

Week 2 – How Does ESG Fit into the Critical Minerals Development Industry for Lithium Companies

written by Steve Mackowski | February 27, 2023

The process of contacting key Australian Stock Exchange-listed Critical Minerals companies to get their views on ESG continued this week. I am looking to assuage the concerns of some of our stakeholders as to the ESG credentials of those Australia-based organizations that are in a position to supply and value add to the Critical Minerals shortage the world is now facing.

The questions are not designed as a platform for investment decisions, but as an important step towards letting you know what their values are, what their achievements have been, and where they see our industry heading. The reference table will include the company name, the ASX Ticker code, their website reference, their current Market Capitalisation, and their response to the ESG questionnaire.

The reference table will include all of the Australia-based companies that qualify for the Australian Critical Minerals Strategy referenced below.

[2022 Critical Minerals Strategy](#)

The survey questions were:

1. A brief description of your activities
2. How do you define ESG?
3. What should stakeholders be aware of in your approach to

ESG?

4. How do you see ESG becoming an important function in the future?
5. Do you have any ESG lessons learned that you may wish to share?

I have updated the Rare Earths reference table but have received no responses as yet. (*See Appendix A: Rare Earths Table.*)

Below is the Lithium reference table. In the next issue, we will add the Vanadium table, followed by the Cobalt table. Each issue will allow access to the tables via links and similarly with the ESG responses from the queried companies.

Lithium Company Table

Lithium Company (Ticker link to Share Price History)	Web Site	Mkt Cap AUS\$ (Feb 25, 2023)	ESG Response
Aurora Energy Metals Ltd (ASX: 1AE)	www.auroraenergymetals.com	\$14.73M	
Australasian Metals Ltd (ASX: A8G)	www.australasiangold.com	\$8.86M	
Ardiden Ltd (ASX: ADV)	www.ardiden.com.au	\$13.17M	
Argosy Minerals Ltd (ASX: AGY)	www.argosyminerals.com.au	\$1.08B	Queried Feb 26

Allkem (ASX: AKE)	www.allkem.co	\$7.58B	Queried Feb 26
Arrow Minerals Ltd (ASX: AMD)	www.arrowminerals.com	\$12.67M	
Anson Resources Ltd (ASX: ASN)	www.ansonresources.com	\$241.76M	
Australian Vanadium Ltd (ASX: AVL)	www.australianvanadium.com.au	\$144.29M	
BMG Resources Ltd (ASX: BMG)	www.bmg1.com.au	\$7.57M	
Benz Mining Corp (ASX: BNZ)	www.benzmining.com	\$52.06M	
Boadicea Resources Ltd (ASX: BOA)	www.boadicea.net.au	\$7.38M	
Cullen Resources Ltd (ASX: CUL)	www.cullenresources.com.au	\$5.30M	
Core Lithium Ltd (ASX: CX0)	www.corelithium.com.au	\$1.79B	Queried Feb 26
De Grey Mining Ltd (ASX: DEG)	www.degremining.com.au	\$2.07B	Queried Feb 26
Devex Resources Ltd (ASX: DEV)	www.devexresources.com.au	\$96.44M	

Dart Mining NL (ASX: DTM)	www.dartmining.com.au	\$7.52M	
European Metals Holdings Ltd (ASX: EMH)	www.europeanmet.com	GBP74.34M	
Essential Metals Ltd (ASX: ESS)	www.essmetals.com.au	\$131.12M	
European Lithium Ltd (ASX: EUR)	www.europeanlithium.com	\$101.45M	
EV Resources Ltd (ASX: EVR)	www.evresources.com.au	\$10.53M	
Global Lithium Resources Ltd (ASX: GL1)	www.globallithium.com.au	\$333.62M	
Galan Lithium Ltd (ASX: GLN)	www.galanlithium.com.au	\$352.95M	
Hannans Ltd (ASX: HNR)	www.hannans.com	\$42.50M	
Hawkstone Mining Ltd (ASX: HWK)	www.hawkstonemining.com.au	\$153.88M	
Infinity Lithium Corporation Ltd (ASX: INF)	www.infinitylithium.com	\$48.57M	

Ioneer Ltd (ASX: INR)	www.ioneer.com	\$786.88M	Queried Feb 26
Jindalee Resources Ltd (ASX: JRL)	www.jindalee.net	\$141.15M	
Korab Resources Ltd (ASX: KOR)	www.korabresources.com.au	\$8.08M	
Krakatoa Resources Ltd (ASX: KTA)	www.ktaresources.com	\$13.79M	
Li-S Energy Ltd (ASX: LIS)	www.lis.energy	\$50.66M	
Lithium Australia Ltd (ASX: LIT)	www.lithium-au.com	\$51.32M	
Lake Resources NL (ASX: LKE)	www.lakeresources.com.au	\$866.22M	Queried Feb 26
Lanthanein Resources Ltd (ASX: LNR)	www.lanthanein.com	\$21.31M	
Lepidico Ltd (ASX: LPD)	www.lepidico.com	\$85.92M	
Lithium Power International Ltd (ASX: LPI)	www.lithiumpowerinternational.com	\$229.62M	
Latin Resources Ltd (ASX: LRS)	www.latinresources.com.au	\$242.62M	

Liontown Resources Ltd (ASX: LTR)	www.ltresources.com.au	\$2.99B	Queried Feb 26
Mineral Resources Ltd (ASX: MIN)	www.mineralresources.com.au	\$16.21B	Queried Feb 26
Metals Australia Ltd (ASX: MLS)	www.metalsaustralia.com.au	\$29.74M	
Marquee Resources Ltd (ASX: MQR)	www.marqueeresources.com.au	\$10.14M	
Morella Corporation Ltd (ASX: 1MC)	www.morellacorp.com	\$67.08M	
Neometals Ltd (ASX: NMT)	www.neometals.com.au	\$444.96M	Queried Feb 26
Nova Minerals Ltd (ASX: NVA)	www.novaminerals.com.au	\$117.63M	
Piedmont Lithium Inc (ASX: PLL)	www.piedmontlithium.com	\$1.69B	Queried Feb 26
Pilbara Minerals Ltd (ASX: PLS)	www.pilbaraminerals.com.au	\$13.58B	Queried Feb 26
Power Minerals Ltd (ASX: PNN)	www.pepinnini.com.au	\$32.51M	
Poseidon Nickel Ltd (ASX: POS)	www.poseidon-nickel.com.au	\$116.42M	

Prospect Resources Ltd (ASX: PSC)	www.prospectresources.com.au	\$94.76M	
Red Dirt Metals Ltd (ASX: RDT)	www.reddirtmetals.com.au	\$177.88M	
Rio Tinto Ltd (ASX: RIO)	www.riotinto.com	\$172.47B	Queried Feb 26
Reedy Lagoon Corporation Ltd (ASX: RLC)	www.reedylagonn.com.au	\$4.53M	
Strike Resources Ltd (ASX: SRK)	www.strikeresources.com.au	\$22.42M	
Sayona Mining Ltd (ASX: SYA)	https://sayonamining.com.au/about/	\$2.04B	Queried Feb 26
Taruga Minerals Ltd (ASX: TAR)	www.targunaminerals.com.au	\$12.00M	
Tempest Minerals Ltd (ASX: TEM)	www.tempestminerals.com	\$13.35M	
Traka Resources Ltd (ASX: TKL)	www.trakaresources.com	\$5.06M	
Todd River Resources Ltd (ASX: TRT)	www.trrltd.com.au	\$7.57M	

Venus Metals Corporation Ltd (ASX: VMC)	www.venusmetals.com.au	\$25.82M	
Vulcan Energy Resources Ltd (ASX: VUL)	www.v-er.com	\$912.25M	Queried Feb 26
Woomera Mining Ltd (ASX: WML)	www.woomeramining.com.au	\$17.40M	
Zenith Minerals Ltd (ASX: ZNC)	www.zenithminerals.com.au	\$79.13M	

As an aside, if I was responsible for responding to the above query, I would also publish that response to the ASX and include it on the website for an ongoing reference.

Appendix A: Rare Earths Table

Rare Earths Company (Ticker link to Share Price History)	Web Site	Mkt Cap AUS\$ (Feb 26 2023)	ESG Response
Alpha Hpa Limited (ASX: A4N)	www.Alphahpa.com.au	\$570.39M	Queried Feb 15
ABX Group Limited (ASX: ABX)	www.abxgroup.com.au	\$29.07M	

Alkane Resources Limited (ASX: ALK)	www.alkane.com.au	\$389.22M	Queried Feb 15
Alchemy Resources Limited (ASX: ALY)	www.alchemyresources.com.au	\$18.85M	
American Rare Earths Limited (ASX: ARR)	www.americanrareearths.com.au	\$113.83M	Queried Feb 15
Arafura Rare Earths Limited (ASX: ARU)	www.arultd.com	\$1.33B	Queried Feb 15
Austin Metals Limited (ASX: AYT)	www.austinmentals.com.au	\$6.35M	
Australian Mines Limited (ASX: AUZ)	www.australianmines.com.au	\$26.27M	
Australian United Mining Limited (ASX: AYM)	www.australianunitedmining.com.au	\$5.53M	

Australian Strategic Materials Limited (ASX: ASM)	www.asm-au.com	\$283.40M	Queried Feb 15
Encounter Resources Limited (ASX: ENR)	www.encounterresorces.com.au	\$49.77M	
Enova Mining Limited (ASX: ENV)	www.enovamining.com	\$4.69M	
Hastings Technology Metals Limited (ASX: HAS)	www.hastingstechmetals.com	\$329.40M	Queried Feb 15
Iluka Resources Limited (ASX: ILU)	www.iluka.com	\$4.45B	Queried Feb 15
Ionic Rare Earths Limited (ASX: IXR)	www.ionicre.com.au	\$131.29M	Queried Feb 15
Krakatoa Resources Limited (ASX: KTA)	www.ktaresources.com	\$13.79M	

Legacy Iron Ore Limited (ASX: LCY)	www.legacyiron.com.au	\$102.51M	Queried Feb 15
Lindian Resources Limited (ASX: LIN)	www.lindianresources.com.au	\$224.89M	Queried Feb 15
Lanthanein Resources Limited (ASX: LNR)	www.lanthanein.com	\$22.43M	
Lynas Rare Earths Limited (ASX: LYC)	www.lynasrareearths.com	\$7.69B	Queried Feb 15
Minbos Resources Limited (ASX: MNB)	www.minbos.com	\$100.12M	Queried Feb 15
Mount Ridley Mines Limited (ASX: MRD)	www.mtridleymines.com.au	\$38.92M	
Northern Minerals Limited (ASX: NTU)	www.northernminerals.com.au	\$223.92M	Queried Feb 15
Nova Minerals Limited (ASX: NVA)	www.novaminerals.com.au	\$117.63M	Queried Feb 15

Orion Metals Limited (ASX: ORM)	www.orionmetals.com.au	\$16.35M	
Peak Rare Earths Limited (ASX: PEK)	www.peakrareearths.com	\$129.15M	Queried Feb 15
Platina Resources Limited (ASX: PGM)	www.platinaresources.com.au	\$12.15M	
Prospect Resources Limited (ASX: PSC)	www.prospectresources.com.au	\$94.76M	
Petratherm Limited (ASX: PTR)	www.petratherm.com.au	\$14.41M	
RareX Limited (ASX: REE)	www.clancyexploration.com	\$30.13M	
Sunshine Gold Limited (ASX: SHN)	www.shngold.com.au	\$13.86M	
Stavelly Minerals Limited (ASX: SVY)	www.stavelly.com.au	\$83.17M	

Tempus Resources Ltd. (ASX: TMR)	www.tempusresources.com.au	\$12.11M	
Todd River Resources Limited (ASX: TRT)	www.trrltd.com.au	\$9.46M	
Venus Metals Corporation Limited (ASX: VMC)	www.venusmetals.com.au	\$24.93M	
Vital Metals Limited (ASX: VML)	www.vitalmetals.com.au	\$140.38M	Queried Feb 15

How Does ESG Fit into the Critical Minerals Development Industry for Rare Earths Companies

written by Steve Mackowski | February 27, 2023

As I mentioned in a [previous article](#), I am contacting key Australian Stock Exchange-listed Critical Minerals companies to get their views on Environmental, Social, and (corporate)

Governance (“ESG”). I am looking to assuage the concerns of some of our stakeholders as to the ESG credentials of those Australia-based organizations that are in a position to supply and value add to the Critical Minerals shortage the world is now facing.

The questions are not designed as a platform for investment decisions, but as an important step toward letting investors know what their values are, what their achievements have been, and where do they see our industry heading.

The reference table will include the company name, the ASX Ticker code, their website reference, their current Market Capitalization, and their response to the ESG questionnaire.

The reference table will include all of the Australia-based companies that qualify as part of the Australian Critical Minerals Strategy referenced below.

[2022 Critical Minerals Strategy](#)

The survey questions were:

1. A brief description of your activities
2. How do you define ESG?
3. What should stakeholders be aware of in your approach to ESG?
4. How do you see ESG becoming an important function in the future?
5. Do you have any ESG lessons learned that you may wish to share?

I will update the reference tables regularly and highlight any new responses received. As this is the first time, here is the Rare Earths table. The next issue will be the Lithium table,

followed by the Vanadium and Cobalt tables. Each issue will allow access to the tables via links and similarly with the ESG responses from the queried companies.

Rare Earths Company	Web Site	Mkt Cap AUS\$ (18 Feb 2023)	ESG Response
Alpha Hpa Limited (ASX: A4N)	www.Alphahpa.com.au	\$578.97M	Queried Feb 15
ABX Group Limited (ASX: ABX)	www.abxgroup.com.au	\$31.30M	
Alkane Resources Limited (ASX: ALK)	www.alkane.com.au	\$365.38M	Queried Feb 15
Alchemy Resources Limited (ASX: ALY)	www.alchemyresources.com.au	\$16.02M	
American Rare Earths Limited (ASX: ARR)	www.americanrareearths.com.au	\$111.55M	Queried Feb 15
Arafura Rare Earths Limited (ASX: ARU)	www.arultd.com	\$1.26B	Queried Feb 15

Austin Metals Limited (ASX: AYT)	www.austinmentals.com.au	\$6.35M	
Australian Mines Limited (ASX: AUZ)	www.australianmines.com.au	\$28.79M	
Australian United Mining Limited (ASX: AYM)	www.australianunitedmining.com.au	\$2.76M	
Australian Strategic Materials Limited (ASX: ASM)	www.asm-au.com	\$323.41M	Queried Feb 15
Encounter Resources Limited (ASX: ENR)	www.encounterresorces.com.au	\$49.77M	
Enova Mining Limited (ASX: ENV)	www.enovamining.com	\$4.69M	
Hastings Technology Metals Limited (ASX: HAS)	www.hastingstechmetals.com	\$387.54M	Queried Feb 15

Iluka Resources Limited (ASX: ILU)	www.iluka.com	\$4.55B	Queried Feb 15
Ionic Rare Earths Limited (ASX: IXR)	www.ionicre.com.au	\$127.74M	Queried Feb 15
Krakatoa Resources Limited (ASX: KTA)	www.ktaresources.com	\$13.96M	
Legacy Iron Ore Limited (ASX: LCY)	www.legacyiron.com.au	\$72.08M	Queried Feb 15
Lindian Resources Limited (ASX: LIN)	www.lindianresources.com.au	\$210.22M	Queried Feb 15
Lanthanein Resources Limited (ASX: LNR)	www.lanthanein.com	\$22.43M	
Lynas Rare Earths Limited (ASX: LYC)	www.lynasrareearths.com	\$7.50B	Queried Feb 15
Minbos Resources Limited (ASX: MNB)	www.minbos.com	\$81.46M	Queried Feb 15

Mount Ridley Mines Limited (ASX: MRD)	www.mtridleymines.com.au	\$15.57M	
Northern Minerals Limited (ASX: NTU)	www.northernminerals.com.au	\$223.92M	Queried Feb 15
Nova Minerals Limited (ASX: NVA)	www.novaminerals.com.au	\$129.18M	Queried Feb 15
Orion Metals Limited (ASX: ORM)	www.orionmetals.com.au	\$16.35M	
Peak Rare Earths Limited (ASX: PEK)	www.peakrareearths.com	\$124.82M	Queried Feb 15
Platina Resources Limited (ASX: PGM)	www.platinaresources.com.au	\$12.46M	
Prospect Resources Limited (ASX: PSC)	www.prospectresources.com.au	\$81.02M	
Petratherm Limited (ASX: PTR)	www.petratherm.com.au	\$13.77M	

RareX Limited (ASX: REE)	www.rarex.com.au	\$34.42M	
Sunshine Gold Limited (ASX: SHN)	www.shngold.com.au	\$14.62M	
Stavelly Minerals Limited (ASX: SVY)	www.stavelly.com.au	\$78.37M	
Tempus Resources Ltd. (ASX: TMR)	www.tempusresources.com.au	\$13.03M	
Todd River Resources Limited (ASX: TRT)	www.trrltd.com.au	\$9.46M	
Venus Metals Corporation Limited (ASX: VMC)	www.venusmetals.com.au	\$28.59M	
Vital Metals Limited (ASX: VML)	www.vitalmetals.com.au	\$114.97M	Queried Feb 15

Note: At the time of publication, there have been no ESG responses to those Rare Earth companies queried.

As an aside, if I was responsible for responding to the above query, I would also publish that response to the ASX and include

it on the company's website for ongoing reference.

Investing in ESG Makes Money

written by Melissa (Mel) Sanderson | February 27, 2023

Have you noticed that there are a couple of weird things about the spate of recent public temper tantrums by elected officials about [ESG matters](#), especially in the US? Weird thing number one: the grippers all are politicians, so far universally from the Republican Party, which USED to be the pro-business party. Second weird thing: most businesses aren't wasting time griping, they are adapting – and finding that doing so makes money.

Yes, you read that right – done properly, embracing ESG metrics can make money – for companies and investors – while improving livelihoods and helping to slow the impacts of climate change.

An article in the [Toronto Star](#) this month entitled *World's Biggest Carbon-emissions cutters – including TransAlta and CP Rail – also make money, new report finds* is a clear example that across industries, companies willing to invest in changing their behavior and reducing their environmental impact, especially in the key area of carbon reduction, can and do maintain their bottom lines and in some cases have increased their profitability due to cost reductions inherent in new technologies. This in turn, of course, leads to increased benefits to shareholders and other stakeholders. This is substantiated by a Morningstar study in which the group concluded that investors can build a global portfolio of companies with positive [ESG attributes](#) without compromising returns.

Likewise, research by MSCI classifying funds by their ESG exposure shows a clear and growing investor preference for funds and companies with strong ESG compliance. The MSCI study grouped funds into buckets ranging from AAA (fund is exposed to companies tending to show strong or improving management of financially relevant ESG issues and which may be more resilient to disruptions arising from ESG events) to CCC (fund is exposed to companies not demonstrating adequate management of ESG risks and which may be more vulnerable to disruptions arising from ESG events). MSCI concluded that over \$1 trillion has moved from funds on the lower end of the scale to the higher end over the last decade – a movement which appears to be accelerating. In studying the profile of investors, the MSCI analysis found that 88% of high-net worth millennials are actively reviewing the ESG impact of their investment holdings, while 89% of the same group expect their financial professional to do a deep dive into a company's ESG factors and history with ESG issues before recommending an investment opportunity.

Conversely, *not* taking action to do more on ESG issues leads to substantial negative consequences for companies, investors and stakeholders.

A recent study by the Harvard Business Journal cited insurance giant Swiss Re saying that *not* acting on climate will destroy around 18% of global GDP by 2050. If you stop and think about that for a moment, it's a staggering statement of risk. But the Harvard wonks took that a step further, examining the diverse consequences of climate change in which some areas, such as Siberia, might find growing seasons extended, but in other places (such as Phoenix, my home) cities could become too hot to be livable while some island nations will be swallowed by rising seas. This means, they concluded, that the downside risk for certain regional and (in the case of islands) national economies could be 100%, not 18%.

There's a third weird thing about the [political opposition](#) to ESG. If investors want to put their money into companies engaging in climate-positive actions, and if companies are actively revising their business models to be more climate friendly – what exactly is the problem that these politicians supposedly are concerned with?

When you break down the principles of ESG into their most basic components, it simply amounts to doing the right things for people and the planet.

What's wrong with that?

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ESG Investor Spotlight on Climate Change and Water

written by InvestorNews | February 27, 2023

As world leaders gather in Glasgow for the United Nations Climate Change Conference (also known as COP26) one has to be

aware that as the world continues to suffer from more severe weather, some of the things we take for granted may become more costly and/or scarce. The impact of extreme heat and droughts could potentially affect the supply and availability of clean water for drinking, as well as for irrigation and our supply of fresh food. Albeit COP26 is primarily focused on mitigating greenhouse gas emissions, we need to look past that to what the consequences of a changing environment could have on humanity. For years, if not decades, clean water has been portrayed as a critical commodity whose time will come. Perhaps now that weather patterns appear to be getting more volatile, we may finally be seeing the start of this.

Today we are updating an InvestorIntel favorite – [H2O Innovation Inc.](#) (TSXV: HEO | OTCQX: HEOFF) which designs, manufactures and commissions customized membrane water treatment systems, provides operation and maintenance services for that equipment, and designs, manufactures and sells a complete line of OEM specialty products such as chemicals, consumables, couplings, fittings, cartridge filters and other components for multiple markets in the water treatment industry. For the last 20 years the company has designed and fabricated state-of-the-art, integrated water treatment solutions for municipal, energy production, and natural resource end users, specializing in applications for drinking water, water reuse, wastewater treatment and industrial process water. Developed in-house, the company's solutions are custom designed, adapted and built for all types of applications.

The Company breaks down its activities into three operating segments: Water Technologies & Services (WTS), which designs and builds custom water, wastewater and water reuse systems; Specialty Products (SP), utilizing a global network of more than 100 distribution partners to manufacture and deliver specialty chemicals, components, and consumables to end-users, with a

particular focus on membrane applications; and Operations and Maintenance (O&M), for contract operations for water, wastewater, water reuse treatment, collection, distribution systems, pumping stations, and associated assets for customers throughout North America.

At the end of September, the Company released its [results for its fiscal year](#) ended June 30, 2021, reporting record fiscal year 2021, revenues and profitability. Highlights included annual revenues reaching \$144.3 million, representing a \$10.7 million growth or 8.0 % year over year; net earnings of \$3.1 million, or \$0.039 per share, compared to a net loss of \$4.2 million, or \$0.061 per share, for the previous fiscal year; and a strong financial position with a net debt of \$0.5 million at year end, compared to a net debt of \$10.5 million as of June 30, 2020. On the M&A side, H2O Innovation completed two acquisitions complementing its [O&M services in Texas](#), and expanded its reach in Spain and Latin America with the [acquisition of Genesys Membrane Products, S.L.](#), a specialty products marketing and sales network.

The Company fell a little short of market expectations, however, despite the positive results, and the stock lost 10% upon the announcement of its fiscal 2021 numbers. However, redemption may be right around the corner when [Q1 results](#) for the current fiscal year come out on Wednesday, November 10th. If we ask why an investor should be optimistic, the answer is that since June 30th H2O Innovations has announced an [O&M contract](#) for the City of Laurel, MS with a total value of \$10.4 million over 4 years; it has also been awarded [six new capital equipment projects](#) in its WTS business line, and reached completion on six others, with the new contracts valued at \$4.8 million; its Piedmont business line [secured new orders](#) for fiber reinforced polyester cartridge filter housings and duplex stainless couplings

totaling \$4.0 million along with the signing of five new distribution agreements in Latin America; and its SP business line has been [selected to provide antiscalant](#) to the world's largest seawater reverse osmosis desalination plant. This is important because one of primary focuses of H2O Innovations is building recurring revenues across its three business segments, and it has realized an 87% threshold. That suggests that all the above announcements should be additive to the upcoming Q1 results.

Thankfully the planet earth hasn't descended into the harsh, inhospitable environment of the desert planet, [Arrakis](#), the setting of the latest version of the movie "[Dune](#)" based on the must-read [book\(s\) by Frank Herbert](#). But as the reliability of fresh water becomes more of a concern, it's good to know that companies like H2O Innovations have our back. Perhaps we are finally starting to see the commoditization of water that could make the stewards of clean water, like H2O Innovations, which was [Water Company of the Year at the 2020 Global Water Awards](#), very important and valuable. In the meantime, this Company with its recurring revenues, clean balance sheet and a market cap of just over \$200 million.

TrustBIX Data Management Platform offers Verification of Sustainability

written by InvestorNews | February 27, 2023

In September 2021, the UN Food Systems Summit was held to

highlight one of the building blocks needed to reach the UN's Sustainable Development Goals (SDGs) by 2030. The main idea of this Food Systems' Summit was that we all must work together to bring about positive changes to the management of global food systems. Presently the UN has defined [17 SDGs](#), although right now it appears that the world is somewhat fixated on the "Climate Action" SDG that, however, is really only one aspect of sustainability. Others such as eliminating hunger and building sustainable communities rely on healthy and sustainable food systems. When it comes to the definition of a sustainable food system, added are the concepts of economic profitability, benefits for society, positive impacts on the environment and animal welfare. In other words, sustainable food systems must deliver food security and nutrition for all without compromising economic, social and environmental bases.

Why should we care about defining food systems as sustainable? Because all of the SDGs the world is working towards call for deep transformation in agriculture and food systems to make them more resilient, sustainable, and productive. Action must be taken on all levels, from local to global. Good food begins with farmers who grow produce in a way that doesn't harm the planet, continues with governments and businesses that work together to provide affordable and accessible food, and finishes with consumers who make conscious choices about what, where, and when they buy.

Arguably food is a human right, not a privilege. Today we are going to look at a company that believes in creating a world where we trust more, waste less, and reward sustainable behavior in the food chain. [TrustBIX Inc.](#) (TSXV: TBIX | OTCQB: TBIXF) is an innovative data management system that provides chain-of-custody solutions, which allows food processors, retailers, and consumers to have confidence that the claims made around important food attributes are true. This is delivered through a

business model that combines hardware, professional services and software solutions. The proprietary BIX (Business InfoXchange System) platform, is designed to create [trust and transparency](#) without compromising privacy through innovative, blockchain-derived use of technology and data. TrustBIX delivers independent validation of food provenance and of sustainable production practices within the supply chain. Gate to Plate®, the TrustBIX system is called.

With all that said, let's take a closer look at the sustainability verification business today. While TrustBix management's efforts and the Company's focus is primarily on the development of BIX products and markets, current revenue is generated largely from ViewTrak's products. ViewTrak has developed solutions for many agricultural technology process verification challenges, with an emphasis on feedlots, auctions and meat processors, and its proprietary technology now includes:

- Auction Master Pro and Market Master – livestock auction market software solutions to help build and operate auction activities,
- Feedlot Solutions – livestock feedlot management software,
- Electronic Pork Grader – pork probe technology to help producers price pork carcasses by evaluating carcasses for fat thickness, lean meat thickness, meat percentage and carcass class.

ViewTrak's pork probe technology is now used by the largest pork processor in China and by major pork processors in Canada and Mexico to grade and price pork carcasses.

But the future of the Company belongs to the strategic expansion of the BIX solution, customers for which already include Cargill, which uses BIX as part of its ongoing sustainable-sourcing program for its customers such as McDonald's Canada.

Along with enhancing and expanding the capabilities and functionality of TrustBIX's technology and BIX platform to ensure that the Company continues to be innovative and drives value within agri-food supply chains, TrustBIX's stated objective is to expand revenue streams, including ESG and cleantech initiatives. Just last week the Company announced it had signed a contract to [develop a Traceability Protocol](#) for the Biomass Quality Network of Canada ("BQNC"). BQNC is facilitating the commercialization of agricultural biomass for industrial applications through the development and adoption of quality standards and methods. This falls in line with a previously announced contract with All West Demolition Ltd. to [track biomass and waste streams](#) to divert material from landfills and to create new products for agricultural and industrial markets. Other ESG initiatives include signing up the Sunterra Group as its first client for the [BuildSense® suite](#) of energy management solutions. The BuildSense suite of solutions is offered in three discrete solutions as Build Aware, Build Sight, and Build Sense, and gives customers progressively deeper insight into energy consumption and sustainability management in their business operations.

Talk about ticking a lot of boxes for an ESG investor. With only 38.4 million shares outstanding, TrustBIX has a market cap of \$6.1 million based on its most recent closing price of \$0.16 making this a relatively inexpensive option for some quality ESG exposure in your portfolio. Albeit with a burn rate of roughly \$500k per quarter and only \$900k in cash at the end of Jun/21 TrustBix could be getting close to needing to raise capital, depending on how things have progressed over the last 3 months. The good news is that the company is generating revenue and has made a concerted effort to limit expenses, so perhaps the burn rate may subside and the need for capital will be pushed out past year end. In the meantime, [who do you trust](#) and who do you

value to verify that? I like to choose TrustBIX.