

## PLANDAI BIOTECHNOLOGY, INC. First Human Trials Raise Plandai's Profile and Valuation

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### PLANDAI BIOTECHNOLOGY, INC. (OTC:QB – PLPL - \$0.465)

Price Target: \$2.00

Rating: Speculative Buy

### COMPANY SNAPSHOT

Plandai Biotechnology, Inc. and its subsidiaries develop highly bioavailable, phytonutrient rich extracts which are being utilized to deliver a new family of drugs to safely and affordably treat a multitude of diseases and conditions. Plandai Biotechnology controls every aspect of the process, from growing the raw materials on its farms in South Africa, to producing its patented Phytofare™ extracts in-house, allowing the Company to guarantee the continuity of supply as well as quality control throughout the entire process. Targeted industries for the Company's products include beverage, cosmeceutical, wellness, nutraceutical, and pharmaceutical.

### KEY STATISTICS

Price as of 7/22/13	\$0.465
52 Wk High – Low	\$0.62 – 0.04
Est. Shares Outstanding	110.9M
Market Capitalization	\$51.6
3 Mo Avg Vol	56,000
Exchange	OTC:QB

### COMPANY INFORMATION

Plandai Biotechnology, Inc.  
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### KEY TAKEAWAYS

Last week, Plandai announced that it executed a contract with KGK Synergize, Inc., a Canadian clinical research and development company, to commence a study measuring human bioavailability of the Company's Phytofare™ Catechin Complex.

This KGK study will be the first that tests the absorption properties of the green-tea based Catechin Complex in human subjects.

The bioavailability study will not only test the absorption of Phytofare™ Catechin Complex, but it will compare Phytofare™ against a generic green tea extract and a branded product that touts higher bioavailability.

Plandai has contracted with KGK to simultaneously perform a human weight loss trial to test the effects of Phytofare™ Catechin Complex in inducing weight loss while also improving cholesterol and lowering blood pressure.

The human clinical trial will involve 90 subjects, including a placebo group, over three months and will include full blood panels in addition to measuring overall weight loss and changes in fat percentages and mood.

Plandai believes that Phytofare™ should be able to demonstrate significant health benefits, including weight loss, owing to its higher absorption levels.



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### **HUGE MILESTONE EVENTS**

The Company has conducted numerous lab tests on its flagship Phytofare™ product with great success in demonstrating what may be industry-leading bioavailability, which measures the absorption of nutrients into the bloodstream. By engaging in the human trials, Plandai has the opportunity to be crowned the Green Tea Extract and bioavailability leader as the likely favorable results of the trial should enable the Firm to successfully market its product to manufacturers for use in health prevention and wellness, beginning in late 2013.

Separately, we believe that the upcoming weight loss trial may be even more important than the traditional trial, given the size of the market for products used in weight loss and the fight against high blood pressure. A number of human clinical trials with green tea extract have been conducted to this end, and while data has been positive, the lack of bioavailability has halted broad use of these products for these applications. Using a branded product that touts high bioavailability, and a generic green tea extract as bioavailability and efficacy measures, will likely raise the profile of the test results even further than a trial that does not include competing products for comparative purposes.

We project that the trial will begin in 3Q13/4Q13 as the Plandai/KGK team should not have any difficulty in signing subjects to participate in a trial for a product that has no side effects and can aid them in their weight loss objectives in a safe manner while improving overall health and wellness.

In our view, these huge milestone events raise the Company's profile and increase the Firm's valuation driving the stock toward the \$1.00 level in the near term and could serve to accelerate the number of production and distribution deals in 2014. We rate PLPL Speculative Buy with a \$2.00 target price.

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### Recent Trading History For PLPL

(Source: Stockta.com)





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### Senior Analyst: Robert Goldman

Rob Goldman founded Goldman Small Cap Research in 2009 and has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

### Analyst Certification

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