



**(GROW.TSXV, BLONF.OTC, 4021.Frankfurt)
Third Quarter 2021**

CO2 GRO Inc. (GROW) - CORPORATE OVERVIEW

CO2 GRO is a Canadian based Global company whose dedication is to enhance plant growth and productivity sustainably using our patented revolutionary CO2 Delivery Solutions™.

CO2 DELIVERY SOLUTIONS™ MARKET OPPORTUNITY

CO2 Delivery Solutions™ enables all of the world's 600 billion square feet of protected agriculture to provide additional CO₂ for increasing plant production, revenue and profits.

Protected agriculture is any covered structure that is designed to extend the growing season and productivity of crops. Greenhouses account for 50 billion square feet with the remaining 550 billion square feet comprised of hoop houses, tunnels, net and shade houses, vertical and indoor facilities. Nearly all these facilities have a combination of open roofs, open sides or ends, porous material such as netting, or high air exchange through HVAC systems.

Only a little over 1% of the global protected Ag market is currently able to provide their plants with additional CO₂ through traditional atmospheric enrichment by gassing. These facilities are nearly all sealed greenhouses that are located in cooler regions or indoor facilities. Though even these greenhouses must vent during warmer periods, making it difficult to maintain higher levels of CO₂ in the air above ambient.

Our 2021 focus is on protected agriculture in North America, Mexico, Middle East, Israel, the UK, Netherlands, Belgium, South Africa and Malaysia. We are also actively working on developing sales channels in other large protected agriculture markets such as Spain and South America.

DELIVERING CO₂ TO GROWERS EVERYWHERE™

CO2 DELIVERY SOLUTIONS™ DEMONSTRATED BENEFITS

GROW has demonstrated up to **30% value increases** using its CO2 Delivery Solutions™ on fruiting vegetables and berries, leafy greens and flowers. The up to 30% value increases can be realized by nearly all crop varieties grown in protected agriculture as a result of increased production yields, more harvest turns and reduction of crop loss by protecting the plants from leaf surface pathogen spread. The technology employs less than 5% of the CO₂ required by traditional atmospheric enrichment (CO₂ gassing) in order to achieve increased yields. Coupled with low power usage, the low system operating costs means nearly all the added revenue is profit. For many growers, these benefits approach a doubling of gross profits.

HOW CO2 DELIVERY SOLUTIONS™ WORKS

CO2 Delivery Solutions™ first dissolves CO₂ gas into water creating a saturated CO₂ solution. The saturated CO₂ solution is then directly misted onto the plant's leaves creating a microfilm on the leaf's surface. The microfilm isolates the leaf from the atmosphere creating a diffusion gradient which enables the CO₂ molecules in solution to diffuse into the leaf through the entire leaf surface. The process is irrespective of the stomata which normally takes CO₂ from the air. Misting is done for a few seconds two to three times an hour during the light phase.

Perimeter Protection™. In addition to providing the plant with more carbon for enhancing growth, applying the CO₂ solution for a few seconds several times per hour dramatically slows the spread of micro pathogens such as *E. coli*, powdery mildew and other epiphytic (leaf surface) microbial pathogens. Misting the CO₂ solution lowers the pH on the leaf surface when applied and once the CO₂ transfers into the leaf (in a few seconds) the pH goes back to normal. This constant fluctuation per application on the leaf surface creates an unfavorable environment for these micro pathogens to thrive and spread. Demonstrations on peppers and *Cannabis* showed 99% less *E. coli* and powdery mildew spread versus controls. CO₂ gassing does not provide this benefit as there is no pH fluctuation from the CO₂ entering the leaves through the stomata.

OUR MANAGEMENT TEAM

Our company is organized into operational divisions each with a division head/manager. Each division head reports to Aaron Archibald, the VP Sales & Strategic Alliances, who in turn reports to the CEO, John Archibald. Our board is comprised of six directors who approve the 2021 Business Strategy and Operating Budget.

DELIVERING CO2 TO GROWERS EVERYWHERE™

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

For the Environment and sustainability, by using GROW's CO₂ Delivery Solutions™ growers that CO₂ gas will use far less CO₂ gas, less land, less water and less labor to produce more crops and substantially reduce their carbon footprint. Our precision Ag technology directly applies a saturated CO₂ solution on the plant leaf surface, enabling the CO₂ to be taken into the plant more efficiently than by the air. This process results in up to 95% less CO₂ usage compared to traditional CO₂ gassing; increased yields, more harvest turns and less crops lost due to pathogens.

Commitment to a good working environment

For Governance, our Management team and Board is committed to promoting and maintaining diversity, equality and inclusiveness in our workplace. GROW is committed to promoting and maintaining a safe and healthy workplace.

Commitment to the environment and sustainability

CO₂ GRO's Environment, Social and Governance ("ESG") practices are a Sustainability Platform with a **Planet, People and Profits** focus. CO₂ GRO is committed to ensuring our technology enhances global food production to support our growing population. CO₂ Delivery Solutions™ can support agriculture resource optimization and food growth in all regions including more developed and less developed countries. Our technology's more efficient use of CO₂ can help protected growers that CO₂ gas potentially reduce their ecological footprint, while producing more food.

Importance of ESG practices in managing our company

CO₂ GRO addresses ESG as a strategic element of value creation and sustainability in our Corporate Value Proposition, now and in the future. Studies have shown that organizations with diverse management, Board composition and employees, collectively deliver better performance generating enhanced shareholder value in the long term.

CO₂ Delivery Solutions™ technology reduces growers' ecological footprint

CO₂ Delivery Solutions™ technology is considered "cleantech". Our technology delivers CO₂ to plants without appreciable off gassing. Plants convert CO₂ into sugar for root and shoot growth and respire the residual oxygen into the atmosphere for the benefit of humans. Accelerating a plant's photosynthesis process leads to greater CO₂ use by the plant and reduces a grower's overall carbon footprint. When sealed greenhouses or indoor facilities use CO₂ gassing, over 60% of the CO₂ gas escapes through leaks and venting as no facility is airtight. Nearly all of the CO₂ in the CO₂ solution we mist is transferred into the plant leaves and used for photosynthesis with practically no CO₂ lost to the atmosphere. This benefits the environment as well as saves considerable CO₂ gas usage and operating costs. Our technology uses very little electricity as the pumps are only active for a few minutes a day.

PATENT PENDING CO2 DELIVERY SOLUTIONS™ TECHNOLOGY

GROW's five CO2 Delivery Solutions™ pending patents embody the use of saturated CO₂ solution misted on plants. Our original method of use Patent Cooperation Treaty (PCT) pending patent is supported and enhanced by four additional PCT pending patents. They incorporate plant pathogen resistance, targeted enhanced plant metabolism, outdoor CO₂ delivery to plants and alternate aqueous gas delivery to plants.

GROW has an exclusive perpetual global license for the use of two gas infusion patents to dissolve CO₂ gas into water via microporous hollow fiber technology for all plant growth. Under this license, we have the right to manufacture microporous hollow fiber into our CO₂ Delivery Solutions™ systems.

RESEARCH AND DEVELOPMENT PROGRAM

GROW is continually working on furthering our technology's applications and efficiency in order to expand our markets and meet our strategic objectives. Our 2021 R&D Program, led by our Chief Science Officer Dr. Matt Julius, is focused on three pillars: 1) Projects that facilitate market expansion, 2) Projects that reinforce our existing patents and assist developing new patents and 3) Research activities that help meet strategic needs.

CO2 DELIVERY SOLUTIONS™ COMMERCIALIZATION

Commercial Installation sales to date

We have sold a number of CO₂ Delivery Solutions™ systems to a hemp co-op group in the state of Missouri as well as systems to LC's and LP's in Canada.

Commercial Feasibilities

A commercial feasibility is a limited installation of CO₂ Delivery Solutions™ in a section of the grower's facility. The goal of the feasibility is to validate the plant growth and economic impact of CO₂ Delivery Solutions™ on the customer's plants in their facility's normal operating conditions. These projects typically last between 6 to 12 months and costs are charged to the grower. Commercial feasibilities are a crucial step in the sales process to achieve the ultimate goal of a facility-wide Commercial Installation.

Commercial Feasibilities and Bench Scale studies to date

We currently have or have had commercial feasibilities on *Cannabis*, hemp, peppers, tomatoes, strawberries, orchids, roses, lettuce, kale and macadamia tree seedlings. These projects are in countries all over the world, making CO₂ GRO and its technology a truly Global opportunity.

DELIVERING CO2 TO GROWERS EVERYWHERE™

Technology Pricing Model

GROW offers growers its CO2 Delivery Solutions™ as a custom engineered solution based on the customer's cultivation method, facility size, layout and overhead misting infrastructure needs. CO2 Delivery Solutions™ are typically priced on square footage based on the agreed upon custom design. Our systems are available for purchase either through Payment Plans or Standard Commercial Terms.

Revenue Opportunities

We have contracted commercial feasibilities with greenhouse growers of various sizes and crops in the US, Canada, the Middle East, Israel, Colombia, El Salvador, France, the UK, the Netherlands, Malaysia and South Africa. Our primary crop focus is on greenhouse vegetables, berries, high value floriculture, *Cannabis* and hemp with whom we have seen the most traction. We are continually working on expanding our customer reach and Marketing Partner selections focusing on geographic markets with large protected agriculture producers.

Revenue Recognition

It is GROW's policy is to recognize revenues after a CO2 Delivery Solutions™ has been fully paid for. Deferred revenues recognize a down payment for a CO2 Delivery Solutions™. These revenues will move to recognized revenues when full payment is received and installations are completed. Purchase orders will be recognized in two steps, one a down payment will be included in deferred revenues and two deferred revenues and the balance will be recognized as revenues when payment is made and installations are completed.

CO2 DELIVERY SOLUTIONS™ MARKET FOCUS

2021 Sales Team

Our VP Sales & Strategic Alliances, Aaron Archibald, is responsible for managing our Global sales activities. The US and Canadian sales team is comprised of over 30 commission-based sales representatives across both countries, as well as non-exclusive Marketing & Sales agreements with a number of agri-industrial partners. After our recent participation in the Canadian Technology Accelerator program organized by Canada's Trade Commission to Mexico, we have engaged Rancho Nexo as a Marketing and Sales partner to represent CO2 GRO in Mexico. The Mexican protected agriculture market is almost six billion square feet. We have also entered into regional exclusive Marketing & Sales agreements with agri-industrial partners in the Middle East (Gulf Cryo), Israel (GreenMist), UK based Rika Biotech for the UK, Belgium and the Netherlands, Pharmacrop for Southern Africa and CH Green for Malaysia.

Further International Expansion

In 2021, we will expand further into international protected agriculture markets based on the largest opportunities and securing the right agri-industrial marketing partners. The protected agriculture market is growing at up to 10% CAGR. 60% of the protected agriculture market is in

DELIVERING CO2 TO GROWERS EVERYWHERE™

the US, Canada, Mexico, Spain, Italy, France, the Netherlands, Korea Republic, Japan, Malaysia, Israel, Saudi Arabia, Brazil, Argentina and Colombia. The majority of crops grown in protected agriculture are tomatoes, peppers, cucumbers, leafy greens, berries, high value floriculture and *Cannabis* & hemp. Our focus is to target all these crops, regardless of the type of protected facility they are grown in.

Canadian Licensed Producers

In December 2019, we announced our first Canadian *Cannabis* commercial feasibility. Since then, we have announced more feasibilities as well as sold Commercial Installation systems to a number of Canadian LC's and two Canadian LP's. We look forward to more Canadian *Cannabis* and hemp commercial feasibilities and sales with LP's, particularly now that Health Canada eased its foliar spray ban in late August 2020 to allow misting water with dissolved nutrients.

CO2 GRO AWARDS AND RECOGNITION

1. **We were selected as one of Life Science Ontario's 2019 Success Stories with other major pharma companies like Merck Canada and Glaxo Smith Kline.** Life Sciences Ontario now oversees the business interests of Ontario's medical cannabis industry. They recognized the importance of the plant pathogen protection our 100% natural CO₂ technology provides for growing plants safer that go into medical *Cannabis* human health products.
2. **We were selected as a top Ag Tech Canadian company by Canada's California Trade Commissioners** who hosted us in December 2019 in Sacramento, San Francisco and Salinas.
3. **We were selected in February 2020 to speak as one of four finalists at the World Ag Expo's Hemp Innovation Challenge in California.** There were 65 hemp innovation entries from fourteen countries. This selection was instrumental to us getting the fifteen commercial U.S. (Missouri) hemp installations in March 2020.
4. **We were selected by Canada's Mexico Trade Commissioners to participate in their Ag Tech Program that ran from February 2021 to April 2021.** Our participation has enabled us to lay the foundation for our expansion into the almost 6 billion square foot Mexican protected agriculture market through introductions to potential agri-industrial partners and early adopter customers.

In summary, CO2 Delivery Solutions™ are better for grower Profits, better for People and better for the Planet.

See co2delivery.ca or co2gro.ca for further details or contact Michael O'Connor Manager, Investor Relations, 1-604-317-6197 or michael.oconnor@co2gro.ca

DELIVERING CO2 TO GROWERS EVERYWHERE™