



## EARTHRENEW ANNOUNCES Q1 2023 BUSINESS AND AGRONOMIC UPDATE AND FIRST QUARTER FINANCIAL RESULTS

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CALGARY, AB, May 30, 2023 /CNW/ – EarthRenew Inc. (CSE: ERTN) (OTCQB: VVIVF) (“EarthRenew” or the “Company”), along with its wholly-owned subsidiary, Replenish Nutrients Ltd. (“Replenish”), pleased to provide its Q1 2023 business update and first quarter financial results for the 3 months ended March 31, 2023.

### Business and Agronomic Update

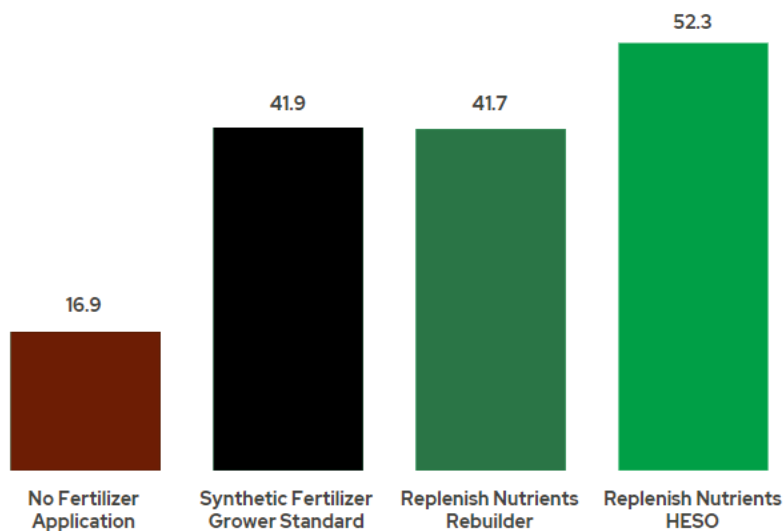
Replenish continues to progress through the final stages of non-dilutive funding for the Debolt granulation facility. The Company continues to be successful in obtaining various government grants that support agronomic research and development activities and capital expenditures. As previously disclosed, the Debolt facility would produce upwards of 50,000 metric tonnes of fertilizer per year and revenues of approximately \$25 million. The project would also contribute significant economic and social benefits to the Peace River region in Northern Alberta.

On the product development front, the Company continues to see exceptional and consistent results from its independent field trials with Farming Smarter and Biome Makers proving the efficacy of its products and their contribution to soil and plant health. The Company is also continuing to conduct on-farm grower trials across the Prairie provinces, showcasing the adaptability of our product to diverse environmental and soil conditions.

Details on the Company’s agronomic research program, third-party case studies, and customer testimonials are located on the Replenish website under the [Customers Page](#). Described below are the results of an independent Canola trial conducted in Brooks, Alberta:

### Canola Yield in Brooks, AB

Average Yield (bushels per acre )



1 – Adjusted EBITDA is a non-IFRS financial measure – refer to the Company’s Q1 2023 Management’s Discussion and Analysis for the definition and reconciliation to the nearest IFRS financial measure



*“The use of Replenish biologically-active Rebuilder produced equivalent yields and Return on Investment (ROI) vs the Grower Standard synthetic fertilizer while the Replenish biologically-active HESO treatment produced a yield increase of 10.4 Bushels/acre and \$183.77/acre additional revenue. An overall 61% ROI over the Grower Standard was achieved. The trial was completed and verified independently by Farming Smarter from year one of a three-year crop rotation trial.”*

Recently, Replenish CEO/CTO, Neil Wiens, and Biome Makers Agronomist, Gus Plamann, conducted a [webinar](#) discussing data collected in [Barley BeCrop](#) trials and explored the impacts of Replenish products on the soil microbiome. The webinar was attended by 180 people across North and Central America resulting in widespread exposure and numerous distribution and licencing opportunities.

The continued success of these independent field trials coupled with the proprietary nature of Replenish’s products and manufacturing processes provide unique opportunities to accelerate earnings and cash flow growth in the Company without the need for additional capital spend. The Company continues to be encouraged by its ongoing development of licensing opportunities.

Entering 2023 Replenish is poised to take advantage of the continued investment in Canadian-based food and fertilizer production resulting from ongoing concerns with geopolitical tensions impacting food security and fertilizer supply. Replenish continues to position itself ahead of its competition in the growing sector of sustainable agricultural with its proprietary biologically-active regenerative fertilizer products and no-waste, chemical-free manufacturing processes that will allow it to take advantage of the significant demand and investment dollars flowing to sustainable agricultural practices, including regenerative fertilizer.

The first quarter saw a late start to the growing season leading to modest first quarter revenues and margins. Nonetheless the Company showed a marked improvement in margins and cash flows over the first quarter of 2022, setting the stage for the Company to consistently generate positive adjusted EBITDA and operating cash flow going forward. Building on the same positive trends from Q4 2022, the Company continues to see improved margins and cash flows, with notable increases in gross profit margins, operating margins, adjusted EBITDA<sup>1</sup> margins, and operating cash flows compared to the same period in the prior year. Year-to-date 2023 has shown fertilizer commodity prices beginning to return to historical averages where Replenish realizes higher margins. As the Company moves through higher cost inventory from the prior year, realizes the full-year impacts of its ongoing cost savings initiatives, and ramps-up production at the newly upgraded Beiseker granulation facility, it fully expects to increase margin and cash flow as the year progresses. Granulation will continue to build more resilience into the business model through increased margins, wider and larger distribution channels, and lower seasonality impacts to the business.

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## Financial Highlights

- Revenues of \$2.5 million compared to \$3.1 million in the prior year
- A \$0.4 million increase in gross profit over the prior year, from negative \$0.3 million in the prior year to \$0.1 million in the current year, a 14 percentage point improvement over the prior year
- A \$0.6 million improvement in operating margins over the prior year, from an operating loss of \$1.6 million in the prior year to a \$1.0 million operating loss in the current year, a 14 percentage point improvement over the prior year
- A \$1.1 million improvement in net loss over the prior year, from a net loss of \$1.4 million in the prior year to a net loss of \$0.3 million in the current year
- A \$1.0 million improvement in cash used in operations, from cash used of \$1.7 million in the prior year to cash used of \$0.7 million in the current year
- A \$0.7 million increase in Adjusted EBITDA<sup>1</sup> over the prior year, from negative \$1.2 million in the prior year to negative \$0.5 million in the current year, a 20 percentage point improvement over the prior year

## About Replenish Nutrients

Replenish Nutrients is an Agricultural Biotechnology company and a leading intellectual property developer of regenerative fertilizer solutions and sustainable manufacturing processes to support a farm system that puts healthy soils and grower profitability back on the table. By combining Canadian-sourced nutrients with our proprietary delivery system, Replenish has developed a sustainable alternative to synthetic fertilizers that enhances overall soil function and biology while providing valuable plant-available nutrients farmers rely upon for healthy crops. To learn more about Replenish Nutrients products, visit our website at [www.replenishnutrients.com](http://www.replenishnutrients.com).

## About EarthRenew Inc.

Replenish Nutrients is a wholly-owned subsidiary of EarthRenew Inc. (CSE: ERTN) (OTCQB: VVIVF).

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Replenish Investor Relations

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## Cautionary Note Regarding Forward-Looking Information

This press release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to financial and operating results. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “will”, “may”, “would”, “should”, “could”, “plans”, “expects”, “budget”, “schedule”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes”, and similar expressions, including variations thereof and negative forms. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: general business, economic, competitive, geopolitical and social uncertainties; regulatory risks; other risks of the energy and fertilizer industries and other risk factors disclosed in our public disclosure which can be found under our profile on SEDAR at [www.sedar.com](http://www.sedar.com). Readers are cautioned that these risk factors should not be construed as exhaustive. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be

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accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

**Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.**

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