



**CO2 GRO Inc. Announces Closing of  
\$1.38M fully-subscribed  
Non-brokered Private Placement  
Led by Ospraie Ag Science LLC  
A leading Global Strategic Ag-Tech Investment Fund**

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**TORONTO, ON – August 17, 2020** – Toronto based CO2 GRO Inc. (“**GROW**” or the “**Company**”) (TSXV: GROW, OTCQB: BLONF, Frankfurt: 4021) is pleased to announce the closing of its previously announced (see news release dated August 8, 2020) fully subscribed private placement of \$1.38M (the “**Offering**”).

The Offering is comprised of 11,498,695 units (each, a “**Unit**”) at a price of \$0.12 per Unit, for aggregate proceeds of \$1.38 million. Each Unit consists of one common share (a “**Common Share**”) and one common share purchase warrant (a “**Warrant**”). Each Warrant entitles the holder to purchase one Common Share of the Company at a price of \$0.15 until February 12, 2022.

Upon closing, Ospraie Ag Science LLC (“**OAS**”) owns over 10% of the outstanding common shares of the Company and has become a new insider of GROW. Additionally, GROW has agreed to provide OAS with a pre-emptive right to participate in future offerings of GROW securities in order to maintain its percentage of ownership at the time of such offering. Further, Tom Wilttrout has joined GROW’s Board of Directors as OAS’ nominee, subject to TSX Venture Exchange approval. In accordance with the policies of the TSX Venture Exchange, GROW will seek shareholder approval prior to any exercise of Warrants held by OAS that would result in OAS holding more than 19.99% of the common shares of GROW.

As previously announced, OAS’ Tom Wilttrout will join GROW’s Board of Directors. Mr. Wilttrout’s entire career has been in the agriculture industry with 35 years at Dow AgroSciences LLC where he was a strategic leader developing the global seeds business. Currently, Mr. Wilttrout serves on the Board of Directors of Agricultural Alumni Seed Improvement Association, Inc., Innovative Seeds Solutions, LLC, and Remington Holding, LLC.

In addition to OAS's subscription, 1,498,695 Units have been subscribed for by existing insiders of GROW. These subscriptions by insiders is considered to be a "related party transaction" within the meaning of TSX-V Policy 5.9, which incorporates Multilateral Instrument 61-101 ("**MI 61-101**"). GROW intends to rely on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(a) of MI 61-101 in respect of such insider participation. GROW did not file a material change report more than 21 days before the expected closing of the Offering as the details of the participation by such insiders was not settled until shortly prior to closing of the Offering.

GROW intends to use the proceeds from the Offering to significantly increase business development activities; enhance and grow its Ag Industrial partnerships, its sales and technical force, fund identified value creating R&D projects and for working capital and general corporate purposes.

The securities issued pursuant to the Offering will be subject to a hold period of four months plus one day from the date of closing. No commission or finder's fee will be paid in connection with the Offering.

The Units have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to buy the securities herein described and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

### **About CO2 GRO Inc.**

GROW's target markets are focused on the 50 billion square feet of global greenhouse and covered cultivation space (USDA). Atmospheric enrichment of CO<sub>2</sub> by gassing has been practiced in indoor and expensive sealed greenhouses for decades resulting in enhance crop yields of up to 30%. However, 85% of the world's greenhouses are unsealed and have open-venting designs for heat ventilation which makes CO<sub>2</sub> gassing uneconomical and impractical since the CO<sub>2</sub> gas easily escapes.

GROW's CO<sub>2</sub> Delivery Solutions™ naturally and safely dissolves CO<sub>2</sub> gas into water creating an aqueous CO<sub>2</sub> solution which is then misted directly on plant leaves. GROW has demonstrated its technology to be as effective as CO<sub>2</sub> gassing by improving crop yields up to 30%, while using a fraction of the CO<sub>2</sub> gas. The CO<sub>2</sub> solution's micro droplets create an aqueous film around the entire leaf surface, isolating the leaf from the atmosphere. This creates a diffusion gradient favoring CO<sub>2</sub> transport into the leaf and other gases out of the leaf. Increased carbon availability enhances photosynthesis resulting in faster and larger plant growth. CO<sub>2</sub> Delivery Solutions™ has been demonstrated on crops including *Cannabis*, hemp, lettuce, kale, microgreens, peppers and flowers. In addition, aqueous CO<sub>2</sub> misting offers Perimeter Protection™ for plants by slowing the spread of micro pathogens such as *E. coli* and powdery mildew. Greenhouse growers everywhere can now supplement CO<sub>2</sub> to their crops using CO<sub>2</sub> Delivery Solutions™, increasing plant yields and profits.

## **Forward-Looking Statements**

*This news release may contain forward-looking statements that are based on CO2 GRO's expectations, estimates and projections regarding its business and the economic environment in which it operates. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Therefore, actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on such statements. Statements speak only as of the date on which they are made, and the Company undertakes no obligation to update them publicly to reflect new information or the occurrence of future events or circumstances, unless otherwise required to do so by 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](http://www.co2gro.ca) or contact Sam Kanés, VP Communications at 416-315-7477 or Michael O'Connor, Manager of Investor Relations at 604-317-6197.**