

PRESS RELEASE

Sollio Agriculture inaugurates its new St. Thomas fertilizer coating plant

A unique manufacturing undertaking in Canada made possible through Sollio Agriculture's network and partnership with Pursell

ST. THOMAS, September 18, 2023 – Today, Sollio Agriculture, the Agri-business Division of Sollio Cooperative Group, inaugurated CRF Agritech, a new controlled-release fertilizer production plant in St. Thomas, Ontario. The project was launched in 2021, after Sollio Agriculture entered a joint venture with several of its cooperatives in Québec, its Agromart retail partners in Ontario and the Maritimes, and Pursell, a leading fertilizer technology manufacturer based in Alabama. Many were on hand for this event, which was also attended by the Honourable Lisa Thompson, Ontario Minister of Agriculture, Food and Rural Affairs, to celebrate access to innovative fertilizers with tremendous agronomic and environmental potential for farmer entrepreneurs. At present, CRF Agritech is the sole plant in Canada able to manufacture controlled-release custom fertilizer formulations using Pursell's unique coating technology.

A \$25 million investment

With an area of 25,800 square feet, the new controlled-release fertilizer production plant required an investment of over C\$25 million.

It manufactures next-generation controlled-release fertilizer, including PurYield, for farmers across all Eastern Canada and the Northeastern United States. It will also be able to produce other coated fertilizer for uses other than agricultural. At full capacity, the plant will manufacture over 100,000 tonnes annually.

As part of the Fertilizer Accelerating Solutions & Technology Challenge of the Ministry of Agriculture, Food and Rural Affairs of Ontario, CRF Agritech was awarded \$154,000. This grant made it possible to speed up production and farmers' adoption of this new generation of fertilizer technology.

Enhanced yield and environmental benefits

The patented technology used in St. Thomas is controlled-release fertilizer or CRF. It is used to apply a coating to fertilizer granules with the ability to add micronutrients and biostimulants, providing gradual nutrient release in the soil that is timed according to individual crop needs. While being more technically advanced than existing products originating from traditional suppliers, these innovative fertilizers offer many additional advantages.

By promoting higher yields through enhanced nutrient uptake by individual plants, there is reduced loss of nutrients through leaching as a result of surplus moisture and excess rainfall.

Given the extreme weather events that farmers are facing, this important attribute has the ability to improve farm profitability.

In addition, according to the International Fertilizer Association (IFA),ⁱ the use of coated fertilizer is able to reduce the quantity of fertilizer needed by 20% to 30% compared with traditional products.

From an environmental standpoint, initial studies conducted by the Sollio Agriculture research team and McGill University show that the use of PurYield fertilizer has the potential to reduce greenhouse gas emissions by 30%. Additional scientific testing and validation is currently underway.

Lastly, the predictable, precise release curve allows growers to target when plants receive nutrients, minimizing the number of applications across the field and helping to mitigate issues related to labour shortages currently being experienced across the entire agricultural industry.

Use of controlled-release fertilizers aligns with internationally recognized 4R Nutrient Stewardship program best management practices for responsible and effective management of nutrient resources.

Quotes:

“The new coating plant in St. Thomas is in line with Sollio Agriculture’s efforts to promote sustainable practices that reduce the environmental impact of farming activities and innovate with alternative products, while maintaining the goal of ensuring the prosperity of Canadian farmers. The strategic location of CRF Agritech will provide for reliable supply in Eastern Canada and the Northeastern United States and reduce freight expenses for our customers. This strategic partnership between Pursell and the Sollio Agriculture network allows us to expand the potential market for this technology and support nutrient management initiatives associated with the use of fertilizer products. PurYield is an exciting addition to our portfolio, providing substantial benefit to farmers across the region.”

- **Casper Kaastra, CEO, Sollio Agriculture**

“The inauguration of the St. Thomas plant is the result of a successful collaboration with committed business partners who share our values, and it confirms that Sollio Agriculture’s culture aligns perfectly with ours. This extremely promising project allows us to combine our strengths and respective knowledge in the fertilizer industry and the field of innovation to meet the needs of Canadian farmers. We’re proud to extend the scope of our technology to new markets and establish ourselves for the first time in Canada with a partner recognized in the agricultural industry.”

- **Joe Brady, Chief Financial Officer, Pursell**

“Ontario farmers need to access a complete and effective tool box when it comes to the planting, growing and harvesting of good quality crops and food, across the province. That is why our government launched the Fertilizer Accelerating Solutions and Technology (FAST) Challenge” said Lisa Thompson, Minister of Agriculture, Food and Rural Affairs. “It is awesome to see our challenge embraced by the CRF Agritech plant in St. Thomas where their efforts have realized a slow nutrient release fertilizer coating innovation. It is a great example of how our government is supporting Ontario solutions.”

- **Honourable Lisa Thompson, Ontario Minister of Agriculture, Food and Rural Affairs**

“Our collaboration with Pursell promotes skills development and knowledge transfer, not only across our retail and cooperative networks, but also in the agricultural community. Through innovative coating technology and local fertilizer manufacturing, we expect large-scale adoption in the innovative agricultural product market, such as PurYield, given its agronomic and environmental benefits. We’re proud to be established in the very region where farmers use these products, but also to be committed to sustainable agriculture.”

- **Mike Pastir, General Manager, CRF Agritech**

Studies with McGill University

In July, Sollio Agriculture announced a major research project with McGill University. The aim of the study is to validate the agronomic and environmental benefits of PurYield, a coated fertilizer known to enhance nutrient uptake by plants. Initial studies showed that the use of PurYield could potentially reduce GHG emissions by 30%, while increasing field yield. Researchers are currently validating this data.

About Sollio Agriculture

Sollio Agriculture, the Agri-business Division of Sollio Cooperative Group, is a Canadian leader in the agriculture industry. It specializes in merchandizing farm inputs and providing value-added services to benefit farmers, cooperatives and partners. Its business model combines the strength of a local approach with the power of a national presence to offer innovative solutions, promote sustainable farming practices and help local farming families prosper. Present across the country, it has more than 1,200 employees and generated \$2.929 billion in revenue in 2022. For more information, visit sollio.ag.

About Pursell

Pursell combines innovative coating materials and proprietary processing techniques with a unique modular production facility design, enabling fertilizer retailers to supply their customers with fully customized nutrient blends that meet crops' precise needs as they mature through the growing season. There's control, and then there's Pursell control. To learn more, visit fertilizer.com.

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Source: Sollio Agriculture

Attachment: Mike Pastir, General Manager, CRF Agritech, Joe Brady, Chief Financial Officer, Pursell, along with Lisa Thompson, Ontario Minister of Agriculture, Food and Rural Affairs, and Casper Kaastra, CEO, Sollio Agriculture

Photo credit: Oscar LaVerde Photography

For more information:

Pierre Tessier

Pierre.tessier@cominfrarouge.com

514-233-1636

ⁱ Trenkel, M.E. (2010) Slow- and Controlled-Release and Stabilized Fertilizers: An Option for Enhancing Nutrient Use Efficiency in Agriculture. International Fertilizer Industry Association (IFA), Paris.