Date: November 22, 2019

This Management's Discussion and Analysis ("**MD&A**") provides a discussion and analysis of the financial condition and results of the operations of EarthRenew Inc. ("**EarthRenew**" or the "**Company**"), to enable a reader to assess material changes in the financial condition and results of operations as at and for the three and nine months ended September 30, 2019 and 2018. The MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements as at and for the three and nine months ended September 30, 2019 and 2018. All amounts included in the MD&A are expressed in Canadian dollars, unless otherwise specified.

The Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as published by the International Accounting Standards Board. Please refer to Note 2 of the annual audited consolidated financial statements as at and for the years ended December 31, 2018 and 2017 for disclosure of the Company's significant accounting policies.

Additional information about the Company may be found on SEDAR at www.sedar.com, and on the EarthRenew website at www.EarthRenew.ca.

The audit committee of the Company has reviewed this MD&A and the condensed interim consolidated financial statements for the three and nine months ended September 30, 2019 and 2018, and the Company's Board of Directors approved these documents prior to their release.

Overview and Strategy

EarthRenew is a publicly-traded Canadian sustainable power-generation company listed on the Canadian Securities Exchange. In the future, waste heat from power generation can be used to process and deliver nutrient-rich, slow-release pelleted organic fertilizers. EarthRenew's competitive advantage rests in its unique ability to convert natural gas to electricity from an industrial-sized gas turbine, and in so doing, capturing waste heat exhaust to dry manure feedstock and produce organic fertilizer. EarthRenew has a commercial scale power generation and organic fertilizer plant in Strathmore, Alberta (the **"Strathmore Plant**") that is located on a 25,000 head cattle feedlot.

The Strathmore Plant has the capacity to generate approximately four MWh of electricity per hour. EarthRenew restarted its electricity generation operations at the Strathmore Plant in Q3-2019. This electricity, which is already synchronized with the electrical grid system, can be used for other applications at the Strathmore Plant or sold to the electrical grid to meet price spikes occasioned by supply shortages and/or sudden surges in the demand for electricity.

Phase 2 of the Strathmore Plant restart is targeted for the second quarter of 2020. EarthRenew intends to use about 1.0MW of the 4.0 MW generated by the Strathmore Plant to power the fertilizer production equipment and produce pelleted organic fertilizers. The Strathmore Plant (first commissioned in 2008) has proven capable of producing sellable organic fertilizers. EarthRenew intends to upgrade the existing facility to address past design and process limitations and has engaged a team of engineers, construction and supply chain management to recommission the organic fertilizer production component. The engineering review project to advance the upgrades is now underway and is expected to be completed in the second quarter of 2020. The engineering review is designed to support the project financing and final design activites required prior to construction at the site.

EarthRenew intends to re-start the fertilizer production facility at the Strathmore Plant to produce as much as 60,000 tonnes of fertilizers annually for sale in the Mid-Western United States and Western Canada. EarthRenew has executed an off-take agreement with Sun Country Organics pursuant to which substantially all the organic fertilizer produced by EarthRenew at the Strathmore Plant will be purchased by Sun Country Organics for wholesale and retail distribution.

On April 3, 2019, the Company announced that it had received certification from the Organic Material Review Institute for its new organic fertilizer pellet formula. EarthRenew's fertilizer product is approved for use in compliance with the USDA National Organic Program and Canada's Organic Regime, which will allow the Company to offer certified organic fertilizer pellets to customers in Canada and the United States.

On October 1, 2019, the Company entered into a power purchase agreement ("PPA") with BTF Blockchain Inc. for up to 3.0 MW of power at its Strathmore, Alberta facility. The pricing for the PPA sets a floor price and then floats with the market price, allowing EarthRenew to fully capitalize on the revenue potential of its electricity generation capacity. Under the PPA, EarthRenew has the right to sell solely to the electricity grid when power prices set by the Alberta Electrical System Operator are forecast to exceed $0.065 per kWh. The PPA also provides a floor price for the power from the facility, $0.045 per kWh, allowing for continuous operation of the turbine at the site.

On October 16, 2019, EarthRenew's fertilizer formulations were granted the required approvals under the California Fertilizing Materials Law and Regulations and USDA National Organic Program standards. These certifications will allow the Company to sell its organic fertilizer in the sizable California market. In addition, EarthRenew also received approval from the Canadian Food Inspection Agency to sell all of its organinc fertilizer products across Canada once the Strathmore plant is in production.

The Company continues to progress with the redevelopment of the Strathmore Plant. This process is expected to include additional field trials with the revised product formulations for 2020 and a redevelopment of the facility in time to deliver products in 2021.

As a third phase of EarthRenew's growth and expansion plans, management is working to identify and analyse potential locations in Europe and North America suitable for additional power generation and organic fertilizer production facilities such as the Strathmore Plant. To that end, EarthRenew has entered into a Letter of Intent with a UK dairy operation to develop plans to build a second facility like the Strathmore Plant co-located with the dairy.

Outlook

EarthRenew is seeking to maximize the value of the power generation facilities by building on-site demand (including a neighboring feedlot site). To accomplish this objective, EarthRenew intends to:

- Maximize the value of the electricity through consistent behind the fence load development. This includes direct connection into the neighbouring feedlot and power purchase relationships with cryptocurrency miners.
- Produce excess power on an opportunistic basis to capture periods of elevated pricing available over extended periods on the Alberta electricity grid.

Milestones

- Develop additional opportunities for consistent base load with on-site and neighbouring site clients (ongoing through 2019).

Management Changes

On July 8, 2019, the Company announced the appointment of Mr. Chris Best to the Board of Directiors. Mr. Best has over 25 years experience in the energy sector. He has held a variety of positions in integrated oil and gas companies, pipelines, utilities, energy marketers, and independent power producers. Mr. Best holds a B.Comm in Finance from the University of Calgary, Faculty of Management, Haskayne School of Business.

On November 5, 2019, Mr. David Argyle resigned from the Board of Directors.

(in Canadian dollars, unless otherwise noted)

Select Annual Information

Select annual financial information for the years ended December 31, 2018, 2017 and 2016 is presented in the table below:

	December 31, 2018	December 31, 2017	December 31, 2016
Revenue	$ 34,967	$ -	$ 266,126
Net income/(loss)	(4,516,596)	2,260,781	(572,996)
Net income/(loss) per share	(0.08)	0.08	(0.02)
Working capital*	246,732	(2,357,986)	(9,026,966)
Total Assets	5,248,395	4,934,013	4,336,095
Total non-current liabilities	-	-	-

Select Quarterly Information

Select quarterly financial information for the most recent eight quarters is presented in the table below:

	Q3-2019 $	Q2-2019 $	Q1-2019 $	Q4-2018 $	Q3-2018 $	Q2-2018 $	Q1-2018 $	Q4-2017 $
Revenues	47,153	15,844	4,002	3,628	23,842	7,497	-	-
Net income/(loss)	(232,739)	(358,515)	(267,330)	3,825,707	(216,565)	(259,842)	(214,481)	537,036
Net income/(loss) per share	(0.00)	(0.00)	(0.01)	(0.07)	0.00	(0.01)	(0.00)	0.02
Working capital*	(1,459,073)	(1,226,695)	(807,854)	246,732	(3,103,950)	(2,892,726)	(2,635,446)	(2,357,986)
Total Assets	5,000,777	5,208,906	5,597,443	5,248,395	4,297,964	4,282,490	4,354,351	4,934,013
Total non-current liabilities	78,261	296,299	510,034	-	-	-	-	-

*Working capital is defined as current assets minus current liabilities. Working capital is a non-IFRS figure without a standardized meaning. Please see "Non-IFRS Measures" for a reconciliation.

Factors Affecting Comparability of Quarters

Results of operations can vary significantly due to a number of factors. The Company's level of activity and expenditures during a specific quarter are influenced by a number of factors, including the level of working capital, the availability of external financing, the nature of activity, and the number of personnel required to advance each individual project.

The Company had no energy sales in 2017 or 2018. The Company started earning revenue in Q2-2018 from its Bitcoin mining activities and in Q3-2019 from electricity sales.

Net loss has fluctuated quarterly, reflecting the increase in the Company's operating costs. The net income generated in Q4-2018 was a result of gains from the settlement of debt and reversal of previously accrued management fees. The net losses incurred by the Company from Q1 to Q3-2018 were consistent, but the Q4-2018 loss is significantly higher due to transaction costs related to the reverse takeover transaction, offset by a gain on debt settlement.

The adoption of IFRS 16 resulted in a long-term liability being recognized in Q1-2019. There were no other significant changes in accounting policies during the eight recent quarters that gave rise to significant variances.

Results of Operations

During the three and nine months ended September 30, 2019, the Company recorded a (loss) of $(232,739) and $(858,584), or $(0.00) and $(0.01) per share, respectively, compared with a (loss) of $(216,565) and $(690,889), or $(0.00) and $(0.01) per share, respectively, during the comparable three and nine months ended September 30, 2018.

Electricity sales were $47,153 and $47,153 in the three and nine months ended September 30, 2019, compared to $nil and $nil in the three and nine months ended September 30, 2018. The Company re-started its electricity generation activities in Q3-2019.

Professional, consulting and management fees were $160,373 and $504,105 in the three and nine months ended September 30, 2019, compared to $204,674 and $540,589 in the three and nine months ended September 30, 2018.

General and administrative expenses were $33,322 and $138,873 in the three and nine months ended September 30, 2019, compared to $24,326 and $110,659 in the three and nine months ended September 30, 2018.

Shareholder communication and filing fees were $14,729 and $95,175 in the three and nine months ended September 30, 2019, compared to $Nil and $Nil in the three and nine months ended September 30, 2018. The increase is a result of additional costs incurred since the reverse takeover transaction was completed in 2018.

Utilities and maintenance expenses were $5,588 and $159,137 for the three and nine months ended September 30, 2019, compared to $5,677 and $51,300 in the three and nine months ended September 30, 2018. The increase is a result of expenditures related to re-commencing electricity generation operations at the Strathmore Plant.

Travel and accommodation expenses were $nil and $6,070 for the three and nine months ended September 30, 2019, compared to $1,888 and $13,277 in the three and nine months ending September 30, 2018.

Amortization expense was $178,409 and $485,227 for the three and nine months ended September 30, 2019, compared to $3,842 and $6,404 in the three and nine months ending September 30, 2018. The expenses in 2019 related to the Company's Bitcoin mining equipment and electricity generation turbine, as well as the impact of the Company's adoption of IFRS 16.

Cash flows

During the nine months ended September 30, 2019 the Company used cash in operating activities of $762,195, compared to $366,128 in the nine months ended September 30, 2018. The increase was primarily due to increased corporate overheads and non-cash expenses related to the adoption of IFRS 16, the new standard for accounting for leases.

During the nine months ended September 30, 2019, investing activites generated $55,000 from the sale of equipment, compared to $61,479 cash used in the purchase of equipment during the nine months ended September 30, 2018.

During the nine months ended September 30, 2019 financing activities used $103,979 in cash for the repayment of loans and lease payments. During the nine months ended September 30, 2018, the Company used $297,142 in financing activities for loans received and repaid.

(in Canadian dollars, unless otherwise noted)

Liquidity and Capital Resources

Given the nature of the Company's operations, the most relevant financial information relates primarily to current liquidity, solvency and planned expenditures. The Company's financial success will be dependent upon the successful restart of the turbine and the resulting electricity production. Development may take years to complete and the amount of resulting income, if any, is difficult to determine. The Company currently has a negative operating cash flow and finances its operations through equity financings. The Company's financial success will be dependent on the economic viability of its projects.

As at September 30, 2019, the Company had a working capital deficiency of $1,459,073 (December 31, 2018 - working capital surplus of $246,732), which included a cash balance of $74,699 (December 31, 2018 - $885,873), amounts receivable of $67,614 (December 31, 2018 - $89,608), digital assets of $6,102 (December 31, 2018 - $4,117), and prepaid expenses of $56,454 (December 31, 2018 - $33,210). These current assets were offset by accounts payable, accrued, and lease liabilities of $1,663,942 (December 31, 2018 - $766,076).

The Company's estimate of the adequacy of its working capital is a forward-looking statement as it involves known and unknown risks, uncertainties and other factors. Actual results could differ, perhaps materially, with the result that the adequacy of working capital required for fiscal year 2019 expressed by such forward-looking statements is materially different than so stated. Also, the ability of the Company to successfully acquire and develop projects or to continue development of its current project is conditional on its ability to secure financing when required. The Company proposes to meet any additional financing requirements through equity financing when required. In light of the continually changing financial markets, there is no assurance that funding by equity subscriptions will be possible at the times required or desired by the Company. See "Cautionary Statement Regarding Forward-Looking Information".

Non-IFRS Measures

The Company has included a Non-IFRS performance measure, working capital, throughout this document. This is a common Non-IFRS performance measure but does not have a standardized meaning. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, we and certain investors use this information to evaluate the Company's performance and ability to generate cash, profits and meet financial commitments. This Non-IFRS measure is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The following tables provide a reconciliation of working capital to the financial statements as at September 30, 2019 and December 31, 2018.

	September 30, 2019	December 31, 2018
Current assets		
Cash	$ 74,699	$ 885,873
Amounts receivable	67,614	89,608
Digital assets	6,102	4,117
Prepaid expenses	56,454	33,210
	204,869	1,012,808
Current liabilities		
Accounts payable and accrued liabilities	$ 817,273	$ 711,597
Current portion of lease liabilities	846,669	-
Loans from related parties	-	54,479
	1,663,942	766,076
Working Capital, (current assets less current liabilities)	$ (1,459,073)	$ 246,732

Capital Risk Management

The Company's capital includes cash and equity, comprised of issued shares, share-based payment reserve and deficit, in the definition of capital. The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company in order to support the acquisition and project development. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management and consultants to sustain future development of the business.

The Company is dependent upon external financings to fund activities. In order to carry out planned engineering, test work, advancement and development of projects, and pay for administrative costs, the Company will spend working capital and expects to raise the additional funds from time to time as required.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable given the relative size of the Company. There were no changes in the Company's approach to capital management during the nine months ended September 30, 2019. The Company is not subject to externally imposed capital requirements.

Commitments and Contingencies

Management Contracts

The Company is party to certain management contracts. These contracts contain minimum commitments and additional contingent payments upon the occurrence of a change of control. As the likelihood of a change of control is not determinable, the contingent payments have not been reflected in these financial statements.

Legal contingencies

The Company is, from time to time, involved in various claims and legal proceedings. The Company cannot reasonably predict the likelihood or outcome of these activities. The Company does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount that may be required to be paid in connection thereto, will have a material effect on the financial condition or future results of operations. As at September 30, 2019, no amounts have been accrued related to such matters.

Environmental Commitments

The Company's activities are subject to various federal, state and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Transactions with Related Parties

The Company shares office space with other companies who may have common officers or directors. The costs associated with this space are administered by an unrelated company.

As at September 30, 2019, an amount of $253,582, included in accounts payable, was owed to directors and officers of the Company. The amounts outstanding on fees are unsecured, non-interest bearing, with no fixed terms of repayment.

Director and officers periodically advance funds to the Company. These advances are unsecured and bear interest at 5%. An advance from a director of the Company totaling $54,479, including interest, was repaid on January 17, 2019.

Compensation of key management personnel of the Company

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. The remuneration of directors and key executives is determined by the compensation committee having regard to the performance of individuals and market trends. During the nine months ended September 30, 2019 and 2018, the remuneration of directors and other key management personnel are as follows:

	Nine months ended September 30,	
	2019	2018
Management fees	$ 198,000	$ 180,000
Share-based payments	30,960	-

Financial Instruments

The carrying value of cash and cash equivalents, prepaid expenses, sundry receivables, accounts payable and finance leases approximate their fair values due to the short maturity of those instruments.

The Company's risk exposures and their impacts on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for managing risk during the nine months ended September 30, 2019.

Credit risk
The Company's credit risk is primarily attributable to cash and amounts receivable. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consist of cash held in financial institutions from which management believes the risk of loss to be remote.

Liquidity risk
The Company manages liquidity risk by maintaining adequate cash and cash equivalent balances. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

As at September 30, 2019, the Company had a cash balance of $74,699 (December 31, 2018 - $885,873) to settle current liabilities of $1,663,942 (December 31, 2018 - $766,076).

Market risk
(a) Interest rate risk
The Company's cash equivalents are subject to interest rate cash flow risk as they carry variable rates of interest. The Company's interest rate risk management policy is to purchase highly liquid investments with a term to maturity of one year or less on the date of purchase.

Currency Risk
The Company funds the operations and maintains a head office in Canada. A portion of the Company's expenses are denominated in U.S. dollars and Canadian dollars. Consequently, the Company is exposed to fluctuations in foreign exchange rates. The Company has not used derivative instruments to reduce its exposure to foreign exchange fluctuations. The Company does not engage in any hedging activity to mitigate this risk.

Critical Accounting Policies

The Company's significant accounting policies are described in Note 2 to the audited consolidated financial statements for the year ended December 31, 2018. The preparation of statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

New accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2019 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded.

IFRS 16 – Leases ('IFRS 16") replaces IAS 17, Leases ("IAS 17"). The new model requires the recognition of almost all lease contracts on a lessee's statement of financial position as a lease liability reflecting future lease payments and a 'right-of-use asset' with exceptions for certain short-term leases and leases of low-value assets. In addition, the lease payments are required to be presented on the statement of cash flow within operating and financing activities for the interest and principal portions, respectively. The Company applied IFRS 16 on January 1, 2019 using the modified retrospective approach, with the cumulative effect of initially applying the standard as an adjustment to retained earnings and no restatement of comparative information. Upon adoption, the Company has elected to apply the available exemptions for short-term leases and leases of low-value assets. The Company has also elected to apply the practical expedient whereby leases whose term ends within 12 months of the date of the initial application would be accounted for in the same way as short-term leases.

The lease liability is initially recognized as the present value of future lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's applicable incremental borrowing rate. The incremental borrowing rate is the rate which the Company would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset. The Company has included the estimated extension of their leases in the lease term in assessing the present value of future lease payments. The lease liability is subsequently measured by reducing the carrying amount to reflect lease payments made and to reflect any reassessments or modifications.

The right-of-use asset is initially measured at cost, which comprises the amount of the initial measurement of the lease liability and any lease payments made at or before the commencement date. The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Right-of use assets are depreciated in accordance with the Company's accounting policy for property, plant and equipment.

On January 1, 2019, the Company recognized right-of-use assets of $1,100,548, net of accumulated depreciation, total lease liabilities of $1,505,699 and an adjustment to retained earnings of $405,151.

Risks and Uncertainties

Electricity Generation

Changes in the Price of Electricity

A portion of EarthRenew's revenues will be tied, either directly or indirectly, to the market price for electricity. Market electricity prices are impacted by a number of factors including: the strength of the economy, the available transmission capacity, the price of fuel that is used to generate electricity (and, accordingly, certain of the factors that affect the price of fuel described below); the management of generation and the amount of excess generating capacity relative to load in a particular market; the cost of controlling emissions of pollution, including the cost of carbon; the structure of the particular market; and weather conditions that impact electrical load. As a result, EarthRenew cannot accurately predict future electricity prices and electricity price volatility could have a material adverse effect on EarthRenew.

Regulatory Risk

The regulatory framework under which power generation is governed is impacted by significant shifts in government policy and changes in government, which creates uncertainty about public policy priorities and directions, particularly around electricity and environmental issues. The regulations that govern the competitive wholesale and retail electricity markets in Alberta continue to evolve and the extent to which the government of Alberta may participate in, and make adjustments to, the regulations cannot be foreseen.

Third Party Transmission Systems

The Strathmore Plant relies on a regional transmission system and related facilities that are owned and operated by third parties and have both regulatory and physical constraints that could impede EarthRenew's access to electricity markets. EarthRenew's power generation facilities depend on electric transmission systems and related facilities owned and operated by third parties to deliver the electricity that is generated to delivery points where ownership changes. These grids operate with both regulatory and physical constraints which in certain circumstances may impede access to electricity markets. There may be instances in system emergencies in which power generation facilities are physically disconnected from the power grid, or production curtailed, for short periods of time. In addition, EarthRenew's power generation facilities in the future may not be able to secure access to this interconnection or transmission capacity at reasonable prices, in a timely fashion or at all, which could then cause delays and additional costs in attempting to negotiate or renegotiate applicable power purchase agreements. Any such increased costs and delays could delay the commercial operation dates of any new projects and negatively impact EarthRenew's revenues and financial condition.

Organic Fertilizer Production

Limited Operating History

EarthRenew commenced commercial operations at its Strathmore Plant in April 2008. Future growth plans involve expansion in the United States or Europe where EarthRenew has not developed a plant or produced fertilizer. Accordingly, EarthRenew will have a relatively limited operating history from which an investor can evaluate its business and prospects. EarthRenew has generated net losses and negative cash flow from operations since the commencement of operations and EarthRenew is expected to incur net losses and negative cash flow from operations for a significant period of time as it expands its operations, re-launches organic fertilizer productions and applies for regulatory permits and approvals.

Unproven Products and Unproven Markets

EarthRenew's fertilizer products are relatively new and are unproven in the marketplace. There are no assurances that EarthRenew's products will receive the broad market acceptance required for commercialization. Actual or perceived problems with quality control, performance or cost effectiveness of our products, including in relation to competition or alternative products, may lead to a lack of confidence and harm EarthRenew's ability to successfully commercialize its products.

The market for EarthRenew's products is undeveloped and development of such markets will require significant marketing efforts, working capital and increased sales and marketing staff. This may present difficulties due to limited resources as the price at which EarthRenew may sell its products in commercial quantities has not yet been fully determined. EarthRenew may be required to modify its growth strategy as a result of actual or anticipated competition, customer response, lack of resources, regulatory requirements or other reasons. Operating results and the price at which EarthRenew will be able to sell its products and services will be highly dependent on the existence of a market for such products and overall farm receipts.

Success in marketing and selling products will depend upon multiple factors, including:

- the effectiveness of the products;
- the ability of EarthRenew to locate additional hosts and add sufficient manufacturing capacity at an acceptable cost and in compliance with regulatory requirements;
- the ability to generate commercial sales of products;
- acceptance of products and services by target markets;
- inherent development risks, such as fertilizer products not having the anticipated effectiveness;
- preclusion or obsolescence resulting from a third party developing superior or equivalent products;
- the ability to develop repeatable processes to manufacture our products in sufficient quantities; and
- general economic conditions.

If any of these factors cannot be overcome, EarthRenew may not be able to introduce products to target markets in a timely or cost-effective manner, which could adversely affect future growth and results of operations.

There can be no assurance that illustrative or indicative use information in respect of products contained in this MD&A will reflect actual use of our products by growers. In adopting our products, growers will adopt and use product in accordance with their own circumstances and may in particular stage the adoption of product over time, or blend or use our fertilizer with other fertilizers, which may affect the demand for products.

Operating results and the price at which EarthRenew can sell products will be dependent on demand for products. Demand for products will be affected by a number of factors including weather conditions, commodity prices, and government policies. It is likely that the price at which EarthRenew sells its products will fluctuate if there are significant changes in the price and availability of other fertilizer products.

EarthRenew's technology has not yet been commercialized outside of the Strathmore Plant or in other industries. There can be no assurance that EarthRenew will be able to commercialize this technology or that EarthRenew will be able to enter into licensing, joint ventures or other arrangements to develop other applications for this technology at other locations.

Product Price and Margin

Operating results are and will be dependent upon product prices and margins, which are in turn dependent on demand for crop inputs. Demand for crop inputs can be affected by a number of factors including weather conditions, outlook for crop nutrient prices and farmer economics, governmental policies, access of our customers to credit, and build-up of inventories in distribution channels.

Product price and margins are also significantly influenced by competitor actions that change overall industry production capacity, such as decisions to build or close production plants, changes in utilization rates and pricing decisions.

Competition

The fertilizer manufacturing and electricity generation industries in which we operate are highly competitive. Although EarthRenew does not produce the same products as traditional fertilizer producers, management of EarthRenew anticipates that future sales, pricing and margins will be affected by the price and availability of traditional soil products such as nitrogen-based fertilizers, the price of which is highly dependent on inputs such as natural gas. If the price and availability of traditional fertilizer products is attractive, future sales, pricing and margins may suffer which could have a material adverse effect on our business and financial condition. Competitors in the traditional fertilizer industry are larger and have better access to capital and resources than EarthRenew which could affect its ability to compete. A competitor or a new entrant could invent a technology or process that is superior to EarthRenew's technology or process and this would have an adverse effect on its ability to compete. We will also compete for host manure sites and for an adequate supply of inputs. A failure to secure future host sites will have a material adverse effect on the growth prospects of EarthRenew.

Production Process

Under EarthRenew's manufacturing model, it has developed and established, and will continue to develop and establish, manufacturing processes and systems at the Strathmore Plant.

EarthRenew's manufacturing process is a highly automated and complex process that requires extreme precision and quality control throughout each production stage. The Strathmore Plant consists of multiple components, all of which must be run on an integrated and coordinated basis. There can be no assurance that each component will continuously operate as designed or expected or that the necessary levels of integration and co-ordination will continuously be achieved. Any difficulties encountered in our manufacturing process could adversely affect the ability to produce products, thereby affecting EarthRenew's ability to meet customer expectations and may adversely affect the business and financial results.

Intellectual Property

EarthRenew relies on a combination of patents, trademarks, trade secrets, confidentiality agreements and other contractual restrictions on disclosure to protect its intellectual property rights. EarthRenew also enters into confidentiality agreements with employees, consultants, hosts and other third parties, and controls access to and distributions of confidential information.

EarthRenew's success will depend in part on its ability to maintain or obtain and enforce patent and other intellectual property protection for processes, products and technology, to preserve trade secrets and to operate without infringing upon the proprietary rights of third parties. Setbacks or failures in these areas could negatively affect EarthRenew's ability to compete and materially and adversely affect its business and financial condition. EarthRenew has obtained patents or filed patent applications in the United States, Canada and internationally and may, in the future, seek additional patents or file additional patent applications. Certain aspects of EarthRenew's technology are currently protected as trade secrets, for which we may or may not file patent applications.

There can be no assurance that EarthRenew's patents or patent applications will be valid or will issue over prior art, or that patents will issue from the patent applications that have been filed or will be filed. Additionally, there can be no assurances that the scope of any claims granted in any patent will provide us with adequate protection for the processes used by us currently or in the future. EarthRenew cannot be certain that the creators of EarthRenew's technology were the first inventors of inventions and processes covered by patents and patent applications or that they were the first to file. Accordingly, there can be no assurance that EarthRenew's patents will be valid or will afford EarthRenew with protection against competitors with similar technology or processes. Despite efforts to protect proprietary rights, unauthorized parties may attempt to copy or otherwise obtain and use proprietary information. Monitoring unauthorized use of confidential information is difficult and there is no certainty that steps EarthRenew take to prevent unauthorized use of patented products or confidential information will be effective.

EarthRenew may deem it necessary or advisable to commence litigation to enforce our intellectual property rights. Others may claim that EarthRenew has infringed upon their intellectual property rights and commence litigation against EarthRenew. EarthRenew's commercial success depends in part on its ability to operate without infringing the patents and other proprietary rights of third parties. Infringement proceedings relating to intellectual property are often lengthy, costly and time-consuming and their outcome is uncertain. Moreover, if competitors prepare and file patent applications to claim technology that is also claimed by EarthRenew, EarthRenew may be forced to participate in interference proceedings to determine priority of invention. Litigation and participation in such proceedings could result in substantial costs and diversion of the efforts of EarthRenew, even if the eventual outcome is favourable. Litigation could also subject EarthRenew to significant liabilities to third parties, require disputed rights to be licensed from third parties or require EarthRenew to cease using certain technology. If EarthRenew becomes involved in any patent litigation, interference, opposition or other administrative proceedings, EarthRenew will incur substantial expense and the efforts of technical and management personnel will be significantly diverted. As a result of such litigation or proceedings EarthRenew could lose its proprietary position and be restricted or prevented from manufacturing products, incur significant damage awards, including punitive damages, or be required to seek third-party licenses that may not be available on commercially acceptable terms, if at all. In addition, EarthRenew may lack the resources, whether financial or otherwise, to monitor, prosecute and enforce intellectual property rights.

Host Industry Risks and Dependence on Hosts

EarthRenew's operations will be exposed to the same industry risks faced by hosts it engages with for power generation and organic fertilizer production. These risks include the risk of diseases such as BSE, avian flu or hoof and mouth disease. New regulations resulting from these diseases may have a negative impact on hosts and, as a consequence, EarthRenew's operations. If any area in which EarthRenew operates is affected by these diseases, plants may be shut down or substantially impeded in their operation which could have a material adverse effect on business and financial conditions. Risks faced by hosts do include those risks associated with cattle, dairy or poultry operations, as the case may be; including weather, pricing and availability of other inputs, product prices and all other matters affecting their commercial operation and viability.

EarthRenew will depend on hosts for the materials needed to manufacture organic matter fertilizers. It is expected that each plant will be dependent on a single host and the loss of any such host would result in a disruption in production from such plant. If this were to occur, it may be difficult to arrange a replacement supplier, because such plants cannot easily be physically relocated. Hosts may encounter problems in providing EarthRenew with an adequate supply of the inputs required due to a variety of reasons, including failure to comply with applicable regulations and environmental factors. If hosts are unable to provide sufficient quantities of the inputs that are depended on to manufacture products on a timely basis or if delays or contractual or other difficulties in relationships with hosts are encountered, then the manufacture of products may be disrupted, which could have a materially adverse effect on operations, revenues and financial condition: EarthRenew intends to enter into long term agreements with hosts; however there is no guarantee that such hosts will be able to meet their commitments under such agreements nor is there any assurance that EarthRenew will enter into a sufficient number of such long term agreements. It is anticipated that host agreements will provide for the delivery of specified amounts of input for such plants. These required specified amounts may not be sufficient to operate these plants at expected or full rates and the host may not be able to supply amounts in addition to the specified amounts. In these circumstances, EarthRenew may have to source additional inputs to operate at expected levels and there is no assurance EarthRenew will be able to find additional input supply. It is also expected that host agreements provide that in certain circumstances, including in unusually wet weather conditions, or, after an initial five year period in the case where the host is unable to operate at a profit and so reduces the number of cattle maintained at its site, the host is excused from its obligations to provide input to its plants. In addition, as plants will be located on property leased from various hosts, EarthRenew may become liable for a failure by its hosts, or any other person owning the real property upon which such plants are located, to comply with environmental laws and regulations.

Dependence on Single Plant

EarthRenew currently depends on a single plant to manufacture its product and generate revenue. All of EarthRenew's anticipated revenue for the foreseeable future will be derived from product and electricity that is produced at the Strathmore Plant. The Strathmore Plant is not operating at its base load production level. If the Strathmore Plant does not operate as planned or does not reach its targeted base load production level, EarthRenew may need to incur additional expense and spend additional time to increase production at that plant, which may temporarily reduce production levels and increase production costs.

Volatility of Electricity and Natural Gas Prices

EarthRenew's future revenue will be dependent on the market prices of electricity and natural gas. The market rates of electricity and natural gas may be affected by changes in regulations and government policy and in demand and capacity supply, including cyclical changes, as well as the overall economy. Electricity markets are subject to regulatory developments within the jurisdictions in which EarthRenew operates (or intends to operate) or sell electricity and other external factors outside its control, which developments or factors may negatively impact electricity markets, pricing, transmission development and investment. This volatility may have a material adverse effect on EarthRenew's business and financial condition.

To the extent that electricity prices do not increase in tandem with any future increases in natural gas prices, EarthRenew's operating results will be adversely affected as it will not be able to sell the electricity produced by these plants at levels sufficient to offset a majority of the cost of the natural gas it will have to purchase to power such plants.

Government Regulation

EarthRenew's operations will be subject to a variety of federal, provincial, state and local laws, regulations, and guidelines, including laws and regulations relating to health and safety, manure management, production and sale of fertilizers, including for organic farming use, the conduct of operations, the protection of the environment, the operation of equipment used in operations, the sale of electricity and the transportation and the import and export of products. EarthRenew believes that it is currently in compliance with such laws and regulations. EarthRenew intends to invest financial and managerial resources to ensure such compliance in the future. Although such expenditures historically have not been material, such laws or regulations are subject to change. Accordingly, it is impossible for us to predict the cost or impact of such laws and regulations on our future operations.

Organic Approvals

To sell EarthRenew's fertilizer for use in certified organic crop production, EarthRenew will be reliant on being approved for such use by various approval agencies in accordance with applicable regulatory standards. EarthRenew's products are currently approved for use in certified organic crop production in the U.S. and Canada. There can be no assurance that EarthRenew will be able to obtain approval for use of its products for organic agriculture in, or export to, other countries, in particular in Europe.

Operating Risks and Insurance

EarthRenew's operations will be subject to hazards inherent in the fertilizer manufacturing and sale and electrical generation industries, such as labour disruptions and unscheduled downtime, equipment defects, malfunctions and failures, loss of product in processing, and natural disasters, that can cause personal injury, loss of life, suspension of operations, damage to plants, business interruption and damage to or destruction of property, equipment and the environment. These risks could expose us to substantial liability for personal injury, wrongful death, property damage, pollution, and other environmental damages and the imposition of civil or criminal penalties. The frequency and severity of such incidents will affect operating costs, insurability and relationships with customers, employees and regulators. In the event of equipment defects, malfunctions or failures, there can be no assurance that supplier warranties will be effective to compensate us for any losses.

EarthRenew will continuously monitor its activities for quality control and safety. However, there are no assurances that safety procedures will always prevent the damages described above. Although EarthRenew will maintain insurance coverage that it believes to be adequate and customary in the industries in which it operates, there are no assurances that such insurance will be adequate to cover all liabilities. In addition, there are no assurances that EarthRenew will be able to maintain adequate insurance in the future at rates it considers reasonable and commercially justifiable. The occurrence of a significant uninsured claim, a claim in excess of the insurance coverage limits, or a claim at a time when EarthRenew is not able to obtain liability insurance, could have a material adverse effect on its ability to conduct normal business operations.

Defects in its products or failures in quality control could impair EarthRenew's ability to sell products or could result in product liability claims, litigation and other significant events with substantial additional costs. Detection of any significant defects in its products or failure in our quality control procedures may result in, among other things loss of sales and market acceptance of our products, diversion of development resources and injury to EarthRenew's reputation.

The costs EarthRenew may incur in correcting any product defects may be substantial. Additionally, errors, defects or other performance problems could result in financial or other damages to customers, which could result in litigation. Product liability litigation, even if unsuccessful, would be time consuming and costly to defend. EarthRenew's product liability insurance may not be adequate to cover claims.

Environmental and Regulatory Risk

EarthRenew's operations are subject to environmental risks and regulatory compliance and there are no assurances that its plants will be in compliance with all regulatory requirements. New or amended environmental laws and regulations may require EarthRenew to curtail or stop operations at one or more plants, or may require expenditures by us to install environmental control equipment or modify operations. Failure to comply could subject EarthRenew to fines or penalties.

There can be no assurances that EarthRenew will not experience difficulties in its efforts to comply with such laws and regulations in future years, or that the costs associated with EarthRenew's continued compliance efforts will not have a material adverse effect on its business and financial condition. The ability to use its product in organic agriculture is a key component to the marketability of such product. Should any regulatory body prohibit organic matter fertilizers for use in organic agriculture it would materially adversely affect the marketability of the products of EarthRenew.

Inability to Adapt or Incorporate New Technological Processes

The development and implementation of new technologies may result in a significant reduction in the costs of fertilizer production. Technological advances by other fertilizer producers in methods to convert minerals, green wastes, biosolids and manures into fertilizer could increase efficiency and decrease the cost of production, which could increase competition. In addition, EarthRenew will rely on animal manure as an input to its process. The development of new technologies that utilize manure may increase competition for manure which could limit its access to manure and increase costs. EarthRenew cannot predict when new technology may become available, the rate of acceptance of new technologies by its competitors or the costs associated with new technologies. It is also possible that EarthRenew may not be able to incorporate new technological processes into its production process which could place us at a competitive disadvantage.

Cross Contamination

Although EarthRenew's high heat process of up to 1,000 Fahrenheit degrees destroys pathogens there is no assurance its product will not be associated with a pathogen outbreak due to cross contamination with other crop inputs. Although EarthRenew attempts to restrict the use of its product with potentially risky inputs such as manures and composts, there can be no assurance that growers will not use its product in combination with these inputs. Association with a pathogen outbreak could damage EarthRenew's reputation and cause it to become involved in costly and time-consuming legal or regulatory proceedings which would divert the attention of management and key personnel from its business operations, which could adversely affect the business.

Sales Cycle

EarthRenew is affected by seasonality risk due to weather and the potential buying patterns of major customers. EarthRenew's revenue may therefore be affected by these buying patterns, notably a potential slowdown in sales over the winter and early spring.

Personnel and Strategic Allies

The successful operation of our business will depend upon the abilities, expertise, judgment, discretion, integrity and good faith of our management, executive officers, general managers, employees, consultants and strategic allies. In addition, our ability to expand will depend upon our ability to attract qualified personnel as needed, including marketing, sales and operational personnel. The demand for skilled employees is high, and the supply can be limited, particularly in the Alberta market. The unexpected loss of our key personnel or strategic partners, or the inability to retain or recruit skilled personnel could have a material adverse effect on our business and financial condition.

Marketing and Distribution Expertise

Achieving market success will require substantial marketing efforts and the expenditure of funds to inform potential customers of the distinctive benefits and characteristics of our fertilizer. EarthRenew's long term success will depend on its ability to expand current marketing capabilities. EarthRenew will, among other things, need to attract and retain experienced marketing and sales personnel. No assurance can be given that EarthRenew will be able to attract and retain such personnel or that any efforts undertaken by such personnel will be successful.

Weather and Climate

Adverse weather conditions represent a very significant operating risk affecting potential hosts and customers for products. Weather conditions affect the types of crops grown, the quality and quantity of production and the levels of farm inputs which, in turn, will affect demand for our products. Adverse weather conditions, such as drought or excessive rains, can result in both reduced production of the inputs we need to manufacture products by our hosts, reduced crop production by customers for products and increased costs to operate plants. During the winter and wet seasons EarthRenew expects the amount of inputs produced by hosts to decline. A reduction in the production of the inputs needed to manufacture our products or crop input sales because of adverse weather conditions could have a material adverse effect on operating results and financial condition.

Management Estimates and Assumptions

A number of matters set forth in this MD&A including, without limitation, engineering matters, energy efficiency, product performance and costs are based on certain assumptions and estimates made by management. These estimates and assumptions may prove to be inaccurate

Litigation Risks

EarthRenew may become involved in, named as a party to, or the subject of, various legal proceedings, including contract disputes, regulatory proceedings, tax proceedings and legal actions relating to intellectual property, product liability, personal injuries, property damage, property taxes, land rights, and the environment. The outcome with respect to outstanding, pending or future proceedings cannot be predicted with certainty and may be determined adversely to EarthRenew and as a result, could have a material adverse effect on its assets, liabilities, business, financial condition and results of operations. Even if EarthRenew prevails in any such legal proceeding, the proceedings could be costly and time-consuming and would divert the attention of management and key personnel from business operations, which could adversely affect its financial condition.

Credit Risk

A substantial portion of EarthRenew's accounts receivable will be with customers involved in the agricultural industry whose revenues may be impacted by fluctuations in commodity prices and all other factors affecting the economics of the agricultural industry. Collection of these receivables could be influenced by economic factors affecting the agricultural industry as a whole.

Foreign Exchange and Interest Rates

EarthRenew will incur costs in United States dollars, particularly in relation to equipment and parts purchased from the United States. Accordingly, EarthRenew is subject to risk from fluctuations in the rates of currency exchange between the United States dollar and Canadian dollar, and such fluctuations may materially affect its business and financial condition.

Catastrophic Event Risk

EarthRenew's operations are exposed to potential damage, including partial or full loss, resulting from disasters such as an earthquake, hurricane, fire, explosion, flood, severe storm, terrorist attack or other comparable events. Both the Strathmore Plant and future plants owned by hosts could be exposed to effects of severe weather conditions, natural disasters and potentially catastrophic events such as a major accident or incident at our plants. A pandemic or an assault or an action of malicious destruction, sabotage or terrorism committed at our plants or with respect to our fertilizer could also disrupt our ability to produce and sell fertilizer. The occurrence of a significant event that disrupts the ability of our plants to produce fertilizer for an extended period could have a material adverse effect on our business, financial condition and results of operations.

Cryptocurrency Mining

Cybersecurity Threats and Hacks

As with any other computer code, flaws in cryptocurrency codes have been exposed by certain malicious actors. Several errors and defects have been found and corrected, including those that disabled some functionality for users and exposed users' information. Discovery of flaws in or exploitations of the source code that allow malicious actors to take or create cryptocurrencies can occur.

Regulatory Changes

As cryptocurrencies have grown in both popularity and market size, governments around the world have reacted differently to cryptocurrencies with certain governments deeming them illegal while others have allowed their use and trade. Ongoing and future regulatory actions may alter, perhaps to a materially adverse extent, the ability of EarthRenew to continue to operate. The effect of any future regulatory change on EarthRenew or any cryptocurrency that EarthRenew may mine is impossible to predict, but such change could be substantial and adverse to EarthRenew.

Governments may, in the future, restrict or prohibit the acquisition, use or redemption of cryptocurrencies. Ownership of, holding or trading in cryptocurrencies may then be considered illegal and subject to sanction. Governments may also take regulatory action that may increase the cost and/or subject cryptocurrency mining companies to additional regulation. On August 24, 2017 and June 11, 2018, the Canadian Securities Administrators published CSA Staff Notice 46-307 – *Cryptocurrency Offerings* and CSA Staff Notice 46-

308 – *Securities Law Implications for Offerings of Tokens*, respectively, each providing guidance on whether token offerings are subject to Canadian securities laws.

Governments may in the future take regulatory actions that prohibit or severely restrict the right to acquire, own, hold, sell, use or trade cryptocurrencies or to exchange cryptocurrencies for fiat currency. By extension, similar actions by other governments may result in the restriction of the acquisition, ownership, holding, selling, use or trading in the common shares of EarthRenew (the "**Common Shares**"). Such a restriction could result in EarthRenew liquidating its cryptocurrency inventory at unfavorable prices and may adversely affect EarthRenew's shareholders.

Value of Cryptocurrencies may be Subject to Momentum Pricing Risk

Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Cryptocurrency market prices are determined primarily using data from various exchanges, over-the-counter markets, and derivative platforms. Momentum pricing may have resulted, and may continue to result, in speculation regarding future appreciation in the value of cryptocurrencies, inflating and making their market prices more volatile. As a result, they may be more likely to fluctuate in value due to changing investor confidence in future appreciation (or depreciation) in their market prices, which could adversely affect the value of EarthRenew's cryptocurrency inventory and thereby affect EarthRenew's shareholders.

Cryptocurrency Exchanges and other Trading Venues are Relatively New

To the extent that cryptocurrency exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, this could result in a reduction in cryptocurrency prices. Cryptocurrency market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for securities, derivatives and other currencies. For example, during the past four years, a number of Bitcoin exchanges have been closed due to fraud, business failure or security breaches. In many of these instances, the customers of the closed Bitcoin exchanges were not compensated or made whole for the partial or complete losses of their account balances in such Bitcoin exchanges. While smaller exchanges are less likely to have the infrastructure and capitalization that provide larger exchanges with additional stability, larger exchanges may be more likely to be appealing targets for hackers and "malware" (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action.

Banks May Cut off Banking Services to Businesses that Provide Cryptocurrency-related Services

A number of companies that provide cryptocurrency-related services have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such companies have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to cryptocurrency related companies or companies that accept cryptocurrencies for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide cryptocurrency-related services have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of cryptocurrencies as a payment system and harming public perception of cryptocurrencies or could decrease its usefulness and harm its public perception in the future. Similarly, the usefulness of cryptocurrencies as a payment system and the public perception of cryptocurrencies could be damaged if banks were to close the accounts of many or of a few key businesses providing cryptocurrency-related services. This could decrease the market prices of cryptocurrencies and adversely affect the value of EarthRenew's cryptocurrency inventory.

Impact of Geopolitical Events

Crises may motivate large-scale purchases of cryptocurrencies which could increase the price of cryptocurrencies rapidly. This may increase the likelihood of a subsequent price decrease as crisis-driven purchasing behavior wanes, adversely affecting the value of EarthRenew's cryptocurrency inventory. The possibility of large-scale purchases of cryptocurrencies in times of crisis may have a short-term positive impact on the prices of same. Future geopolitical crises may erode investors' confidence in the stability of cryptocurrencies and may impair their price performance which would, in turn, adversely affect EarthRenew's cryptocurrency inventory.

As an alternative to fiat currencies that are backed by central governments, cryptocurrencies are subject to supply and demand forces based upon the desirability of an alternative, decentralized means of buying and selling goods and services, and it is unclear how such supply and demand will be impacted by geopolitical events. Nevertheless, political or economic crises may motivate large-scale acquisitions or sales of cryptocurrencies either globally or locally. Large-scale sales of cryptocurrencies would result in a reduction in their market prices and adversely affect EarthRenew's operations and profitability.

Further Development and Acceptance of the Cryptographic and Algorithmic Protocols

The use of cryptocurrencies to, among other things, buy and sell goods and services and complete other transactions, is part of a new and rapidly evolving industry that employs digital assets based upon a computer-generated mathematical and/or cryptographic protocol. The growth of this industry in general, and the use of cryptocurrencies in particular, is subject to a high degree of uncertainty, and the slowing or stopping of the development or acceptance of developing protocols may adversely affect EarthRenew's operations. The factors affecting the further development of the industry, include, but are not limited to the following:

- continued worldwide growth in the adoption and use of cryptocurrencies;
- governmental and quasi-governmental regulation of cryptocurrencies and their use, or restrictions on or regulation of access to and operation of the network or similar cryptocurrency systems;
- changes in consumer demographics and public tastes and preferences;
- the maintenance and development of the open-source software protocol of the network;
- the availability and popularity of other forms or methods of buying and selling goods and services, including new means of using fiat currencies;
- general economic conditions and the regulatory environment relating to digital assets; and
- negative consumer sentiment and perception of cryptocurrencies.

Acceptance of Cryptocurrency is Uncertain

Currently, there is relatively small use of cryptocurrencies in the retail and commercial marketplace in comparison to relatively large use by speculators, thus contributing to price volatility that could adversely affect EarthRenew's operations, investment strategies, and profitability.

As relatively new products and technologies, cryptocurrencies have not been widely adopted as a means of payment for goods and services by major retail and commercial outlets. Conversely, a significant portion of cryptocurrency demand is generated by speculators and investors seeking to profit from the short-term or long-term holding of cryptocurrencies. The relative lack of acceptance of cryptocurrencies in the retail and commercial marketplace limits the ability of end-users to use them to pay for goods and services. A lack of expansion by cryptocurrencies into retail and commercial markets, or a contraction of such use, may result in increased volatility or a reduction in their market prices, either of which could adversely impact EarthRenew's operations, investment strategies, and profitability.

Risk of Loss, Theft or Destruction of Cryptocurrencies

There is a risk that some or all of EarthRenew's cryptocurrencies could be lost, stolen or destroyed. If EarthRenew's cryptocurrencies are lost, stolen or destroyed under circumstances rendering a party liable to EarthRenew, the responsible party may not have the financial resources sufficient to satisfy EarthRenew's claim.

Irrevocability of Transactions

Bitcoin and most other cryptocurrency transactions are irrevocable and stolen or incorrectly transferred cryptocurrencies may be irretrievable. Such transactions are not reversible without the consent and active participation of the recipient of the transaction. Once a transaction has been verified and recorded in a block that is added to the Blockchain, an incorrect transfer of cryptocurrencies or a theft of cryptocurrencies generally will not be reversible and EarthRenew may not be capable of seeking compensation for any such transfer or theft. To the extent that EarthRenew is unable to seek a corrective transaction with the third party or is incapable of identifying the third party that has received EarthRenew's cryptocurrencies through error or theft, EarthRenew will be unable to revert or otherwise recover incorrectly transferred cryptocurrencies. EarthRenew will also be unable to convert or recover cryptocurrencies transferred to uncontrolled accounts.

Further Development and Acceptance of the Bitcoin Network

The further development and acceptance of the Bitcoin Network and other cryptographic and algorithmic protocols governing the issuance of transactions in Bitcoins and other digital currencies, which represent a new and rapidly changing industry, are subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of the Bitcoin Network may adversely affect the value of Bitcoin.

The use of digital currencies, such as Bitcoin, to, among other things, buy and sell goods and services, is part of a new and rapidly evolving industry that employs digital assets based upon a computer generated mathematical and/or cryptographic protocol. Bitcoin is a prominent, but not a unique, part of this industry. The growth of this industry in general, and the Bitcoin Network in particular, is subject to a high degree of uncertainty. Factors affecting the development of this industry, include, but are not limited to the following:

- continued worldwide growth in the adoption and use of Bitcoins and other digital currencies;
- government and quasi-government regulation of Bitcoins and other digital assets and their use,or restrictions on, or regulation of, access to and operation of the Bitcoin Network or similar digital asset systems;
- changes in consumer demographics and public tastes and preferences;
- the maintenance and development of the open-source software protocol of the Bitcoin Network or similar digital asset systems;
- the availability and popularity of other forms or methods of buying and selling goods and services, including new means of using fiat currencies;
- general economic conditions and the regulatory environment relating to digital assets; and
- negative consumer perception of Bitcoins specifically and cryptocurrencies generally.

Potential Failure to Maintain the Bitcoin Network

The Bitcoin Network operates based on an open-source protocol maintained by the core developers of the Bitcoin Network and other contributors, largely on the GitHub resource section dedicated to Bitcoin development. As the Bitcoin Network protocol is not sold and its use does not generate revenues for its development team, the core developers are generally not compensated for maintaining and updating the Bitcoin Network protocol. Consequently, there is a lack of financial incentive for developers to maintain or develop the Bitcoin Network and the core developers may lack the resources to adequately address emerging issues with the Bitcoin Network protocol. Although the Bitcoin Network is currently supported by the core developers, there can be no guarantee that such support will continue or be sufficient in the future. To the extent that material issues arise with the Bitcoin Network protocol and the core developers and open-source contributors are unable to address the issues adequately or in a timely manner, the Bitcoin Network and an investment in the Common Shares may be adversely affected.

Potential Manipulation of Blockchain

If a malicious actor or botnet (a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains control of more than 50% of the processing power dedicated to mining on the Bitcoin Network, it may be able to alter or manipulate the Blockchain on which the Bitcoin Network and most Bitcoin transactions rely by constructing fraudulent blocks or preventing certain transactions from completing in a timely manner, or at all. The malicious actor or botnet could control, exclude or modify the ordering of transactions, though it could not generate new Bitcoins or transactions using such control. The malicious actor could "double-spend" its own Bitcoins (i.e., spend the same Bitcoins in more than one transaction) and prevent the confirmation of other users' transactions for so long as it maintained control. To the extent that such malicious actor or botnet did not yield its control of the processing power on the Bitcoin Network or the Bitcoin community did not reject the fraudulent blocks as malicious, reversing any changes made to the Blockchain may not be possible. To the extent that the Bitcoin ecosystem, including the core developers and the administrators of mining pools, do not act to ensure greater decentralization of Bitcoin mining processing power, the feasibility of a malicious actor obtaining control of the processing power on the Bitcoin Network will increase.

Risk of Security Breaches

Security breaches, computer malware and computer hacking attacks have been a prevalent concern in the Bitcoin and other cryptocurrency exchange market since the launch of the Bitcoin Network. Any security breach caused by hacking, which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and the inadvertent transmission of computer viruses, could harm EarthRenew's business operations or result in loss of EarthRenew's assets. Any breach of EarthRenew's infrastructure could result in damage to EarthRenew's reputation and reduce demand for the Common Shares, resulting in a reduction in the price of the Common Shares. Furthermore, EarthRenew believes that if its assets grow, it may become a more appealing target for security threats, such as hackers and malware.

Any security procedures implemented cannot guarantee the prevention of any loss due to a security breach, software defect or act of God that may be borne by EarthRenew. The security procedures and operational infrastructure of EarthRenew may be breached due to the actions of outside parties, error or malfeasance of an employee of EarthRenew or otherwise, and, as a result, an unauthorized party may obtain access to EarthRenew's Bitcoin account, private keys, data or cryptocurrencies. Additionally, outside parties may attempt to fraudulently induce employees of EarthRenew to disclose sensitive information in order to gain access to EarthRenew's infrastructure. As the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, or may be designed to remain dormant until a predetermined event, and often are not recognized until launched against a target, EarthRenew may be unable to anticipate these techniques or implement adequate preventative measures. If an actual or perceived breach of one of EarthRenew's accounts occurs, the market perception of the effectiveness of EarthRenew could be harmed.

Fluctuations in the Market Price of Bitcoins and Other Cryptocurrencies

The value of the Common Shares relates partially to the value of the cryptocurrencies held directly or indirectly by EarthRenew, and fluctuations in the price of Bitcoins and other cryptocurrencies could materially and adversely affect an investment in the Common Shares. Several factors may affect the price of cryptocurrencies, including: the total number of cryptocurrencies in existence; global cryptocurrency demand; global cryptocurrency supply; investors' expectations with respect to the rate of inflation of fiat currencies; investors' expectations with respect to the rate of deflation of cryptocurrencies; interest rates; currency exchange rates, including the rates at which cryptocurrencies may be exchanged for fiat currencies; fiat currency withdrawal and deposit policies of cryptocurrency exchanges and liquidity of such cryptocurrency exchanges; interruptions in service from or failures of major cryptocurrency exchanges; Cyber theft of cryptocurrencies from online wallet providers, or news of such theft from such providers or from individuals' wallets; investment and trading activities of large investors; monetary policies of governments, trade restrictions, currency devaluations and revaluations; regulatory measures, if any, that restrict the use of cryptocurrencies as a form of payment or the purchase of cryptocurrencies; the availability and popularity of businesses that provide cryptocurrency and blockchain-related services; the maintenance and development of the open-source software protocol of the Bitcoin Network; increased competition from other forms of cryptocurrency or payments services; global or regional political, economic or financial events and situations; expectations among cryptocurrency economy participants that the value of cryptocurrencies will soon change; and fees associated with processing a cryptocurrency transaction.

Bitcoin and other cryptocurrencies have historically experienced significant intraday and long-term price volatility. If cryptocurrency markets continue to be subject to sharp fluctuations, shareholders may experience losses if they need to sell their Common Shares at a time when the price of cryptocurrencies is lower than it was when they purchased their Common Shares. In addition, investors should be aware that there is no assurance that cryptocurrencies will maintain their long term value in terms of future purchasing power or that the acceptance of cryptocurrency payments by mainstream retail merchants and commercial businesses will continue to grow.

Response to Changing Security Needs

As technological change occurs, the security threats to EarthRenew's cryptocurrencies will likely adapt and previously unknown threats may emerge. EarthRenew's ability to adopt technology in response to changing security needs or trends may pose a challenge to the safekeeping of EarthRenew's cryptocurrencies. To the extent that EarthRenew is unable to identify and mitigate or stop new security threats, EarthRenew's cryptocurrencies may be subject to theft, loss, destruction or other attack.

Market Adoption

Currently, there is relatively small use of cryptocurrencies in the retail and commercial marketplace in comparison to relatively large use by speculators, thus contributing to price volatility that could adversely affect an investment in the Common Shares. Cryptocurrencies have only recently become accepted as a means of payment for goods and services by certain major retail and commercial outlets and use of cryptocurrencies by consumers to pay such retail and commercial outlets remains limited. Conversely, a significant portion of cryptocurrencies demand is generated by speculators and investors seeking to profit from the short- or long-term holding of cryptocurrencies. A lack of expansion by cryptocurrencies into the retail and commercial markets, or a contraction of such use, may result in increased volatility or a reduction in the market price of cryptocurrencies. Further, if fees increase for recording transactions in the applicable Blockchain, demand for cryptocurrencies may be reduced and prevent the expansion of the network to retail merchants and commercial businesses, resulting in a reduction in the price of cryptocurrencies.

Miners May Cease Operations

If the award of Bitcoins or other cryptocurrencies for solving blocks and transaction fees for recording transactions are not sufficiently high to incentivize miners, miners may cease expending processing power to solve blocks and confirmations of transactions on the Bitcoin Blockchain or other networks could be slowed. A reduction in the processing power expended by miners on the applicable blockchain network could increase the likelihood of a malicious actor or botnet obtaining control.

Risks Related to Insurance

EarthRenew intends to insure its operations in accordance with technology industry practice. However, given the novelty of cryptocurrency mining and associated businesses, such insurance may not be available, may be uneconomical for EarthRenew, or the nature or level may be insufficient to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on EarthRenew.

Cyber Security Risk

Cyber incidents can result from deliberate attacks or unintentional events, and may arise from internal sources (e.g., employees, contractors, service providers, suppliers and operational risks) or external sources (e.g., nation states, terrorists, hacktivists, competitors and acts of nature). Cyber incidents include, but are not limited to, unauthorized access to information systems and data (e.g., through hacking or malicious software) for purposes of misappropriating or corrupting data or causing operational disruption. Cyber incidents also may be caused in a manner that does not require unauthorized access, such as causing denial-of-service attacks on websites (e.g., efforts to make network services unavailable to intended users).

A cyber incident that affects EarthRenew or its service providers might cause disruptions and adversely affect their respective business operations and might also result in violations of applicable law (e.g., personal information protection laws), each of which might result in potentially significant financial losses and liabilities, regulatory fines and penalties, reputational harm, and reimbursement and other compensation costs. In addition, substantial costs might be incurred to investigate, remediate and prevent cyber incidents.

General Business and Market Risks

Key Personnel

The senior officers of EarthRenew will be critical to its success. In the event of the departure of a senior officer, EarthRenew believes that it will be successful in attracting and retaining qualified successors but there can be no assurance of such success. Recruiting qualified personnel as EarthRenew grows is critical to its success. As EarthRenew's business activity grows, it will require additional key financial, administrative and technical personnel as well as additional operations staff. If EarthRenew is not successful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have an adverse impact on future cash flows, earnings, results of operations and the financial condition of EarthRenew.

Conflicts of Interest

Directors and officers of EarthRenew are or may become directors or officers of other reporting companies or have significant shareholdings in other fertilizer or electrical generation companies. EarthRenew and its directors and officers will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the directors of EarthRenew, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In appropriate cases, EarthRenew will establish a special committee of independent directors to review a matter in which one or more directors, or officers, may have a conflict. In determining whether or not EarthRenew will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the potential benefits to EarthRenew, the degree of risk to which EarthRenew may be exposed and its financial position at that time. Other than as indicated, EarthRenew has no other procedures or mechanisms to deal with conflicts of interest.

Additional Financing

EarthRenew will require additional financing in order to make further investments or take advantage of future opportunities and to grow its business. The ability of EarthRenew to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as upon the business success of EarthRenew. There can be no assurance that EarthRenew will be successful in its efforts to arrange additional financing on terms satisfactory to EarthRenew. If additional financing is raised by the issuance of Common Shares or other forms of convertible securities from treasury, control of EarthRenew may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, EarthRenew may not be able to take advantage of opportunities, or otherwise respond to competitive pressures and remain in business. If EarthRenew is unable to generate such revenues or obtain such additional financing, any investment in EarthRenew may be lost. In such event, the probability of resale of the securities of EarthRenew would be diminished

Profitability

There is no assurance that EarthRenew will earn profits in the future, or that profitability will be sustained. There is no assurance that future revenues will be sufficient to generate the funds required to continue EarthRenew's business development and marketing activities. If EarthRenew does not have sufficient capital to fund its operations, it may be required to reduce its sales and marketing efforts or forego certain business opportunities.

Management of Growth

EarthRenew may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of EarthRenew to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of EarthRenew to deal with this growth may have a material adverse effect on EarthRenew's business, financial condition, results of operations and prospects.

Issuance of Debt

From time to time, EarthRenew may enter into transactions to acquire assets or seek to obtain additional working capital. These transactions may be financed in whole or in part with debt, which may increase EarthRenew's debt levels. Depending on future plans, EarthRenew may require additional equity and/or debt financing that may not be available or, if available, may not be available on favourable terms to EarthRenew. EarthRenew's constating documents do not limit the amount of indebtedness that may be incurred and it is not expected that EarthRenew's constating documents will contain such restrictions. As a result, the level of EarthRenew's indebtedness from time to time could impair its ability to operate or otherwise take advantage of business opportunities that may arise.

Dilution

EarthRenew may make future acquisitions or enter into financings or other transactions involving the issuance of securities of EarthRenew which may be dilutive to the holdings of existing shareholders.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price. There can be no assurance that continuing fluctuations in price will not occur. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of EarthRenew in creating revenues, cash flows or earnings. The value of the Common Shares will be affected by such volatility. A public trading market in the Common Shares having the desired characteristics of depth, liquidity and orderliness depends on the presence in the marketplace of willing buyers and sellers of Common Shares at any given time, which, in turn is dependent on the individual decisions of investors over which EarthRenew has no control. There can be no assurance that an active trading market in securities of EarthRenew will be established and sustained. The market price for EarthRenew's securities could be subject to wide fluctuations, which could have an adverse effect on the market price of EarthRenew. The stock market has, from time to time, experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance, net asset values or prospects of particular companies. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline.

Dividends

EarthRenew has not paid any dividends on its outstanding shares. Any payments of dividends on the Common Shares will be dependent upon the financial requirements of EarthRenew to finance future growth, the financial condition of EarthRenew and other factors which EarthRenew's board of directors may consider appropriate in the circumstance. It is unlikely that EarthRenew will pay dividends in the immediate or foreseeable future.

Markets for Securities

There can be no assurance that an active trading market in the Common Shares will be established and sustained. The market price for the Common Shares could be subject to wide fluctuations. Factors such as agriculture commodity prices, government regulation, the demand for fertilizer, electricity prices, interest rates, share price movements of EarthRenew's peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of EarthRenew.

General Economic Conditions May Adversely Affect EarthRenew's Growth

Events in global financial markets can have a profound impact on the global economy in general and the fertilizer industry in particular. Many industries can be negatively impacted by these market conditions. A slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, tax rates may adversely affect EarthRenew.

Outstanding Share Data

As at the date of this MD&A, the Company has:

1) 86,909,292 common shares outstanding;
2) 8,575,000 stock options outstanding with expiry dates ranging between July 18, 2021 and October 21, 2024. If all of the options are exercised, 8,575,000 shares would be issued for gross proceeds of $1,427,000.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to EarthRenew, certain information contained herein constitutes forward-looking information under Canadian securities legislation. Forward-looking information includes, without limitation, statements with respect to power generation and fertilizer aspect: the anticipated benefits of the products; the production rate of our Strathmore Plant; the energy efficiency and net energy costs of our Strathmore Plant; future production; the supply and demand for organic matter fertilizers in agriculture and other industries; emissions reductions and credits from various activities; the development of markets for our organic matter fertilizer and the demand for organic matter fertilizer; anticipated availability and sources of future financing; the commercialization of additional applications of EarthRenew's technology; growth expectations and plans; the ability to enter into additional host agreements; the ability to hire and retain sufficient personnel; operating costs at the Strathmore Plant; the development of cryptocurrency mining units; and results of trials of products. With respect to forward-looking statements contained in this MD&A, we have made assumptions regarding, among other things: future prices of fertilizer and soil products; future prices of natural gas and electricity; the actual and expected results of manufacturing activities; organic waste composition including qualities and quantities; market acceptance of our products; ability to obtain equipment from suppliers; ability to obtain additional financing on satisfactory terms; ability to obtain and enforce our intellectual property rights; ability to obtain qualified staff and equipment in a timely and cost-efficient manner; the regulatory framework governing our operations and environmental matters in the jurisdictions in which EarthRenew conducts and will conduct its business; future production levels; operating costs associated with the operation of EarthRenew's plants; future capital expenditures to be made by EarthRenew; products will perform as indicated in research trials; ability to execute our growth plans; ability to enter into additional host agreements; ability to quantify and verify emissions reductions and credits within established emissions credit regimes; ability to obtain required permits, grid access and power purchase arrangements for our second generation plants; ability to obtain organic inputs for our plants; the operation of our second generation plants, including in respect of matters referenced elsewhere in this MD&A; future prices of cryptocurrencies; the economic viability of mining cryptocurrencies; and the operation of our Strathmore Plant. The words "anticipates", ''plans'', ''expects'', "indicative", "intend", ''scheduled'', "timeline", ''estimates'', ''forecasts", "guidance", "opportunity", "outlook", "potential", "projected", "schedule", "seek", "strategy", "study" (including, without limitation, as may be qualified by "feasibility" and "pre-feasibility"), "targets", "models", or ''believes'', or variations of or similar such words and phrases or statements that certain actions, events or results ''may'', ''could'', ''would'', or ''should'', ''might'', or ''will be taken'', ''occur'' or ''be achieved'' and similar expressions identify forward-looking information. Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable by EarthRenew and its external professional advisors as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Forward-looking information is provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made in this MD&A are qualified by these cautionary statements and those made in the ''Risks and Uncertainties section of this MD&A. These factors are not intended to represent a complete list of the factors that could affect EarthRenew. EarthRenew disclaims any intention or obligation to update or revise any forward-looking information or to explain any material difference between subsequent actual events and such forward-looking information, except to the extent required by applicable law.