

The Missing Piece of the Precision Agriculture Puzzle...

Investment Opportunity



Agtech... The next frontier in high technology

Andrew Robb, Federal Minister for Trade and Investment (retired), in the forward for the report, "Powering Growth. Realizing the Potential of Agtech in Australia" stated: "As the population of Asia and Africa become wealthier, demand will continue to surge for the kinds of high quality agricultural goods we produce. Australia's aspiration to be a food bowl for Asia will be helped enormously by technology." He went on to say, "As a leader in agriculture, Australia can work to become a leader in the next wave of technology that underpins it."

The worldwide market for technology used in pursuit of Precision Agriculture (PA) is estimated to be more than US\$12 billion. By 2020, the value will be more like US\$20 billion. Technology in the form of:

- GPS Guidance
- Controlled Traffic Farming
- Automated Steering
- Yield and Moisture Monitoring
- Variable Rate Fertilization
- Specific Herbicide Application
- Controlled Seeding

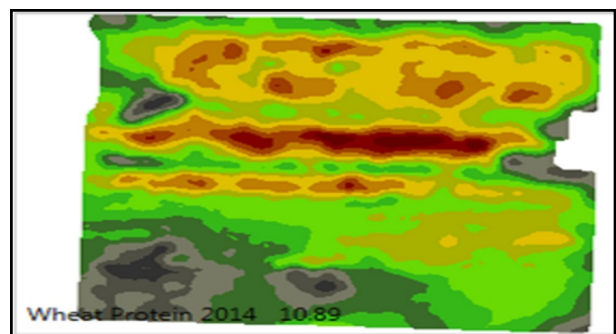
are well established and have produced significant increases in productivity and yield. However there is a missing piece of the PA puzzle. Real-time Protein



Mapping is the next big step in achieving gains in productivity and profitability in the production of cereal grains and oil seeds. The CropScan 3000H On Combine Analyser provides the technology to measure protein, moisture and oil in grains and oil seeds as they are being stripped in the paddock. By combining the Protein, Yield and GPS data paddock maps can be developed to provide growers with the last vital piece of information, ie, Nitrogen usage

Associate Professor Brett Whelan, Precision Agriculture Laboratory, Dept of Agriculture, University of Sydney, has described six benefits of using Real-time Protein Mapping:

- High density spatial data showing the variation in quality based on the protein of the crop in the paddock.
- Differential harvesting and storage based on quality.
- Protein, Moisture and Yield Maps enable creation of true site specific Gross Margin Maps.
- Nitrogen Removal Maps can be used to calculate fertilizer application rates.
- Overlaying Protein and Yield maps with other data for better diagnostic insights into availability and uptake of Nitrogen.
- N trials and VRF applications can be measured and evaluated using real data.



CropScan 3000H On Combine Analyser

The CropScan 3000H is the second generation of on-the-go NIR analysers designed for use on a combine harvester to capture protein, oil and moisture data in real-time. Combined with a GPS monitor the CropScan 3000H provides real-time paddock maps for protein and oil.



The CropScan 3000H is at the forefront of Precision Agriculture technology. The CropScan 3000H offers Next Instruments the opportunity to grow rapidly in the Precision Agriculture market through direct and dealer sales and OEM agreements with the major combine manufacturers.

Introduction to Next Instruments

Next Instruments is an Australian company that has been developing unique technology solutions for farmers for 18 years. Over the last 4 years Next Instruments has developed the CropScan 3000H On Combine Analyser for measuring protein, oil and moisture in wheat, barley and canola. The CropScan 3000H is the only commercially available NIT analyser that works on all combine harvesters. With over 250 units sold, Next Instruments is the world leader in this technology.



The markets for this technology includes:

- Factory installed systems on new combines
= 6000 per year
- After market installation on existing combines
= 300,000 units

The total market potential is estimated at between \$90 and 160 million per year.

Next Instruments has a comprehensive range of analysers for the agriculture and food industries:

- CropScan NIR Analysers for farmers, grain buyers and grain processors.
- SeedCount Image Analyser for identifying the physical attributes of grains and oil seeds.
- MultiScan NIR Analysers for measuring fat, moisture, protein, sugars and alcohol in foods and beverages.
- NutraScan Artificial Gut Analyser for studying human and animal digestion.
- CropNet Software that captures information from all of our analysers and send it to the internet for remote access using a Smart Phone, Tablet or PC.

Next Instruments is Investment Ready.

Next Instruments has 18 years experience in designing, manufacturing and marketing analysers for measuring grains, dairy, meat, baked goods, fruit etc. Next Instruments has the products, the engineering team, the manufacturing facility, domestic and international distribution networks and the management structure to rapidly grow its business over the next five years.

Australia represents less than 1% of the world market for grain testing equipment. It provides an excellent environment for development and testing new products and technology. However our growth will come from expanding the uptake of the CropScan 3000H throughout the rest of the world.

The CropScan 3000H and CropNet Software offers Next Instruments an opportunity to become the market leader for on combine analysis in the rapidly growing Precision Agriculture market.

To achieve our goals we will need investment in order to expand our sales and marketing operations around the world. We need to:

- establish offices in the USA, Asia and Europe.
- actively develop OEM accounts amongst the major agriculture equipment manufacturers around the world.
- drive the business by attending more international trade shows and conferences.
- establish our brand names through the use of advertising, the internet and social media.

4 Great Reasons To Invest in Next Instruments

- 1) We are not looking for funds to develop new products in the short term. We already have a portfolio of more than 15 products that we manufacture in Australia and export around the world.
- 2) There are no infrastructure expenditures planned. We already have sufficient manufacturing capacity to meet our sales targets for 5 years.

3) Your investment will start working immediately. We have the products, we have the distributors and we have a proven sales history. The additional funds will be immediately directed towards generating new business.

4) We have a great track record. We are not a start up business with unproven management. We have been trading as Stadvis Pty Ltd since 2000 and now as Next Instruments since 2010. Next Instruments has always been self funded, however we will need more funding to drive the business hard to ensure that we realise the true potential of the CropScan 3000H.



Investment Offer

Next Instruments is a high technology company with a small footprint in a huge worldwide market. With its unique CropScan and CropNet systems, Next Instruments is well-positioned to rapidly increase revenues through the expansion of its sales and marketing presence in the Americas, Europe and Asia.

Investor funds will be used to establish sales offices in these major markets and to appoint sales and technical personnel to drive our business through a worldwide dealer network.

These staff will work with the regional dealers in Europe, USA, South America, Canada and Asia. They will strive to setup OEM accounts for our products into the large Ag Equipment manufacturers whereby we can sell larger volumes. They will provide ongoing support to these accounts. They will participate at major agricultural and food conferences and exhibitions around the world. They will provide support to the regional dealers in the form of technical assistance, maintenance support and applications advice. They will hold stock of both analysers and spares to ensure that the dealers have a high level of support for their clients.

Next Instruments is offering 4 million shares at \$0.50 per share in return for 18% equity in the business.

An important consideration for investors is that investors funds are not being sought for high risk R&D but for the sales and marketing of our products throughout the world. The CropScan and CropNet hardware and computer software have already been developed.

As such, this Investment Offering is considered low risk with a strong upside potential.

Return on Investment

The capital growth for investors is expected to be greater than 10% compound annually.

The exit strategy for investors will be one of several options;

- 1) Sale of shares if the company lists on either ASSOB or ASX.
- 2) Buy out by a larger company.

Investor Enquiries

For a copy of the full Information Memorandum please contact Phil Clancy at phil.clancy@nextinstruments.net or call 02 9771 5444.

