

CASE STUDY:

Apparent Ventures LLC

SF Bay Area, CA Founded in 2019 by Lara Burton and Marta Kephart

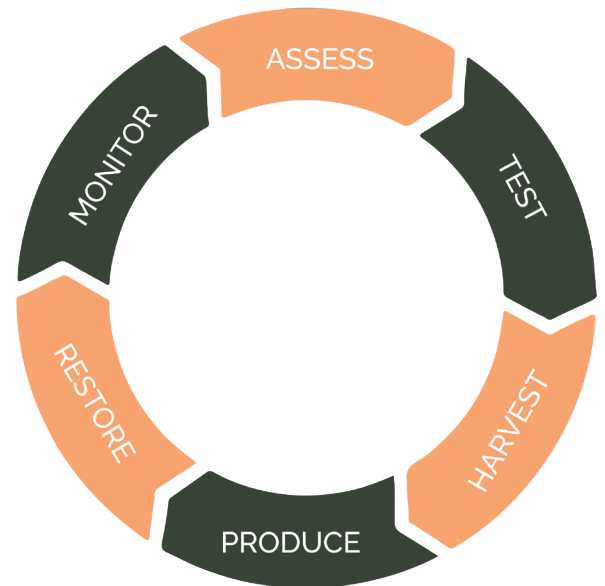
ABOUT APPARENT VENTURES

Apparent Ventures is a bio-materials company whose mission is to transform invasive plant biomass into bio-benign alternatives to traditional and synthetic textiles. Apparent has identified natural biomass, which is over-abundant in nature, in the form of invasive plants. These plants are disrupting ecological processes and functions resulting in desertification, a decrease in indigenous key stone species, increased fuel loads and an overall loss of biodiversity.

The textile industry is the second largest contributor to green-house gas emissions and the industry's extreme impacts are taking away from our valuable natural resources that can otherwise be used to grow food or provide habitat. Apparent was founded with the purpose to innovate a scalable solution to this crisis that does not have unintended consequences. Apparents' approach is to not just be less resource extractive but to eliminate reliance on the extractive practices all together by providing alternate feedstock to conventional ones to produce fiber, dyes and new materials.

MAIN BARRIERS OR NEEDS

Apparent sees the barriers to entry as opportunities. Once we can harvest, test, and qualify certain invasive plants, Apparent can then realize its potential by raising capital to lease and/or purchase equipment for ongoing R&D, processing, and production. Scaling can be accomplished with proven methodology for extraction and processing, utilizing conventional methods and processes.



IMPACT AREAS



Water Regulation



Carbon Sequestration



Toxics Reduction



Soil Retention



Emissions Reduction



Biodiversity & Habitats

By restoring our natural habitats, we improve carbon sequestration potential, soil quality, water tables and habitat for indigenous species to thrive. Apparent has developed a scalable solution that will have immediate impact on industry greenhouse emissions, enabling growth in the market without increased exploitation. This approach provides a pioneering pathway for the global textile industry to make a significant bend in the carbon emissions curve.

CURRENT CAPITAL STACK A/O INVESTMENT TO DATE

AV is a spin-off from Rana Creek Habitat Restoration Inc. and has been self-financed through the initial exploratory stage to maximize initial shares. Seed round will commence at time of post-preliminary pilot testing and prototyping.

TYPE AND MAGNITUDE OF INVESTMENT SOUGHT

\$1M Seed Funding.

REVENUE MODEL & PROJECTED PROFITABILITY TIMELINE

Apparent Ventures is the only company that is transforming invasive plant feedstock into fibers, dyes, textiles and materials. Revenue Model available on request.

Projected Profitability Timeline:

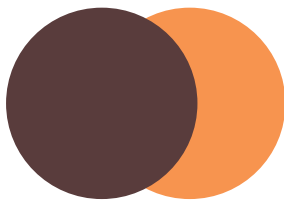
- Year 1—10 acres at \$10k an acre profit—**\$100,000**
- Year 2—100 acres at \$12k an acre profit—**\$1,200,000**
- Year 3—1,000 acres at \$11k an acre profit—**\$11,000,000**
- Year 4—2,500 acres at \$9.5k an acre profit—**\$23,750,000**

KEY RISKS

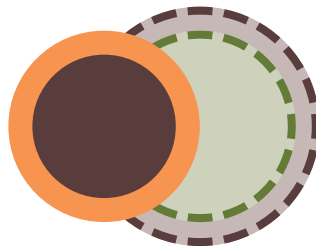
Establishing a multi-feedstock harvesting model that optimizes equipment usage throughout the year. Identifying areas of high feedstock volume that are accessible and low-hanging-fruit targets for material usage, that can be augmented for existing fibers.

INTEGRATED CAPITAL PATHWAY: APPARENT VENTURES

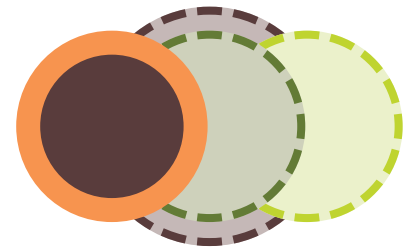
2019 ————— 2020 ————— 2021



Self-Financed—initial business establishment, initial research and business planning, travel, cultivation of industry research and establishment of key relationships
 Non-financial support—key network connections and advisory support



Self-financed—continue
 Non-financial support—as stated
 Loans—to capitalize equipment
 Investments—to facilitate R&D, pilot testing, prototyping, IP protection and market strategy; **\$1M**



Self-financed—continue
 Non-financial support—as stated
 Loans—to capitalize; equipment and infrastructure for pilot studies
 Grants—for larger scale pilot testing
 Investments—move into secondary seed bridge round or 'A' round

TYPES OF CAPITAL

