

Truffle Farms_{Europe Ltd}

Ethical – Ecological – Environmental – Sustainable



Graeme Henderson
CEO and shareholder





"They were clean, firm, very fragrant and were of the highest possible quality."

Jack C. - Black Winter Truffles Customer

BLACK WINTER TRUFFLES - MEDIUM SIZE

★★★★★ (147)

\$1,789.99

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WEIGHT

2 oz - 1 or 2 pieces

3 oz - 2 to 4 pieces

4 oz - 3 to 5 pieces

8 oz - 6 to 8 pieces

1 lb

Retail price:
€3,490 per Kg

Previous Years - €1,800



The history and background of Truffle Farms Europe

Martin Waddell
Founder and Chairman



Is it possible to successfully cultivate truffles?



What is a Truffle?

- Underground mushroom
- Develops on the roots of certain trees
- Inoculation by us
- Many varieties

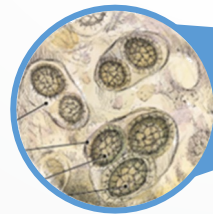
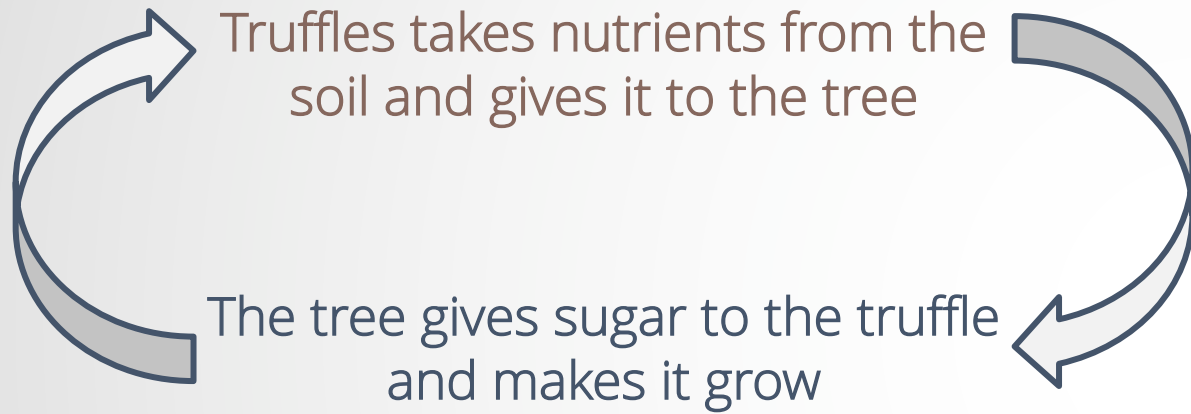


What truffles trees do we Plant?

- Mediterranean Oak
- Black Perigord Truffle (Tuber Melanosporum)
- High Value
- Expertise in Cultivation



WHAT IS A TRUFFLE?



Truffle spore

What Makes TFE Different

- Known to be perfect acorns
- Precise inoculation process
- Only the best 20% get planted

- Never, Ever had Truffle Spore Contamination

In the Lab



What Makes TFE Different

- Increasing Tech
 - Water management & monitoring
 - Humidity and temperature control
 - UV Control
 - Biomanagement
- Root Development Management
- Only the strongest will be planted



In the Nursery



What Makes TFE Different

- Re-introduce truffle spore
- Rigorous land selection criteria
- Water availability
- Humidity and moisture sensing
- Security and bio-control

In the Field



Current Demand & Prices

1,000 tonnes minimum

National Geographic – Market will grow to over \$6Billion within 10 years

- Wholesale Prices – variable in season \$550 - \$1200 per kg
- Retail in foreign Markets \$1,900 per kg
- Sustainable supply = market command



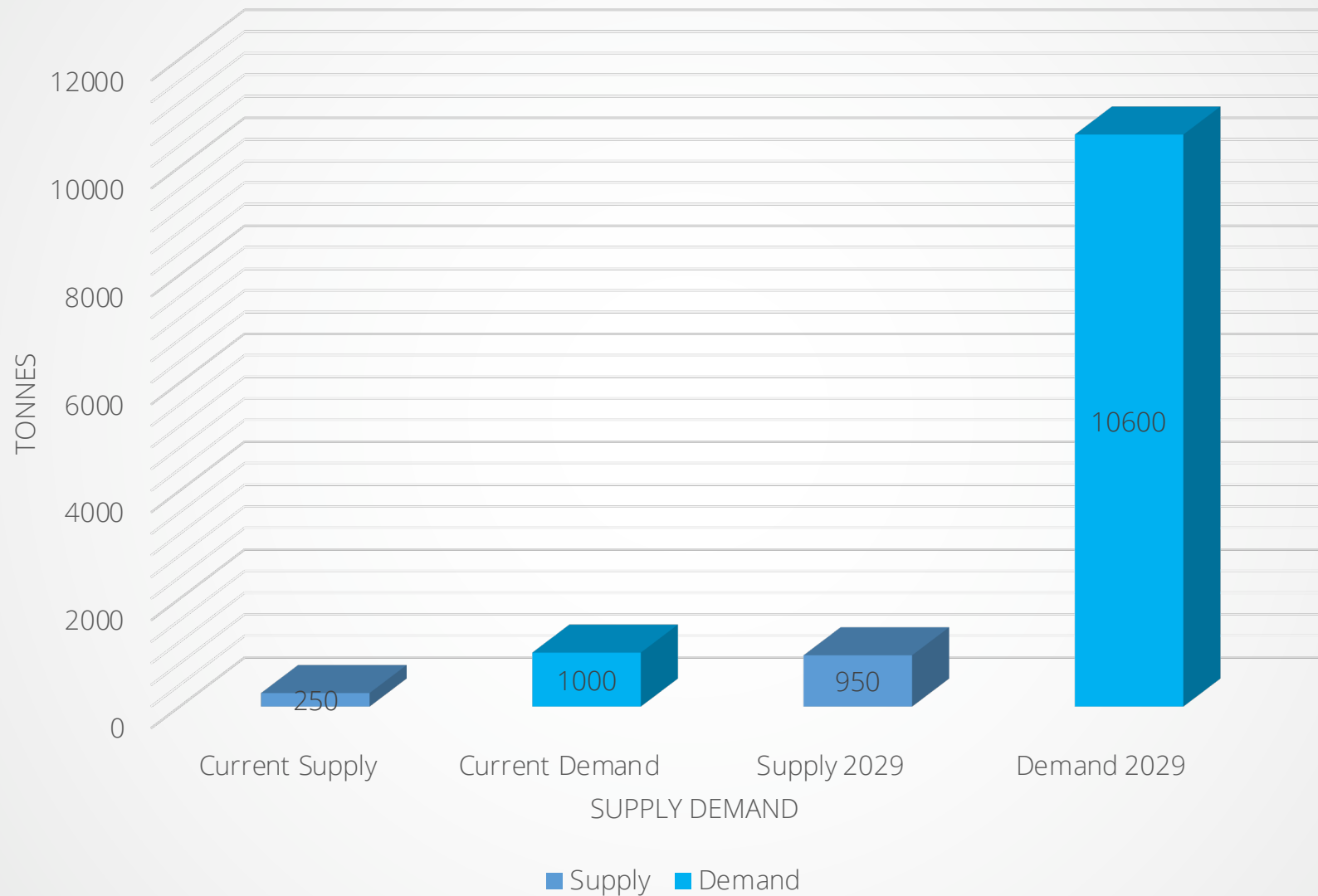
Production & Supply

Recent Supply is 250 Tonnes per annum

- Presently 80% of world's truffle supply is from the wild, the remaining 20% is from truffle farms like ours.
- Spain now provides 43% of the World's Black Perigord Truffles
- Spain had no wild truffles winter season 2012/13!
- The wholesale price of Black Truffle doubled in season 2012/13



Supply Vs Demand



OUR CURRENT TRUFFLE FARM: El Pozuelo, Yecla, Spain

Close to Alicante Airport.



OUR PROPOSITION

1. Turnkey Agricultural Investment
2. Ethical and Environmentally conscious Investment
3. Each year up to 10% of trees sold
4. Right to the crop for 30 yrs
5. 80% of the value of the crop returned to investor

There are certain assumptions made. All these assumptions are exactly the same as the assumptions made in my own business plan.

Investment Basics

- Minimum Investment \$39,301 for 50 Trees
- Investment Term 30 Years
- Internal Rate of Return range:
15% for 50 Truffle Trees
to
19% for 500 Truffle Tree





Land Area - One Acre		In Hand Returns	
Number of Trees - 200		PURCHASE PRICE - \$119,475	
End of Yr1	Kg's/H		
Yr2	0		0
Yr3	3		\$ 552
Yr4	8		1,471
Yr5	19		3,494
Yr6	37		6,805
Yr7	78		14,345
Yr8	94		15,213
Yr9	178		28,807
Yr10	288		46,610
Yr11	335		49,146
Yr12	393		58,533
Yr13	417		62,417
Yr14	436		65,492
Yr15	453		68,243
Yr16	453		68,243
Yr17	453		68,243
Yr18	453		68,243
Yr19	453		68,243
Yr20	453		68,243
Yr21	453		68,243
Yr22	453		68,243
Yr23	453		68,243
Yr24	453		68,243
Yr25	453		68,243
Yr26	453		68,243
Yr27	453		68,243
Yr28	453		68,243
Yr29	453		68,243
Yr30	453		68,243
Total Harvest			\$1,444,774
Tree Sale at end			\$68,243
Total Return			\$1,513,017
IRR			17%
ROI			1166%



CONFERENCE DISCOUNT – COMPLETE BY 21st October

LAND SIZE	TREES	TOTAL COST	DISCOUNT	CONFERENCE PRICE
HECTARE	500	\$250,000	\$10,000	\$240,000
2/3 HECTARE	335	\$173,141	\$8,000	\$165,141
ACRE	200	\$119,475	\$6,000	\$113,475
1/3 HECTARE	165	\$99,954	\$5,000	\$94,954
1/2 ACRE	100	\$66,106	\$4,000	\$62,106
1/4 ACRE	50	\$39,301	\$2,000	\$37,301