



## White Paper

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## Summary

Cibra is one of the main Brazilian agribusiness companies, having as shareholders the Omimex (USA) and Anglo American (United Kingdom) groups. With deliveries exceeding 2 million tons of fertilizers in 2021 and approximately 1 billion dollars in revenue, it has grown by more than 1,000% in the last 8 years, following a solid expansion strategy. It participates in the Brazilian agribusiness chain as a distributor, trader, and chemical industry of fertilizers for rural producers, cooperatives, resellers, mixers, and industry in general, operating in the main producing regions of Brazil.

With its in-depth knowledge of the agribusiness chain, Cibra identified the need for agricultural producers to have greater flexibility in the negotiation of fertilizers, as well as to protect themselves from product price fluctuations, influenced by foreign exchange, logistics and global inventory issues. Therefore, CibraCoin was developed as the only StableCoin solution linked to the price of fertilizers on the market, guaranteed by Cibra, a reference company in the agrochemical industry in Brazil.

CibraCoin is a non-financial digital asset as it has utility coin characteristics, since it can either be an asset option for making investments in the fertilizer market or for the payment of products traded within the Cibra ecosystem, and can be used in numerous transactions, including from partners.

All CibraCoin issuance, usage and pricing rules are available in this White Paper.

# Introduction

## About CibraCoin

Digital assets have gained traction since Bitcoin emerged in 2009. In 2021, with digital currency market capitalization exceeding \$3 trillion, this asset class continues to experience high volatility, typical of a borderless asset without government interference.

This high volatility reduces the possibility of these assets to be used effectively as a bargaining chip for goods and services in the physical world.

CibraCoin operates in the modality classified as stablecoin. This modality provides stability to these digital assets by linking them to a store of physical value, whether in fiat currencies or commodities. Demand for stablecoins has already been proven sustainable by companies such as Gemini, Circle and Paxos, which offer stablecoins pegged to the dollar and other commodities such as gold, coffee, and fertilizers.

In addition to its use as an investment or portfolio protection, it is also a utility token, that is, it can be used to purchase products and fertilizers from the Cibra ecosystem, acting as a voucher. In this way, CibraCoin opens the possibility of being a store of value

for rural producers who can compose their strategies for protecting and maximizing profitability.

Latin American agribusiness is at the spotlight of the world economy. At a time of exponential growth in agribusiness, with the incessant search for increased productivity in cultivable areas, and a strong increase in the cost of inputs, the market presents a latent demand for new options of protection mechanisms for agricultural producers.

CibraCoin appears as an option to occupy this space.

## The History of Cibra

Company founded in 1994, CIBRAFÉRTIL – Companhia Brasileira de Fertilizantes ([www.cibra.com](http://www.cibra.com)) is a privately held corporation whose purpose is the production of agricultural fertilizers.

Until 2012, CIBRA was controlled by the holding company Paranapanema. In September 2012, a purchase and sale agreement was signed with the Panamanian company OFD Holding Inc., parent company of Grupo Abocol – Abonos Colombianos, for the sale of 100% of Paranapanema S.A.'s interest in the company.

In 2013, the controlling shareholders of OFD Holding sold the Abocol group to Yara Internacional, leaving Cibrafertil out of the business as Yara already had a high capacity of fertilizer production in Brazil. Thus, Paribara Sociedad de Responsabilidad Limitada was created in December 2013 and controlled by the same shareholders of the former Abocol.

CIBRA's head office is located in the industrial complex of Camaçari – BA, where it produces Simple Superphosphate (SSP).

Currently, CIBRA is distributed in several units strategically spread across the country and is a company focused on making a difference at each stage of the process. It imports, produces, blends, formulates, and distributes fertilizers throughout Brazil.

The main product is Simple Superphosphate (SSP), a highly efficient agronomic fertilizer, composed of phosphorus (P), sulfur (S) and calcium (Ca). The Simple Superphosphate is versatile as it can be applied directly to the soil or used as a raw material in the production of complete formulas that suit the different needs of different cultures.

In addition to Simple Superphosphate (SSP), the company produces NPK, from the blending of primary macronutrients: N (nitrogen), P (phosphorus) and K (potassium) all incorporated in the same granule and F7 (Granular Simple Superphosphate with micronutrients) which, in addition to adding micronutrients to fertilizers applied via soil, it provides a uniform distribution throughout the crop, ensuring that all plants receive their dose of micronutrients. CIBRA also sells basic fertilizers such as: urea, monoammonium phosphate (MAP), ammonium sulfate and potassium chloride. The main volume of production is destined for the domestic market, with occasional exports.

Cibra has become an important player in the fertilizer market, always seeking to focus on sustainable growth, investing in improvements in production processes, quality, service, and logistics infrastructure.





# The Fertilizer Market

Brazil is one of the most important global agricultural producers. Not only a major exporter of grains, but also meat, orange juice, sugar, and other products. This position is due to scientific, technological and management technique advances, benefited by the favorable climate, great availability of soil, potable water, and abundant sunlight. With approximately 330 million cultivable hectares, it is also the 4th largest global consumer of fertilizer, which after water is the most important input in agricultural production.

The growth of the world population and the advances of emerging economies have multiplied the demand for food. In opposition to population growth, environmental issues put pressure on agro-industry, which needs to become increasingly efficient through the optimization and maximum productivity of cultivable land. As global economies develop, this demand for food also increases in terms of sophistication, driving the increase in meat consumption, which in turn is based on soy and corn as animal feed. Precisely for these factors, fertilizers are a fundamental input in the search for a more sustainable and efficient world. From 1979 to 2019, according to the Ministry of Agriculture, Brazilian production grew by 385%, while the planted area increased by 33%, that is, productivity grew more than 10 times. This increase in productivity was naturally not only due to the consumption of fertilizers, but it is undoubtedly one of the main factors.

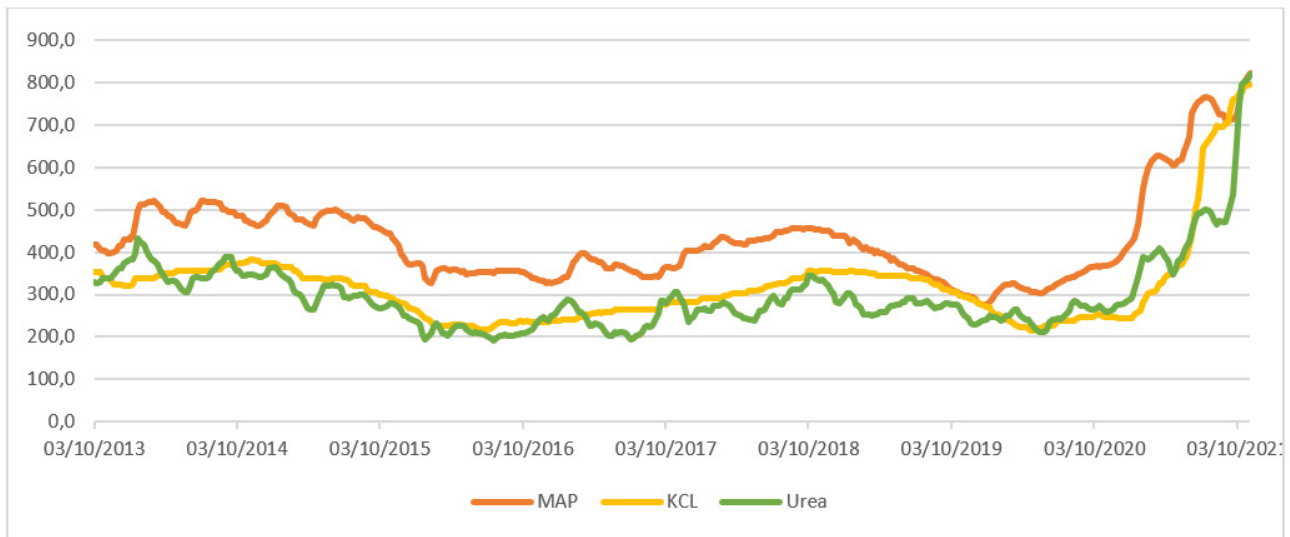
In addition, the fertilizer industry in Brazil has gone through a consolidation process in its last decade, with the acquisition of small regional companies by large groups, concentrating most of its commercialization in players such as Cibra, increasing the entry barriers in the sector.

In 2021, the sector, for the first time in history, broke the barrier of 40 million tons delivered, registering a growth of 12% compared to the previous year.



In the global scenario, there are practically no projects for the opening of new fertilizer mines, making the supply stable and consequently increasing the prices of the products.

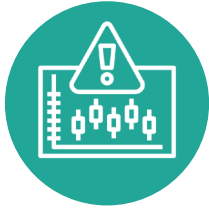
In the midst of this scenario, it is an industry with great potential for growth in consumption and with long cycles, which greatly favors the use of CibraCoin, both as a protection tool on the part of the agricultural producer, as well as a good investment strategy. A graph below shows the fertilizer prices in dollars in the last 8 (eight) years demonstrating the price dynamics of this market:



Font: Argus



# Why Cibra?



## Market Risk Management

Cibra is an audited company with more than 25 years in the Brazilian market. Aiming to mitigating risk, in order to sustain business growth and generate value, Cibra has a Market Risk Management Policy focused on commodities and foreign exchange.

Through the daily measurement and protection of its exposures, complying with the limits set out in its Policy, Cibra has achieved greater stability in its results.



## Credit Risk Management

Willing to standardize and guide employees and collaborators involved in the procedures for granting credit to customers and suppliers, Cibra has a Credit Granting and Collection Policy that contributes to mitigating the risk of losses in granting credit to its customers and suppliers, due to non-payment by the counterparties.

For better Workflow management and control, Cibra has used a tool that provides transparency, security, and agility to the credit approval process in accordance with the scope determined in its Policy.



## ESG (Environmental, Social, Governance)

Cibra is focused on carrying out the company's activities in a sustainable way, monitoring closely several factors that contribute to this reality, including: reduction of air and water pollution, water scarcity, use of energy from renewable sources, waste management, customer satisfaction, diversity and employee development, social development initiatives and programs, Ombudsman. In addition to monitoring, Cibra seeks continuous improvements to the processes in order to experience what is presented to its public.

# Products Traded

Solid mineral fertilizers are substances that, when applied to soil, provide the essential nutrients necessary for plant growth. They are applied in agriculture with the aim of guaranteeing superior production and are mandatory elements to ensure the competitiveness and homogeneity of crops. Without fertilizer, there is no large-scale production.

The importance of this input for Brazilian agribusiness is such that in 2021 fertilizer deliveries reached a record 43.8 million tons, an increase of 8% compared to 2020. A growth in the sector that has remained stable in recent years always oscillating between 4% and 8% compared to the previous year. Mainly due to the growth of grain production and food demand worldwide, generating an indisputable relevance to the sector.

Brazil needs to import a large part of the fertilizers, which makes the commercial dynamics complex due not only to opera-

tional management, but also to the exchange rate, which is a relevant factor and must be managed by the agricultural producer.

These products are extracted from mines and turned into chemical mixtures, which seek to increase concentration and absorption means for plants. The main fertilizing elements are nitrogen (N), phosphorus (P) and potassium (K). There are products with several different concentrations available on the market.

As a matter of market relevance and to provide alternatives for individual applications in each element, a different token will be released for each macronutrient, represented by:





## •MAP – FMAP – Phosphorus

MAP is one of the main sources of phosphorus available on the market. It is a granulated product that, in its molecular structure, guarantees a fully water-soluble phosphorus and nitrogen in ammoniacal form, thus being considered a universal fertilizer that can be applied to any type of crop or soil, being especially suitable for crops with high phosphorus demand such as corn.

Phosphorus is an essential fertilizer for plant cell division and growth, especially at the root development stage, inflorescence length, flowering duration, leaf size and fruit maturation.

The **MAP Token** will be the digital representation of the MAP 11-52-00 (11 points of nitrogen and 52 points of phosphorus) linked to CibraCoin which is called FMAP, and its launch is scheduled for the first stage of the project.



## •Urea – FUREA – Nitrogen

Urea is the nitrogen fertilizer with the highest concentration on the market, having in its composition the availability of 46 points of nitrogen that can be assimilated by plants.

Nitrogen is responsible for the growth and development of roots, stems and leaves. Its absorption cycle occurs early in the life of the plant and stores it in its growth tissues. Its use occurs mainly to stimulate the sprouting and leafing of plants.

The **Urea Token** will be the digital representation of UREA 46-00-00 (46 nitrogen points) linked to CibraCoin which is called FUREA, and its launch is scheduled for the second stage of the project.



# Benefits

There is no asset in the fertilizer market that allows digital commercialization and in small volumes. CibraCoin will allow the commercialization of fertilizers in kilograms, generating an unprecedented fractionation solution in the market for agricultural producers, traders, investors and even fertilizer producers.

The token can either be exchanged for a physical product or settled digitally on the secondary market following a fair price based on the values practiced in the physical market.

## For the Rural Producer

- 1. Liquidity in positions in fertilizers:** The producer will have a tool in the form of a voucher to invest in the price of fertilizers that currently does not exist in the market. The only way to protect the producer today is to buy the fertilizer directly from a company whenever they understand it as the best time. After this move, they have no liquidity on this contract. With CibraCoin, they will be able to settle the token at any time on the secondary market if they consider it timely given the conditions of the market and the company.
- 2. Buying fertilizers in a new way:** Cibra's customers will be able to buy their product without a deadline for withdrawal, transforming CibraCoin later into the fertilizer that will be delivered to their farm, without having to stock this product and being subject to quality losses.
- 3. Incentivo:** The producer will have one more way to invest in his own business and develop new protection strategies, in addition to the barter or exchange hedge.
- 4. Protection against exchange rate risk:** : As fertilizers are produced and priced globally in dollars, the domestic producer is always exposed to exchange rate variations that impact the operating cost of their production. Thus, CibraCoin, by representing the value of the product in US dollars, allows the producer to have a better tool to position himself in the input without the unpredictability of exchange risk and being able to better plan the costs in his crops.



## For Traders, Investors and Fertilizer Producers

- 1. Investment in Fertilizers:** Fertilizer is a fundamental input in global food production, which continues to grow year after year. CibraCoin is the best option to invest in fertilizers without the bureaucracy, associated costs and logistics of the physical product.
- 2. Investment in Agro:** A new and uncomplicated alternative to participate in the vigorous agro market through investment with transparent and autonomous management.
- 3. Low operational risk:** CibraCoin's prices and the guarantee of physical delivery of the product as a premise of the digital currency makes it a low operational risk investment, given that Cibra is an audited company with more than 25 years in the Brazilian market.

# How CibraCoin works

CibraCoin's solution has two control and guarantee mechanisms for the investor, the first refers to the number of circulating assets and the second to the price quotation.

## Number of circulating assets:

The number of circulating assets will be limited to the average volume of Cibra's total delivery of the last 3 years, which may be exceeded when issuing tokens to a partner, who must offer a contract or guarantee of this additional volume and guarantee them under the same terms assumed by Cibra. These numbers will be published and updated on the CibraCoin website, as well as their composition.

## Price:

The quotation of CibraCoin in the issuance will be carried out following the CFR price of the specific fertilizer placed in the port of Paranaguá (PNG), using the Chicago Stock Exchange as a comparison basis when applicable or, if not possible, Cibra's trading list.

# Trust and Solvency

- **Trust:** Trust plays an important role in a digital asset, with the centralized issuer having a major impact on operationalizing and maintaining liquidity. The Token issuer, Cibra, is one of the largest fertilizer companies in Brazil, with revenue of around 1 (one) billion dollars per year. It was founded in 1994 and has two large groups as shareholders, the Omimex Group (an independent group of companies in the energy and fertilizer sectors) and Anglo American (a diversified global mining company in the processing of metals). Cibra guarantees the maintenance of the necessary licenses and records to legally issue and redeem stablecoins. The commitment to customers is to guarantee the number of tokens issued in the maximum of the average billing volume of the last 3 (three) years, and these results are validated by reputable auditing companies in the market. The only case in which this rule may be suppressed is in the case of Cibra issuing tokens to third parties, which must have a contractual guarantee between the parties. By establishing this mechanism to limit the issuance of digital currencies in circulation, the liquidity risk of the asset is removed, as the total of the digital currency in circulation remains within the delivery capacity of the physical product by the issuer in the period in which producers can commonly plan inputs for the current and future harvests.
- **Solvency:** CibraCoin will be issued on Ethereum's ERC20 Blockchain, ensuring that the total circulating number of tokens will be publicly known. Cibra will periodically make a management report available on the CibraCoin hotsite with information regarding the quality of the business.



# CibraCoin Trading Tools

- **Operation on the StonoEx Website:** The tokens are published for purchase and sale on the partner Exchange – StonoEx ([www.stonoex.com](http://www.stonoex.com)), which, through agreements with other exchanges, will make them available on its network, aiming to promote the tokens in the national and international markets.

One must have a virtual wallet to operate CibraCoin, which works as a current account for these assets, accessed through a personal encrypted password.

On StonoEx, CibraCoin will be traded in parity with the BRL and with the USD, and other parities may be included in the future. Available at the 1st stage of the project

- **CibraCoin App:** Tokens can also be bought and sold through the CibraCoin application, which will allow direct exchanges as a universal digital payment method. Available at the 2nd stage of the project.

- **Cibra's E-Commerce:** The tokens can be bought and sold within Cibra's E-Commerce, which is also the platform where they can be exchanged for a physical product. Available at the 2nd stage of the project.

# Physical Withdrawal

To pick up the physical product at Cibra units, the customer must observe the following criteria:

- The withdrawal of the physical product will follow the rules described in Cibra's Commercial Policy, the only difference will be the use of CibraCoin as an exchange currency for Cibra products and which has a value guarantee
- The price of CibraCoin does not include the costs for withdrawing the physical product (such as operationalization, freight, taxes, among others), and these will be calculated at the time of expression of interest in redemption.
- The freight of the product for collection at Cibra units is under exclusive responsibility of the buyer (FOB).





# CFR Port of Paranaguá

The base CFR price and the location for picking up the products will be at the Cibra unit in the port of Paranaguá,

The choice of this location is strategic, considering that the Port of Paranaguá is the main entry point for fertilizers arriving in Brazil. About 30% of all the product arriving to be applied in the country's crops comes through the Paraná terminals. This port stands out not only for its volume, but also for its entire infrastructure, good management, and workforce qualification, which guarantees the best average operational productivity for the unloading of products among Brazilian ports.

This choice of Paranaguá guarantees a better availability of products, which have a greater turn-over in this location, as well as a more advantageous logistical route for most states, as it is also the largest soybean exporter in Brazil, shipping large volumes from the South, Southeast and Midwest regions.

In Paranaguá, Cibra also has 2 of its largest units, with a production capacity of over 600 thousand tons per year and its own as well as outsourced storage capacity compatible. Thus, the choice of this location brings security to the agricultural producer who seeks CibraCoin as a Utility Token.



# Cases of use

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## Short Term

- **Hedge of Volatility:** Traders and Producers often protect themselves from downward movements by investing in stable assets in times of high volatility. With CibraCoin, they can hedge almost instantly without bank fees and interference.
- **Payment of other types of Digital Assets:** Cibra believes that every day, more and more assets will move to Blockchain, both tangible assets and traditional securities. Digitized versions of fiat currencies will serve as the primary method of purchasing and redeeming these assets.
- **Product Equivalence for Trading:** Trading strategies using currencies are popular methods of hedging for traders and farmers. As Cibra expands the parity between digital currencies, traders will be able to use this currency as efficiency strategies based on stablecoins.
- **Clearing/Settlement:** CibraCoin goes beyond the limitations related to the current financial system, allowing trading 24/7, 365 days a year

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## Long Term

- **Instant International Remittances (Money Transfer):** Capacity of carrying out instant financial transactions between fertilizer companies and traders, alternatively to the financial system, avoiding bank fees and deadlines (2 to 5 days of settlement).
- **Trade in Products:** CibraCoin can be used as an efficient P2P (peer-to-peer) tool for trading fertilizers and other agricultural products. This practice will allow Cibra to trade more easily worldwide.
- **Ecosystem for Direct Sales to Producer:** The creation of a digital currency with access both to a primary and a secondary market will allow global miners, through Cibra, to sell their positions directly to the producer more efficiently, without intermediaries, accelerating the sales and market capitalization.
- **Bank without a bank:** Brazil is going through an unstable financial period and high inflation, reducing confidence in the Real currency. CibraCoin can potentially provide a reliable store of value for players in the sector and individuals

# Roadmap

CibraCoin will be launched in stages to ensure the market starts to get used to this new technology.

## 1ª stage

Launching on the FMAP, referenced to the MAP price, as the first digital token only within the StonoEX ecosystem, Cibra's partner Exchange, limited to 1,000,000 tokens.s.

## 2ª stage

Lançamento de novos tokens, a FUREA, referenciada a ureia, o FKCL, referenciado ao preço de KCL. No caso da FUREA, o valor de lançamento será veiculado a bolsa de Chicago, enquanto o FKCL será veiculado a publicações internas de acordo com as referências justas de mercado. Nessa fase serão adicionadas 2 novas funcionalidades para a comercialização do CibraCoin, a primeira será o aplicativo de compra/venda/troca direta da moeda, como uma carteira virtual. A CibraStore também será disponibilizada como canal de comercialização de CibraCoin e como canal de resgate dos tokens em produtos. O CibraCoin também começará a ser listada em outras exchanges.

## 3ª stage

Launching of FCBR, a token based on a composite index linked to the exchange ratio between fertilizers and grains. It will mainly open the use of CibraCoin as a means of payment to be used in the most diverse trades related to the agricultural ecosystem.



## Token Issuance

### General Definitions

- **Currency Name:** CibraCoin
- **Products:** MAP, KCL, Ureia, INDEX COMPOSTO
- **Symbol:** FMAP, FKCL, FUREA, FCBR
- **Control unit:** Paranaguá II
- **Initial Emission Volume:** 1000 tons of FMAP
- **Publication for Control:** Chicago Stock Exchange
- **Launching Price:** Market price of the product at launching date (Price List CFR)
- **Decimal places:** 3 digits
- **Required parity:** BRL/USD
- **Distribution and Brokerage:** Responsibility of STONOEEX
- **Currency Ratio:** Conversion of CFR value from Tons to KG.
- **Estimated launching price:** 0,900 FMAP = 1 kg
- **Network:** BNB (Binance)
- **Standard Product:** Product respecting the physical-chemical qualities defined by MAPA (Ministry of Agriculture). Free from impurities.
- **Maximum Issuance Volume:** Average volume sold by Cibra and audited in the last 3 years.

# DISCLAIMER

CibraCoin is not a digital security or equity participation token, nor has it been licensed for use as a financial service, or before any monetary authority or commission. It is a utility token, or a non-financial digital asset. It is characterized as a voucher, which makes it possible to exchange for the Cibra products. It also does not constitute an offer, distribution, solicitation, or marketing of any equity token. Cibra Coin does not provide services or act as a stock market or alternative trading system or escrow agent. CibraCoin does not meet the requirements of the Howey Test, therefore it is not characterized under any circumstances as a security, nor is it under the competence of Central Banks.

Cibra Coin investors should read all prospectuses, especially the White Paper to be able to invest in Cibra Coin, as well as be aware of the risks associated with investing in blockchain technology, whose investor is the only responsible for the tokens and the one who must care for and protect their own passwords and private keys. Passwords and private keys of digital wallets on the blockchain are unrecoverable in case of loss. Investors are solely responsible, exempting Cibra and the people involved from any liability.

Cibra has the ability, in its sole and absolute discretion, to change the strategies and terms described in this White Paper.





 **cibra**  
coin

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