

EARTHRENEW ANNOUNCES CLOSE OF SECOND TRANCHE FINANCING; IMMEDIATE USE OF FUNDS TO PURCHASE EQUIPMENT TO SUPPORT RECOMMISSIONING OF THE STRATHMORE FACILITY IN SPRING OF 2021

Highlights:

- Second (and last) tranche of the previously announced financing provides EarthRenew with funds to purchase long-lead equipmentⁱ, including purpose-built dryer for Strathmore facility refurbishment
- Fertilizer production restart is expected on time for 2021 spring planting season

Toronto, October 14, 2020 (GLOBENEWSIRE) – EarthRenew Inc. (CSE:ERTH) (“EarthRenew” or the “Company”) is pleased to provide a progress update on the redevelopment of its facility in Strathmore, Alberta. The Company is close to finalizing the engineering and redesign phase and, as such, is negotiating purchase orders for long-lead equipment. This primarily includes a purpose-built dryer that is critical to EarthRenew’s patented waste heat recovery process. The ordering of this equipment is expected to support the recommissioning of the facility for the spring of 2021.

EarthRenew is also pleased to announce that it has closed the second and last tranche of a previously announced non-brokered private placement financing of units (each, a “Unit”) at a price of CDN\$0.30 per Unit (the “Offering”) for gross proceeds of CDN\$815,000 (the “Second Tranche”). For more information on the Offering and the first tranche, please see the Company’s press releases dated June 9, 2020 and July 24, 2020, respectively, which are available under the Company’s profiles on SEDAR at www.sedar.com and www.thecse.com.

Pursuant to the Second Tranche, EarthRenew issued 2,716,667 Units at a price of CDN\$0.30 per Unit. Each Unit consists of one common share of the Company (each, a “Common Share”) and one-half of one Common Share purchase warrant (each whole warrant, a “Warrant”), entitling the holder to acquire one additional Common Share at an exercise price of CDN\$0.45 for a period of 24 months from issuance. If at any time after four months and one day from the closing of the Second Tranche, the Common Shares trade at CDN\$0.90 per Common Share or higher on the Canadian Securities Exchange for a period of 30 consecutive days, the Company will have the right (but not the obligation) to accelerate the expiry date of the Warrants to the date that is 30 days after the Company issues a news release announcing that it has elected to exercise this acceleration right. The securities issued in connection with the Second Tranche are subject to a statutory four month hold period, which expires on February 14, 2020. Finder’s fees were paid to PI Financial and Echelon Capital Markets in accordance with the policies of the Canadian Securities Exchange consisting of cash commissions equal to CDN\$56,000 and \$1,050, respectively, and the issuance of 186,667 and 3,500 finder warrants, respectively (“Finder Warrants”). Each Finder Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.45 per Common Share for a period of 24 months, expiring on October 13, 2022.

Use of Proceeds

The net proceeds of the Second Tranche are expected to be used for costs incurred for capital equipment purchases, engineering and construction costs for the redevelopment of the Strathmore facility, feasibility studies on future projects, field and research trials, market development activities, working capital for the ramp-up of our operations at the Strathmore facility and general corporate purposes. We estimate that this financing will put the Company in a position to fully fund the redevelopment of EarthRenew's Strathmore facility and begin exploring development of a potential new facility in the Southwest, United States.

"This second tranche provides us with the comfort that we need to have a sufficient amount of capital to move forward with the Strathmore recommissioning and pursue US expansion opportunities over the next 12 months," Keith Driver, CEO of EarthRenew, commented. "We will be placing orders on the long-lead equipment such as the dryer so that we can complete the final redesign of the Strathmore facility over the coming months with a target to commence production of our organic fertilizer at the facility in time for the 2021 spring planting. We believe that recent successful field trials conducted in conjunction with Olds College and Lethbridge College have helped us to refine our product offerings and will convince our customer base of the efficacy of our fertilizer when they are making their purchasing decisions. "

A director of the Company subscribed for Units pursuant to the Second Tranche (the "Insider Participation"). The Insider Participation is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Insider Participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101. The Company did not file a material change report more than 21 days before closing the Second Tranche as the details of the abovementioned Insider Participation were not settled until shortly prior to closing, and the Company wished to close the Second Tranche on an expedited basis.

About EarthRenew

EarthRenew's mission is to support a farm system that puts healthy soils and grower profitability back on the table. EarthRenew transforms livestock waste into a high-performance organic fertilizer to be used by organic and traditional growers in Canada and the United States. Located on a 25,000 head cattle feedlot, our flagship Strathmore plant is capable of producing up to four megawatts (MW) per hour of low-cost electricity powered by a natural gas fired turbine. The exhausted heat from the turbine is used to convert manure into certified organic fertilizer.

For additional information, please contact:

Keith Driver
CEO of EarthRenew
+1 (403) 860-8623
Email: kdriver@earthrenew.ca

Cautionary Note regarding Forward-Looking Information

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the Second Tranche, including the Company's intended use of proceeds, and other matters related thereto, the anticipated purchase of long-lead equipment, the Strathmore facility redesign and refurbishment, US expansion opportunities, the timeline for recommencing fertilizer production at the Strathmore facility, the development of a potential new facility in the Southwest United States, and the anticipated purchasing decisions of our customer base. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: general business, economic, competitive, geopolitical and social uncertainties; regulatory risks; and other risks of the energy and fertilizer industries. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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

ⁱ Long-lead equipment is equipment that is not readily available on demand.