



## CO2 GRO Inc. CEO Letter to Shareholders

**TORONTO, ON – November 2, 2021** (ACCESSWIRE) – Toronto based CO2 GRO Inc. (“GROW”) (TSXV: GROW, OTCQB: BLONF, Frankfurt: 4021) is pleased to present John Archibald’s CEO Letter to Shareholders.

**Dear Fellow Shareholders,**

On behalf of the management team and Board of Directors, I would like to thank you for being shareholders of CO2 GRO Inc. As a management team and Board of Directors, we are fully invested alongside all of you, collectively owning approximately 20% of the company’s shares. I believe our shared vision of CO2 GRO revolutionizing the 600 billion square foot global protected agriculture industry making it more profitable and sustainable is achievable over time. Our CO2 Delivery Solutions™ and plant Pathogen Perimeter Protection™ technologies and benefits are proven in scientific and commercial settings improving grower yields by up to 30% and sharply reducing micro-pathogen growth such as *E.coli* and powdery mildew. Results show significantly increased grower profitability while at the same time reducing a grower’s ecological footprint. We are proud of our business development achievements to date while recognizing more can be done to deliver shareholder value while responsibly managing the earth’s assets (water, air, earth, etc.).

2020 was a challenging year due to the global pandemic which restricted our ability to travel and meet with potential customers and our international marketing partners. Further, the protected agriculture market was hit with severe labor shortages while in tandem, the horticultural industry was deemed non-essential. CO2 GRO pivoted to a virtual organization making extensive use of readily available technology to facilitate operations, scientific research, research and development and sales and marketing using local sales representatives and local contractors to install CO2 Delivery Solutions™ systems while also protecting our employees, clients and family from increased social interactions.

Despite the COVID challenges, in 2020 we succeeded in engaging three additional sales and marketing partners in Israel (Greenmist Ltd.), South Africa (Pharmacrop Pty. Inc.) and the UK, Belgium and the Netherlands (Rika Tech Limited). In addition, we successfully implemented 26 commercial feasibilities in the hemp, lettuce, *Cannabis*, rose, leafy greens, pepper and strawberry markets. The significant distribution of business across these numerous plant types provides confidence that there is a broad worldwide market for CO2 Delivery Solutions™ and Pathogen Perimeter Protection™.

While CO2 GRO experienced limited COVID-19 direct effects, the impact on potential customers was great: business interruptions, production rescheduling and delays, unpredictable labour and refocusing of their business lines which resulted in some commercial feasibilities being significantly delayed post announcements. While this was unfortunate, in 2020 and to date in 2021, CO2 GRO experienced zero cancellations due to a lack of results. Our CO2 Delivery Solutions™ and Pathogen Perimeter Protection™ technology has delivered results and achieved

return to growers. This gives us great confidence the growth potential for CO2 GRO is significant over the coming years.

In 2020, we completed a CDN\$1.38 million non-brokered private placement. Ospraie Ag Sciences LLC., a leading global agricultural technology fund was the largest participant, now owning 11.8% of CO2 GRO's outstanding 84.5M shares. In addition, Tom Wiltout, a principal of Ospraie Ag Sciences LLC., joined CO2 GRO's Board. We are very grateful for Ospraie's and Tom's support and look forward to a very long relationship which we believe will benefit all of CO2 GRO shareholders.

Sales activity improved in 2020 with 18 CO2 Delivery Solutions™ systems being sold. 15 were at Missouri based Linn County Seed & Flower Co-op ("Linn County") and Sacred Seeds Hemp Farms LLC. The other three systems were to Canadian Licensed Cultivators. Sales to *Cannabis* growers are expected to continue given the very large increases in value CO2 Delivery Solutions™ delivers to these growers. We look forward to sales to growers of non-*Cannabis* crops in 2021 and beyond along with additional sales to *Cannabis* growers.

At CO2 GRO, Environmental, Social and Governance (ESG) is a strategic element of value creation and sustainability with ESG platforms forming part of CO2 GRO's Corporate Value Proposition. CO2 GRO maintains and supports diversity, equality and inclusiveness in our workplace as well as promoting and maintaining a safe and healthy workplace. CO2 GRO's Executive and Board are committed to diversity and inclusion in its role in delivering enhanced shareholder value, short and long term.

CO2 GRO is helping growers reduce their ecological and carbon footprint. CO2 Delivery Solutions™ can significantly reduce CO<sub>2</sub> gas used in sealed greenhouses that CO<sub>2</sub> gas while maintaining plant growth of up to 95%. In protected ag facilities, CO2 Delivery Solutions™ deliver a targeted aqueous solution directly to the plant canopy resulting in over 90% of the CO<sub>2</sub> being absorbed by the plants. The plants in turn process the CO<sub>2</sub> releasing oxygen during photosynthesis.

CO2 GRO helps to shorten the food chain ecological footprint. Locally grown food minimizes GHG emissions by eliminating long distance supply chains. In addition to shortening food supply chains, it reduces food waste and lowers landfill methane emissions by minimizing spoilage.

### **The Path Forward 2021 and Beyond**

For 2021, we established a number of business development objectives. A key focus was increased marketing in North America and internationally to highlight our CO2 Delivery Solutions™ and Pathogen Perimeter Protection™ in the protected agriculture industry. Specifically objectives are increasing the number of international marketing partners, the number of commercial feasibilities, penetration of larger grow facilities, the number of direct sales and conversion of commercial feasibilities to sales growing purchase orders and revenues.

To date in 2021 we have performed well relative to these objectives. CO2 GRO has signed 16 commercial feasibilities to date in 2021. The size of the facilities disclosed in news releases excluding Canadian Licensed Cultivators and those that have requested anonymity range from 328,000 square feet at Plant Advanced Technologies to 861,000 square feet at the UK based La Serra Ltd. tomato greenhouse. A recent commercial feasibility with a European based grower who has 100 million square feet under cultivation is will be implemented shortly.

Efforts to engage additional sales and marketing partners in priority markets of Mexico, Spain and Japan have yielded good results initially. To date, we have engaged marketing partners in Mexico and Spain. We are in discussion with potential sales and marketing partners in Japan and will report when that has been achieved.

CO2 GRO continues to diversify our crop mix in 2021 with commercial feasibilities underway or signed in lettuce, *Cannabis*, leafy greens, peppers, tomatoes, floriculture, orchids, macadamia tree seedlings, citrus tree seedlings and strawberries.

2021 sales to date are very encouraging at a total of nine. Seven were achieved without commercial feasibilities reflecting CO2 GRO's increased market profile. The eighth was the conversion of a commercial feasibility to a sale three months prior to completion and the ninth was the conversion of the Hidroexpo S.A de C.V commercial feasibility to a sale agreement. This is the first sale to a significant vegetable grower, which is a milestone for CO2 GRO. We will maintain our focus on converting our ongoing commercial feasibilities to sales, adding commercial feasibilities with large growers and obtaining additional direct sales not requiring commercial feasibilities.

In closing, on behalf of the management team and Board of Directors I would like to thank our shareholders for their continued support of CO2 GRO Inc. While it has been a challenging 18 months since the pandemic's onset, we continue to work very hard at building shareholder value and we look forward to keeping all shareholders informed of CO2 GRO's successes.

Sincerely



John H. Archibald, CEO

Visit [www.co2delivery.ca](http://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. [CO2 GRO Inc.](#)**

GROW's proprietary CO2 Delivery Solutions™ technology is revolutionizing the global 600 billion square foot protected agriculture industry (Cuesta Roble 2019). We create a saturated CO<sub>2</sub> solution that when misted onto plants provides growers that cannot gas with CO<sub>2</sub> the opportunity to increase plant yields by up to 30% and profits by up to 100%. Applying saturated CO<sub>2</sub> also suppressed the development of pathogens such as *E.coli* and powdery mildew, helping to reduce crop losses. GROW's CO2 Delivery Solutions™ is protected by a suite of patents and patents pending.

The worldwide market for GROW's disruptive CO2 Delivery Solutions™ technology is the 50 billion square feet of greenhouses and 550 billion square feet of protected agriculture facilities

(Cuesta Roble 2019). Growers can maximize revenue and profits with our systems' low fixed and variable costs and ease of systems installation.

GROW's management is rapidly expanding its international marketing partner relationships into Mexico, Spain, the EU, the UK, South Africa, the Middle East, South East Asia and Latin America as well as in its North American base.

GROW is committed to good Environment, Social and Governance (ES&G) policy and practices. We are an equal opportunity employer of choice and opportunity.

Our mission is to accelerate the growth of all value plants safely, economically, naturally and sustainably using our patented advanced CO2 Delivery Solutions™ while accreting value to our customers, stakeholders and shareholders.

### **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](http://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](http://www.co2gro.ca) or contact Michael O'Connor, Manager, Investor Relations at 604-317-6197 or [michael.oconnor@co2gro.ca](mailto:michael.oconnor@co2gro.ca)**