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TSX-V: FARM

Deveron Achieves Record Q1 Revenue and Reports 178% Growth in Digital Insight Product Sales

Toronto, Ontario – Deveron Corp. (TSX-V: FARM) (“**Deveron**” or the “**Company**”) a leading agriculture digital services and analytics provider in North America is pleased to report Q1 2021 year over year revenue growth of 136% driven by 178% growth in the Company’s higher margin data insight products.

First Quarter 2021 Financial and Operational Highlights

The Company’s financial performance improved over the previous year’s quarter, driven by organic growth across its product and services divisions due to expanding farm engagement and uptake in the Company’s digital offerings. For the three-month financial results ended March 31, 2021 (and comparable period ended March 31, 2020):

- Revenue in Q1 2021 grew 136% year over year to \$667,726 from \$283,420 in Q1 2020;
- Gross profit in Q1 2021 was \$383,668 up 113% from Q1 2020; and
- Organic revenue growth was 68%.

“This quarter, we executed on a number of key strategic initiatives that deepened our digital ecosystem and grew our engaged farm acre base.” said David MacMillan, President and CEO of Deveron Corp. “We have made strategic investments in our sales team, which is delivering organic growth. We also are driving expansion efforts with accretive acquisitions that help accelerate our ability to provide independent and agronomic solutions to farmers and agribusiness throughout North America. In what is historically a quarter with seasonally low activity, we are pleased to see triple digit revenue growth, which we believe highlights the significant impact our strategy is having on our growth rates.”

“Additionally our acquisition of Farm Dog, has accelerated development of our digital ecosystem. As we continue to integrate our products and services and engage historical Farm Dog users with our bundled offerings, we see a continued and growing value proposition emerging for our

customers. We ended 2020 with roughly 600,000 engaged acres in our ecosystem. With recent new business announced and our acquisitions, Deveron has nearly tripled its access to customers. Given the growth illustrated in Q1, we believe the three components of our strategy – digital ecosystem, strong agronomic insights, and responsive sales team are on schedule for full integration which we believe will continue our growth in the coming quarters.”

Summary of Financial Results

Results of operations	For the three months ended		
	March 31, 2021	March 31, 2020	% Change
Total Revenue	\$667,726	\$283,420	136%
Gross Profit	\$383,668	\$180,212	113%
Gross Profit Margin %	57%	64%	-7%
Operating Expenses	\$ 1,363,136	\$748,995	82%
Adjusted EBITDA (loss)*	\$(591,373)	\$(435,978)	-36%
Total Comprehensive Loss	\$(979,468)	\$(568,783)	72%
Weighted Average Common Shares Outstanding	68.4 M	38.1 M	
Per Share:			
Comprehensive Net Loss	\$(0.01)	\$(0.01)	

**Non-IFRS measure. Adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”) should not be construed as alternatives to comprehensive loss or income determined in accordance with IFRS. Adjusted EBITDA does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines Adjusted EBITDA as IFRS comprehensive loss less interest expense, depreciation and amortization expense, share-based payments, income tax expense, integration costs, and impairment of goodwill, property, plant, and equipment and right-of-use assets (ROU). The Company believes that Adjusted EBITDA is a meaningful financial metric as it measures cash generated from operations which the Company can use to fund working capital requirements, service future interest and principal debt repayments and fund future growth initiatives.*

Adjusted EBITDA(Loss) Calculation

	2021	2020
<u>Total Net income (Loss)</u>	\$(979,468)	\$(568,783)
<u>Less: Interest</u>	\$16,110	\$12,691
<u>Less: Depreciation & Amortization</u>	\$51,177	\$50,468
<u>Less: Share Based Payments</u>	\$320,807	\$69,648
<u>Less: Income Taxes</u>	\$0	\$0
<u>Less: Other Charges</u>	\$0	\$0
<u>Non-IFRS Adjusted EBITDA</u>	\$(591,373)	\$(435,978)

Operational Highlights for Q1:

- On [January 26th](#) , Deveron announced the launch of a fixed wing imagery pilot program for the 2021 season in Ontario, Canada;
- On [February 22nd](#), Deveron announced the acquisition of Farm Dog, an award winning mobile first data platform. Farm Dog is an agriculture data platform that helps farmers, agronomists, and agribusinesses record, organize and leverage on-farm information to make better decisions;
- On [March 8th](#), Deveron announced the signing of three new, multi-year service agreements with global leaders in the agriculture industry with a focus on carbon, seed and weather;
- On [March 12th](#), Deveron announced the appointment of Craig Hogan, CPA,CA as VP, Finance.

Subsequent Events:

- On [April 6th](#), Deveron acquired Woods End Laboratories to build out its soil health product platform. Woods End had unaudited revenue of US\$1.8 M and EBITDA of US\$900,000.
- On [April 27th](#), Deveron announced the appointment of Pranay Joshi as VP, Engineering.
- On [May 17th](#), Deveron announced the acquisition of Tana Ag Solutions Group LLC, an Oklahoma based independent agronomic consultant company. Tana Ag has 120,000 acres under management and 2020 unaudited revenue of US\$271,000 and EBITDA of \$98,000.

Business Outlook

Deveron’s goals for 2021 are to; i) continue to organically expand its acre footprint of farm and agribusiness users for its core data insights and collection products; ii) leverage its acquisition of Farm Dog to further build out its digital ecosystem helping its customers standardize and organize

all in-field data; and iii) continue to pursue synergistic acquisitions of agriculture advisory businesses in key local areas throughout North America.

Deveron's positive outlook for the coming quarters is driven by its high customer retention rate, increasing margins from expanding digital product sales and the vertical integration of soil health and testing. To date in 2021, the Company has also announced total revenue through acquisitions equal to 2020 revenue. With strong organic growth, coupled with acquisition success, Deveron continues to be on a path for another year of record high revenue and farm acres under management.

The Management's Discussion and Analysis for the period and the accompanying financial statements and notes are available under the Company's profile on SEDAR at www.sedar.com. This news release is not in any way a substitute for reading those financial statements, including the notes to the financial statements.

About Deveron: Deveron is an agriculture technology company that uses data and insights to help farmers and large agriculture enterprises increase yields, reduce costs and improve farm outcomes. The company employs a digital process that leverages data collected on farms across North America to drive unbiased interpretation of production decisions, ultimately recommending how to optimize input use. Our team of agronomists and data scientists build products that recommend ways to manage fertilizer, seed, fungicide and other farm inputs better. Additionally, we have a national network of data technicians that are deployed to collect various types of farm data, from soil to drone, that build a basis of our best in class data layers. Our focus is the US and Canada where **1 billion acres are actively farmed annually.**

For more information and to join our community, please visit www.deveronuas.com/register or reach us on Twitter [@DeveronUAS](https://twitter.com/DeveronUAS) or [@MyVeritas_HQ](https://twitter.com/MyVeritas_HQ)

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This news release includes certain "forward-looking statements" within the meaning of that phrase under Canadian securities laws. Without limitation, statements regarding future plans and objectives of the Company are forward looking statements that involve various degrees of risk. Forward-looking statements reflect management's current views with respect to possible future events and conditions and, by their nature, are based on management's beliefs and assumptions and subject to known and unknown risks and uncertainties, both general and specific to the Company. Although the Company believes the expectations expressed in such forward-looking statements are reasonable, such statements are not guarantees of future performance and actual results or developments may differ materially from those in our forward-looking statements. The following are important factors that could cause the Company's actual

results to differ materially from those expressed or implied by such forward looking statements: changes in the world-wide price of agricultural commodities, general market conditions, risks inherent in agriculture, the uncertainty of future profitability and the uncertainty of access to additional capital. Additional information regarding the material factors and assumptions that were applied in making these forward looking statements as well as the various risks and uncertainties we face are described in greater detail in the "Risk Factors" section of our annual and interim Management's Discussion and Analysis of our financial results and other continuous disclosure documents and financial statements we file with the Canadian securities regulatory authorities which are available at www.sedar.com. The Company undertakes no obligation to update this forward-looking information except as required by applicable law. The Company relies on litigation protection for forward looking statements.