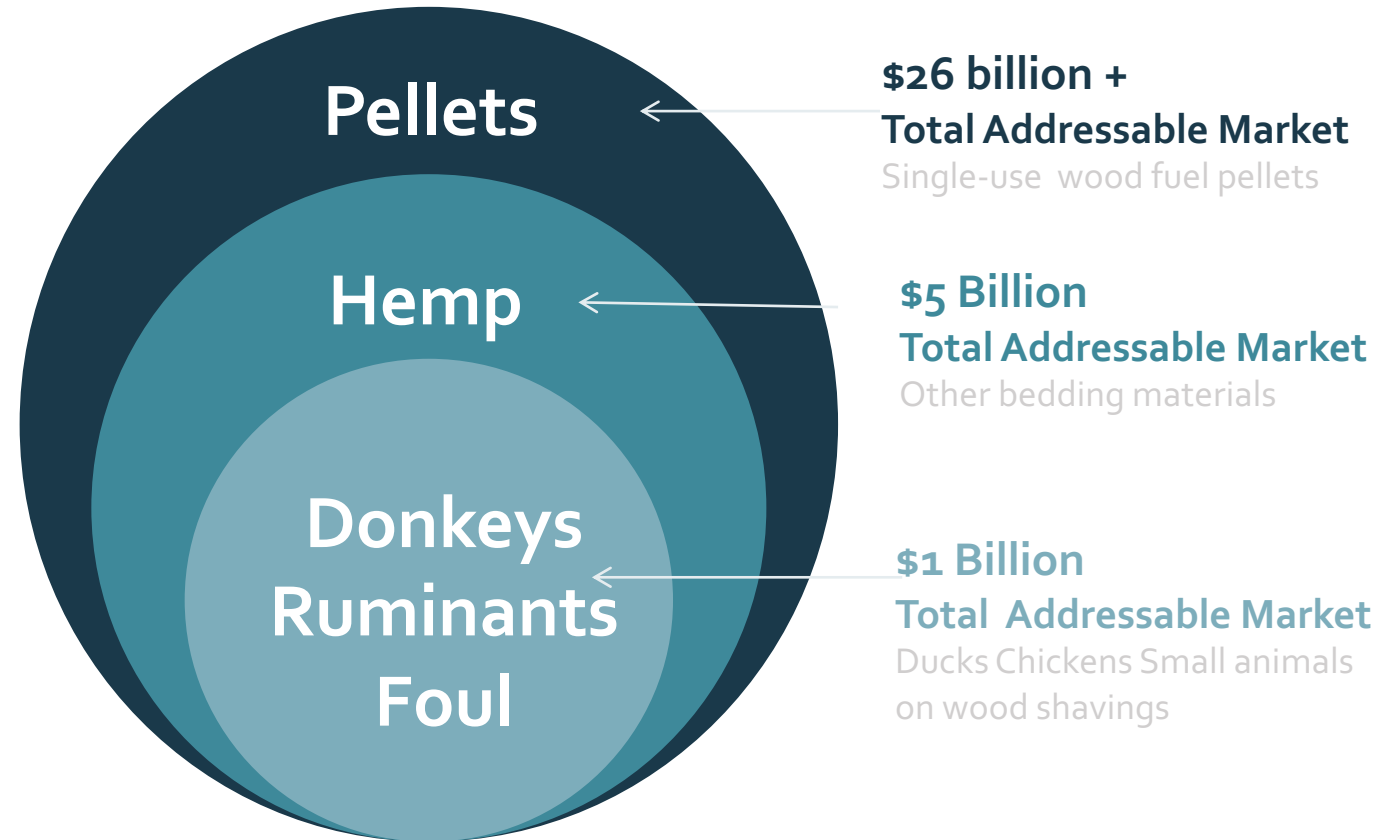


Additional Markets

Using the same equipment and design.

1. Wood pellets – for burning or absorption
2. Wood-based animal litter
3. Recycle other ag streams, such as hemp bedding
4. Donkeys, ducks, chickens, and small ruminants on wood shavings

More than Horses



Wood Shavings Market



Waste Recycling Industry



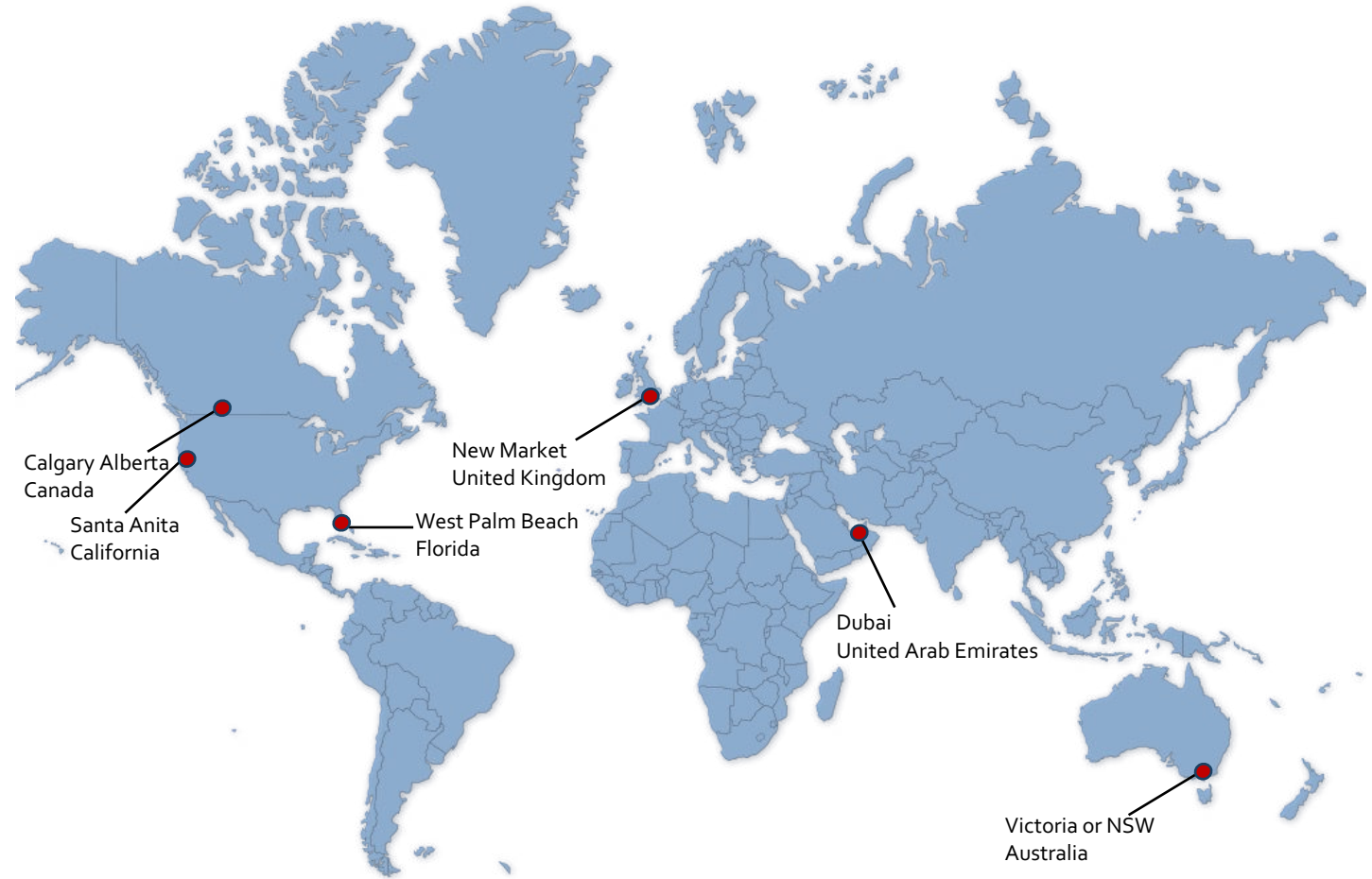
Biofertilizer Market

Expansion Regions

Using the same equipment and design.

- ✓ Victoria or New South Wales, Australia
- ✓ West Palm Beach, Florida, USA
- ✓ New Market, United Kingdom
- ✓ Calgary, Alberta, Canada
- ✓ Dubai, United Arab Emirates
- ✓ Santa Anita, California, USA
- ✓ 236 more locations globally have been preliminary verified for dense Equine markets

Global Potential Locations





Requirements for a New Region

What HiPoint requires to build in Australia

The Ask.

As an investor-driven company, we look for three key ingredients to enter a new territory.

1. Government Development Support. To help us find the right locations, contacts and introductions, including location, grants, and funding.
2. A Local Proponent in the equestrian field to identify the correct region and local support to identify feedstock and sales contracts.
3. A local Operating partner with experience in like-minded businesses in areas such as waste, recycling or energy projects.



HiPoint is raising \$16.0 M Series [A] in equity and debt to build the Flagship location in Australia with structured working capital

\$16M

New Territory

\$5M

Building – Land
As required

\$8M

Equipment &
Installation

\$3M

Working capital

Flagship Use of proceeds

Sustainable Development Goals



**SUSTAINABLE
DEVELOPMENT
GOALS**



In closing

HiPoint combines investment, sustainability, and preservation to revolutionize waste management.

HiPoint offer cost savings, healthier products, and strong returns to investors.

HiPoint becomes the leader in sustainable agricultural waste recycling.

Join us today to make high-value bedding and biofertilizers a reality throughout Australia



Preventing waste is the preferred option, and sending waste to landfill should be the last resort.

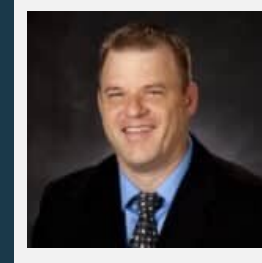


Our experienced and educated team have decades covering science, energy & operations



Paul N. Cross
Founder

- HiPoint AG
- 11 year Clean tech & Ag-tech



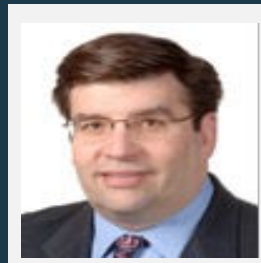
Maxwell Minch
Legal

- Minch Law Florida
- Corporate law. IP law



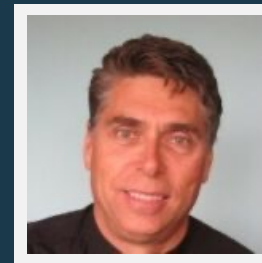
Danny Montanez
PR Sales & Marketing

- HiPoint AG
- Investment. Marketing



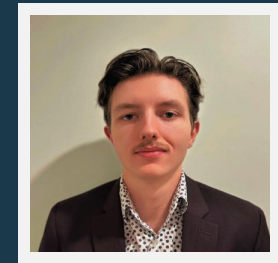
Patrick Hurst
Director & Advisor

- HiPoint AG
- Investment Banking



Herb Larsen
Engineering Operations

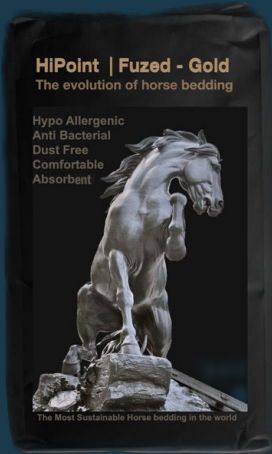
- Tash Industries
- Building automated Plants



Kyle Cross
Project Coordination

- HiPoint AG
- Market Development

DIRECTORS: Paul Cross | Patrick Hurst | Maxwell Minch



THE FUTURE OF HORSE HEALTH IS IN OUR BEDDING!

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Horse Show Stabling

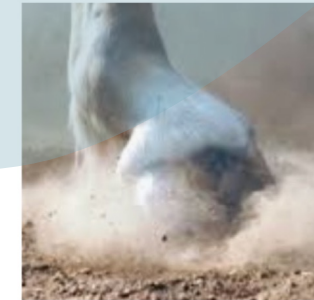
Quality of Bedding

- ❖ Variable
 - Dust/Wet
 - Yeast/Mold
 - Bacteria
 - Allergens



Health-Related Risk Factors

- ❖ Inflammatory Airway Disease-Dust
- ❖ Contact Dermatitis-Allergens
- ❖ Fungal Infections - Scratches
- ❖ Summer Sores-Flies



Waste Nothing. Gain Everything. TM
2021

We are solving the
The new Manure Crisis
of the 21st Century.

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