



CO2 GRO Inc. Discusses Their 2020 Commercialization Strategy with the Stock Day Podcast

On today's show I am bringing back a returning guest, he was on my show back in December 2019. The name of the company is CO2 GRO Inc. You can find them on the OTCQB, the ticker symbol is BLONF, and you can find them up there on the TSX Venture, ticker symbol GROW.

And with us today to bring us up to speed and up to date is Aaron Archibald, he is in charge of CO2 GRO Sales and Strategic Alliances.

Aaron, welcome back to the show.

Thanks very much for having me again.

Before we get started, it's been a little while, about seven to eight months, can you give my new listeners some of a back story, just a little back story of what your company does and we will get into the Q&A.

Absolutely. Well I mean we are a company that deliver's co2 to growers. Our mission is to accelerate the growth of high value plants safely, efficiently and profitably using our patented advanced CO2 Delivery Systems. We deliver co2 gas to all indoor plant growers' not just high tech greenhouses, but simple shade houses, even some outdoor applications. With that we see an uptick in yields of 30% and a decrease in cycle times of 25% so it's a real value add for our customers.

You know one of the reasons I asked you to come on the show is to bring us up to date. Can you give us a brief background of the CO2 mission to revolutionizing plant growth, your target markets and how your technology really works?

Absolutely, our target markets are all value plants, microgreens, lettuce, peppers, tomatoes, hemp, cannabis, and certain strains of biopharming tobacco used to make vaccines, we work with all of these types of plants so what we do is dissolve co2 gas into mist-able solutions so its water and co2 and that's misted in a very, very, fine spray around plants. What that does is create a micro film around the plant that drives the co2 through the plant leaves and stems. Everyone know plants need co2, humans and plants are symbiotic, humans breathe in oxygen, breathe out co2 gas, they take in co2, breathe out O2, they keep the c which is carbon and makes plants grow. So that's what we are doing, we are efficiently growing plants for growers.

So, on August 6th you guys put out a press release about a non-brokered deal. If you would bring us up to date on how that equity financing came about?

Yes, that is a very exciting thing for our company. It is with Ospraie Ag Science. They had looked at us a potential investment opportunity. They only invest in sustainable and cutting edge Ag Tech companies, so to have them as a strategic investment partner is great. It was a fully subscribed offering, they took up the whole amount which comes close to \$3 million dollars with both tranches. The first one is coming now, the next one will be in about 18 months. It really validates our technology and our mission and goals. Having a company like Ospraie Ag Science wanting to invest in us really speaks to what we are doing correctly.

Just as importantly as having the financing in place to build out our sales and marketing team and our support teams they will be able to introduce us to a tremendous number of potential customers and companies they have also invested in. They will have a person sitting on our board so I look very much forward to some guidance from them. They tend to like to have a person sitting on the boards of companies they invest in.

I see ourselves partnered up with other symbiotic technologies that we can actually put together an even better solution for our customers. I am very excited about it going forward.

You know we are in very worried times right now especially with Covid-19 hovering around us and is going to be here for some time. That being said what can you tell us about the progression of your company in 2020 and what can investors expect going forward?

Absolutely. Covid-19 has been tough on everyone. For us we are somewhat of a virtual company. We deal with regional sales groups, regional installation and regional support groups so some of the travel bans have not affected us the way other companies have been affected. 2020 was really our target commercialization year, 2018 as you know was proof of concept trials, R&D, 2019 was about finding some early stage adopters to prove the technology. And, then 2020 was to hit the ground running and start selling these systems, and leasing these systems throughout North America and certain international areas like the UAE and Israel which are extremely arid and need irrigation infrastructure.

We have been able to stay on plan for 2020. We've got 25 new installations. When we say it's a Commercial Feasibility these are paid installations that are working in a portion of a growers field or greenhouse. So what they do is try it out and they use the rest of it as a control and what they can see is we add greater yield, decreases in cycle times, and reductions in pathogens, it is easy to sell them on the systems. I am really pleased where we are going with that. We have a number in the United States and Canada, which are our backyard, but we also have two setup in the UAE as well as another one in Israel.

How about price point on these installations, can you give us something on that?

Yes, absolutely. The larger the installation the greater the price. There are some economies of scale there, but a lot of these smaller ones are coming in with significant capex and opex savings compared to a standard co2 system. Plumbing is always cheaper than HVAC, which is heating, ventilation, air conditioning and humidity control so in doing that we are saving infrastructure costs on them because we are an irrigation system that mists the water/co2 onto plants. It is more economically feasible for growers especially when they get the yield increases and decreases in pathogens. That is what is helping move this product forward.

My guest today is Aaron Archibald. He is in charge of Sales and Strategic Alliances with CO2 GRO Inc. You can find this Company on the OTCQB, under the ticker symbol BLONF and you can find them on the TSX Venture under the ticker symbol GROW.

Aaron, before I let you go, what is it you really want your investors and my listeners to take away from today's interview?

I think I really would like them to know there is a significant investment from the management group, we all still own over 20% of the stock, we are still working for no cash compensation, so we are vested in seeing the stock price move up, the fact we have a partner in Ospraie Ag Science taking an almost 20% ownership stake and the fact we are in commercialization now and will likely see free cash flow and profits in 2020/2021. It is a great time to be an investor.

I want to thank you for coming back on the show. The only thing I ask is you not wait eight or nine months to come back on the show.

We will try and get back to you sooner then.

Thank you so much, looking forward to it.

Thanks for having me again.

For more information on CO2 GRO Inc. please visit www.co2gro.ca or reach out to our IR team of Sam Kanés, VP Communications at 416-315-7477 or Michael O'Connor, Manager Investor Relations at 604-317-6197.