



# Replenish Nutrients Announces Fourth Quarter and Year End Financial Results and Business Update

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OKOTOKS, AB, April 29, 2024 – Replenish Nutrients Holding Corp. (formerly EarthRenew Inc.) (CSE: EARTH) (OTC: VVIVF) (“Replenish” or the “Company”), is pleased to announce its fourth quarter and year end financial results and business update.

## Business Update and Market Outlook

2023 marked a productive year for Replenish on commercial, operational, product development and financial fronts. Commercially, the Company made significant progress on its goals to optimize and create key new commercial partnerships in its supply chain and distribution channels that have laid a strong foundation on which the Company can grow going forward. Operationally, Replenish continued to streamline its base blended fertilizer business and made significant progress improving the production quality and volume of its sold-out granulated fertilizer. On the product development front, Replenish continued to make key investments in its research and development programs through various successful field trials proving the value and efficacy of the Company’s fertilizer products as well as updated patent registrations and protections around the Company’s proprietary biologically-active regenerative fertilizer products and zero-waste, chemical-free manufacturing process. Financially, the Company demonstrated diligent cost control and disciplined working capital management as evidenced by significant reductions in selling, general and administration expenses and significant improvements in funds from (used-in) operations and cash from (used-in) operations. Separately, the Company continues to successfully capitalize on key government funding programs related to the Company’s research and development activities and was notably selected by Emissions Reduction Alberta (ERA) to receive up to \$7 million dollars in non-dilutive funding for the Company’s DeBolt manufacturing facility in the agriculturally dense Peace River region in Northern Alberta. These financial supports validate the importance of sustainable agriculture and food production as well as Replenish’s product efficacy and commercial viability in the market. The Company’s ERA application continues to progress as the Company works to secure the final portions of debt and equity financing. Further updates relating to the ERA grant will be made when available.

At a macro level, Replenish’s proprietary biologically-active regenerative fertilizer products and zero-waste, chemical-free manufacturing process are ideally positioned to capitalize on the multi-billion dollar investments and initiatives being made by governments and large multi-national corporations in sustainable food and agriculture practices. The Company expects this strong growth trend to continue and for growers to continue to adopt and invest in these areas, including key sustainability practices related to regenerative fertilizers and their critical importance to soil health and related nutrient density, crop health and crop yields.

The Company’s fourth quarter and full-year results were relatively modest compared to the prior year on the revenue and gross profit fronts, but these variances were expected due to lower fertilizer pricing compared to record highs in the prior year and due to the Company working through some higher cost inventory carried over from the prior year. Notably, total sales volumes for the year were similar with a slight decrease due to some seasonal variation in the fourth quarter where certain customers deferred purchasing decisions until the spring. Going forward, the Company expects to hold lower average inventory levels compared to 2022 and 2023 to limit financial exposure to commodity fluctuations, while growing demand through increased production of its sold-out granulated fertilizer and an overall increase in the awareness and demand for the Company’s regenerative fertilizer products.

Also, in 2024, the Company expects to steadily improve its gross profit and gross profit percentage as it works through some final higher cost inventory items and realizes higher pricing for its granulated fertilizer products. Subsequent to year end, the Company has already produced and sold the same amount of granulated fertilizer compared to all of 2023. While the Company expects to increase granulated production significantly in 2024, it expects most of this increase to be in the back half of the year from additional upgrades being made at the Beiseker facility in mid-2024. During this time, the blended fertilizer business should continue to benefit from lower average inventory costs and steadily improved pricing, allowing the business to maintain robust financial capitalization throughout the year.

Overall, Replenish is encouraged by the tremendous progress made in 2023 and early 2024 on the commercial, operational, product development and financial fronts previously discussed. Upon completion of the Beiseker facility upgrade in mid-2024, which will increase granulated fertilizer production, the Company expects to be well positioned to unlock the significant financial



value in its commercial, operational, and product development investments in the midst of a macro economic environment investing billions of dollars in sustainable agriculture.

### **Consolidated Financial Highlights**

- Net earnings of \$0.9 million and \$0.1 million compared to a net loss of \$3.4 million and \$7.1 million in the prior year, an improvement of \$4.3 million and \$7.2 million, respectively for the 3 and 12 month period.
- Cash flows used-in operating activities of \$0.3 million and \$0.5 million compared to cash flow from operating activities of \$0.9 million and cash flow used-in operating activities of \$6.3 million. While the 3 month period saw a decrease of \$1.2 million in operating cash flow compared to the same period in the prior year, the 12 month period showed an improvement of \$5.8 million in operating cash flow from diligent cost control and working capital management.
- Revenues of \$3.6 million and \$13.9 million compared to \$4.4 million and \$17.3 million in the prior year. Record-high commodity pricing in 2022 and seasonal variation in fourth quarter volumes account for the higher revenues in the prior year periods.
- Gross profit of \$0.2 million and \$1.4 million compared to \$1.2 million and \$2.1 million in the prior year. Record-high commodity pricing in 2022, seasonal variation in fourth quarter volumes, and higher inventory costs account for the lower gross profit compared to the same periods in the prior year periods.

### **About Replenish Nutrients**

Replenish Nutrients is an agriculture bioscience company and a leading intellectual property developer of regenerative and sustainable fertilizer solutions and manufacturing processes that support a healthy soil ecosystem and grower profitability. Through proprietary fertilizer products containing essential nutrients, biological material and a chemical-free, zero-waste manufacturing process, 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 and sustainable farming business models. Replenish Nutrients is a wholly-owned subsidiary of Replenish Nutrients Holding Corp. (CSE: ERTN) (OTC: VVIVF). To learn more about Replenish visit our website at [www.replenishnutrients.com](http://www.replenishnutrients.com).

### **About Replenish Nutrients Holding Corp. (formerly EarthRenew Inc.)**

Replenish Nutrients Ltd. is a wholly owned subsidiary of Replenish Nutrients Holding Corp. (formerly EarthRenew Inc.) (CSE: ERTN) (OTC: VVIVF).

For additional information, please contact:  
Replenish Nutrients Investor Relations  
Email: [info@replenishnutrients.com](mailto:info@replenishnutrients.com)

### **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.sedarplus.ca](http://www.sedarplus.ca). 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 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.



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