



CO2 GRO Inc. Announces Average 20% Higher Pepper Yields Through Ten Weeks of Harvests at the Hidroexpo Commercial Feasibility

TORONTO, ON – January 14, 2021 – Toronto based CO2 GRO Inc. (“**GROW**”) (TSX-V: GROW, OTCQB: BLONF, Frankfurt: 4021) is pleased to announce positive interim results from its CO2 Delivery Solutions™ commercial feasibility on greenhouse grown peppers with Hidroexpo in El Salvador.

On average, Hidroexpo is achieving 20% more pepper fruit production from the treatment group versus control group over the first ten weeks of the commercial feasibility as measured by kilograms of fruits harvested. The feasibility is being conducted in a one-hectare greenhouse with half the plants receiving aqueous CO₂ misting and half receiving no supplemental CO₂.

According to [this article](#), the global average revenue per square foot of greenhouse grown fruits and vegetables is approximately \$6.50 or up to \$700,000 per hectare. A 20% increase in product yield could add up to \$140,000 in additional revenue per hectare. As CO2 Delivery Solutions™ systems run for only minutes per day at negligible operating cost, virtually all of this additional yield value is extra profit for the grower. GROW actively works with growers to optimize the plant yield performance of their CO2 Delivery Solutions™ systems.

According to Rodrigo Martinez, General Manager of Hidroexpo, "We are impressed with the 20% yield improvement as a result of applying aqueous CO₂ through our existing misting systems. The feasibility is being conducted at a scale which provides us the confidence that the results are accurate."

Aaron Archibald, GROW's VP Sales commented, "The interim results from the Hidroexpo pepper commercial feasibility demonstrates the power of our CO2 Delivery Solutions™ technology to significantly improve returns to greenhouse pepper growers. Our technology is operating at quite low incremental costs due to its ability to efficiently deliver CO₂ to plants resulting in 20% average yield increases. In addition, the CO2 Delivery Solutions™ system was easily adapted into Hidroexpo's existing greenhouse overhead misting system with little additional costs. We look forward to the successful completion of the feasibility and discussing implementing our CO2 Delivery Solutions™ systems to a number of the thirty-six greenhouses at Hidroexpo."

Visit www.co2delivery.ca for more information on CO₂ Delivery Solutions™ or [watch this video](#). To see a CO₂ Delivery Solutions™ VCO₂ system installation, [watch this video](#).

About CO₂ GRO Inc.

GROW's 2021 target market is the 50 billion square feet of greenhouses and covered cultivation facilities globally (USDA). 80% of these facilities cannot use CO₂ gassing due to heat venting, porosity or CO₂ usage cost. For decades, CO₂ gassing has only been used in expensive indoor sealed greenhouses that achieve up to 30% more plant yield. These enhanced yields are only possible if over 1000 ppm CO₂ levels are maintained throughout the year. Even expensive sealed greenhouses struggle to maintain these levels consistently throughout the year as up to 50% of the augmented CO₂ gas escapes the greenhouse naturally and even more escapes when the greenhouse is vented in warmer months, leaving room for yield improvement.

GROW's CO₂ Delivery Solutions™ helps all greenhouses achieve up to 30% more plant yield consistently throughout the year. In addition, aqueous CO₂ misting offers pathogen Perimeter Protection™ for plants by slowing the spread of micro pathogens such as E. coli and powdery mildew. CO₂ gassing does not offer that plant protection.

GROW naturally and safely dissolves CO₂ gas into water without bubbles or pressure. This creates an aqueous CO₂ solution which is then misted directly onto the plant's leaves and shoots. The aqueous CO₂ solution's micro droplets create a micro film on the leaf surface, isolating the leaf from the atmosphere. The diffusion gradient created favors CO₂ transport into the leaf, regardless of the stomata.

CO₂ Delivery Solutions™ has been demonstrated on crops including *Cannabis*, hemp, lettuce, kale, microgreens, peppers, strawberries, orchids and other flowers. Greenhouse growers everywhere that cannot gas CO₂ can now add CO₂ to their crops using CO₂ Delivery Solutions™, increasing plant yields and profits. As carbon taxes rise, sealed greenhouse growers that gas CO₂ will have to pay more for their emissions. CO₂ Delivery Solutions™ offers these greenhouses the ability to supplement their plants with CO₂ consistently throughout the year without emitting CO₂ gas to the atmosphere and using up to 95% less CO₂ through aqueous CO₂ misting.

Forward-Looking Statements

This press release contains statements which constitute "forward-looking information" within the meaning of applicable securities laws, including statements regarding the plans, intentions, beliefs and current expectations of the Company with respect to future business activities. Forward-looking information is often identified by the words "may," "would," "could," "should," "will," "intend," "plan," "anticipate," "believe," "estimate," "expect" or similar expressions and include information regarding: statements regarding the future direction of the Company; the ability of the Company to successfully achieve its business and financial objectives; plans for expansion and the ability of the Company to obtain, develop and foster its business relationships; and expectations for

other economic, business, and/or competitive factors. Investors are cautioned that forward-looking information is not based on historical facts but instead reflect the Company's management's expectations, estimates or projections concerning the business of the Company's future results or events based on the opinions, assumptions and estimates that management considered reasonable at the date the statements are made. Such assumptions include but are not limited to: general business and economic conditions; the Company's ability to successfully execute its plans and intentions; the availability of financing on reasonable terms; the Company's ability to attract and retain skilled staff; market competition; the products and technology offered by the Company's competitors; and that good relationships with business partners will be maintained. Although the Company believes that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and undue reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information are the following: changes in general economic, business and political conditions, including changes in the financial markets; in particular, in the ability of the Company to raise debt and equity capital in the amounts and at the costs that it expects; adverse changes in applicable laws or adverse changes in the application or enforcement of current laws; the biotechnology industry and the greenhouse growers market are highly competitive, and technical advances in the industry will impact the success of the Company, and other risks described in the Company's filings that are available at www.sedar.com. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For more information, please visit www.co2gro.ca or contact Michael O'Connor, Manager, Investor Relations at 604-317-6197 michael.oconnor@co2gro.ca