



EarthRenew Releases a Letter to Shareholders from the CEO

TORONTO, April 17, 2020 --

Dear shareholders

As we at EarthRenew Inc. (CSE:ERTH) (“**EarthRenew**” or the “**Company**”) look to tool up for commercial operations in the coming year, I want to take the time to provide a corporate update to our shareholders.

First, I would like to extend a sincere thank you to everyone for their support over the past several years while we’ve been preparing the Company for large scale rollout of our economic and earth-friendly organic fertilizer offerings. Our primary goal at EarthRenew is to become a world leader in the budding organic fertilizer market in just a few years’ time. I am very proud of the foundation we laid in 2019 and Q1 of 2020 to help reach that goal. We aim to be in a position to provide encouraging updates for shareholders in the near-term.

Let me briefly explain where we have come from, where we are at now, and where we see EarthRenew heading in the coming 12 to 24 months.

I was appointed President and CEO of EarthRenew in 2017. At the time, the facility was shuttered, and its patented technology had been, effectively, on the shelf for many years. We had limited information on historic trials, little insight into the technology, and no experience with the equipment.

In the year that followed, we compiled as much information as possible to determine whether the technology was still viable, completing a feasibility study, an engineering study and a marketing study to frame our understanding. Once we knew the technology was viable, we got to know our key asset, the Rolls Royce turbine, which we began testing in the spring of 2019. By the summer of 2019, we were generating electricity, and our electricity generation revenue began to roll in.

As we deepened our understanding of the technology, we were also busy renewing certifications of the product’s organic status with the Organic Material Review Institute, the Washington State Department of Agriculture, the California Department of Food & Agriculture and the Canadian Food Inspection Agency, as well as reviving our US patents and permits through the United States Department of Agriculture. Renewing these certifications is critical for EarthRenew as it is a requirement for the target markets we aim to penetrate including California, Washington State, Western Canada, and others.

As well, we obtained a facility permit extension from the Ministry of Alberta Environment and Parks and began an analysis of a new facility design at the Strathmore site designed to allow us to produce 10 tonnes of product per hour. The renewal for this approval comes up again in the fall and we are already well into the process of applying for continuing approval.

With facility planning well underway, and all permits and approvals in progress, our attention has turned toward validating some of the historical field trials that were conducted when the facility was first built in the early 2000s and developing future formulations for our organic bio-fertilizer offering. New formulations can provide several benefits, namely the ability to service a broader range of crops. We have recently completed new product formulation testing with CCm Technologies Ltd., a leader in CleanTech in the UK, that we expect will allow us to significantly increase the nitrogen content of our product and give us a unique competitive advantage in the market as few other players offer an organic fertilizer with a very high nitrogen component.

We have also incorporated softwood biochar into our base formulation and are able to offer this new odor-free version of our product for customers who are sensitive to this need.

In addition to investigating new formulations, our plan is to commence field trials and greenhouse trials this spring with academic partners who can assist with yield studies and offer us introductions to partners who can become customers and advocates of our product. These field trials are built upon a strong history of trials from the Company’s prior iteration. We intend to initially focus on the base formulation (original) and then shift to new formulations that we anticipate can offer value to crops with varying nutrient needs. Beginning in the 2nd quarter of 2020, and finishing at the end of the growing season, we intend to initiate field trials on broadacre and specialty crops. We plan to grow our understanding of crop yield in a variety of real-world scenarios. At the same time, we will also begin greenhouse studies that will help us understand germination rates of crops in a potted setting which can give an indicator of plant vigor. Successful field trials are projected to represent an inflection point as they are expected to give us the information we need to determine which organic fertilizer products to bring to market in the spring of 2021.

Well-Positioned in an Aggressive Growing Market

We believe that EarthRenew is well positioned to participate in a market that continues to gain momentum. The agriculture and agri-food sectors are key economic drivers in Canada and the organic food industry is considered one of the fastest growing sectors of this market.¹ *The World of Organic Agriculture* 2019 report noted that the total areas of organic farmland in Canada increased by more than 45% between 2011 and 2017, compared to a 1% decline in farmland overall. The Canadian Government estimates that the nation’s organic farming industry is made up of more than 4,200 certified organic and

transitional producers working on more than 930,000 hectares of land. We recognize that consumers are looking to the agri-food industry to produce healthy and environmentally sustainable organic food. To meet this demand, we project that farmers will need to consistently produce high-yield, chemical free crops. We believe that EarthRenew sits at the intersection of this need with a new organic fertilizer offering that helps farmers rebuild and sustain levels of soil health needed to grow such crops.

There is another key factor affecting the availability of chemical fertilizer: phosphate uncertainty. The majority of global phosphate production occurs in the Western Sahara in Morocco, which contains approximately 50 billion tons, or 72% of the 70 billion tons available worldwide². Together with China, Algeria, and Syria, the four nations with the largest phosphate reserves account for over 80% of the global supply³. As the demand for food supply increases around the world, we understand that reliance on phosphate has become a concern, prompting governments and private businesses to develop alternatives. Potentially, with future phosphorous supplies uncertain and over-use becoming a major issue, we believe that the timing is ripe for companies like EarthRenew who can offer new sources of nutrients for crops in the form of organic bio-fertilizers.

Furthermore, we are of the opinion that the use of organic-based fertilizers benefits the environment (and consumers) when you consider the decreased dependency on chemical-based fertilizers and the reduction of excess nutrients leaching into watersheds.

Addressing the Growing Challenges of Dealing with Manure Waste

We've discussed how EarthRenew's product benefits the soil to grow plants; EarthRenew also provides a solution for many livestock producers who would like to scale their operations, but are limited by their ability to handle disposal of manure waste. We see manure waste as a growing problem in many regions throughout North America due to the excess amounts of phosphorus contained in manure. While the nitrogen in manure is very useful for crops, the phosphorous, in excess, can leach into groundwater causing the familiar algae blooms we see in freshwater bodies. For example, Lake Erie has been battling algae blooms the last few summers, threatening the drinking water supply for millions of people, killing off fish populations and turning the water toxic over large areas. By co-locating at feedlots, EarthRenew presents a business solution that we anticipate will reduce or eliminate farmers excess manure problems.

Looking ahead, we anticipate starting the recommissioning of our facility at the Strathmore site, planning our expansion to locations across Canada and the US, and developing strategic partnerships that can grow product lines and generate economic synergies.

I would like to acknowledge the dedicated team at EarthRenew, our partners, our Board of Directors, and, once again, our shareholders. Every one of you has been instrumental in aligning all the necessary pieces of the puzzle so that we are in a position to enter field trials — a significant milestone that has the potential to validate our product offerings across a broad range of crops.

At EarthRenew, we aim to support a more sustainable agriculture model that can responsibly feed the Earth's growing population. EarthRenew has overcome many challenges to date, and we now have our resources fully focused on this exciting next phase of growth.

Keith Driver
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About Us

EarthRenew transforms livestock waste into concentrated organic fertilizer to be used by organic growers in Canada and the United States. Located on a 25,000 head cattle feedlot, our Strathmore plant is capable of producing up to four megawatts (MW) per hour of low-cost electricity powered by a natural gas fired turbine. The exhausted heat from the turbine is used to convert the manure into a variety of organic fertilizer formulations. At EarthRenew, our mission is to support a more sustainable agricultural model that can responsibly feed the Earth's growing population. Our fertilizers are formulated with organic ingredients that we believe perform as well as synthetics – all without harming the Earth.

Cautionary Note regarding Forward-Looking Information

This letter 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 EarthRenew's ability to sell electricity to the electrical grid, EarthRenew's ability to execute its business plan, our commercial production facility redevelopment plan, implementing CCM's technology into our processes, the evaluation and implementation of various technologies to increase and maximize the efficacy of our fertilizers, our ability to increase the organic nitrogen content of our pelleted fertilizer, our ability to develop specialist formulations in the future, anticipated future electricity prices in Alberta and EarthRenew's proposed business activity. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". 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; and other risks of the energy and fertilizer industries. 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 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.

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 letter.

¹ “The World of Organic Agriculture – Statistics & Emerging Trends 2019” Julia Lernoud and Helga Willer. 2019. <https://shop.fibl.org/chen/mwdownloads/download/link/id/1202/>

² “The Desert Rock That Feeds the World” A dispute over Western Sahara’s phosphate reserves could disrupt food production around the globe. Alex Kasprak. 2019. <https://www.theatlantic.com/science/archive/2016/11/the-desert-rock-that-feeds-the-world/508853/>

³ “Risks and Opportunities in the Global Phosphate Rock Market.” Robust Strategies in Times of Uncertainty. The Hague Centre for Strategic Studies. 2012. http://www.phosphorusplatform.eu/images/download/HCSS_17_12_12_Phosphate.pdf