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**FOR IMMEDIATE RELEASE**  
April 28th, 2023

**TSX-V: FARM**

## **Deveron Reports 236% Annual Revenue Growth and \$4.8 Million Adjusted EBITDA\* in Q4 2022**

**Toronto, Ontario** - Deveron Corp. (TSX-V: FARM) (“**Deveron**” or the “**Company**”), a leading agriculture service and data company in North America, is pleased to announce its Fiscal Year 2022 annual audited and Q4 results. Fiscal Year 2022 revenue grew 236% to \$28,923,133 from \$8,598,475 in 2021, while the adjusted EBITDA\* loss improved to \$(827,268) in 2022 from \$(3,328,280) in 2021. In Q4/2022, adjusted EBITDA\* totaled \$4,815,798 compared to an adjusted EBITDA\* loss of \$(593,096) in Q4 2021. Revenue for Q4/2022 grew 237% to \$15,143,300 from \$4,491,103 in Q4/2021. Deveron’s net income totaled \$3,975,838 in Q4/2022 compared to a net loss of \$(1,388,777) in Q4/2021.

### ***Fourth Quarter and Year-End 2022 Financial and Operational Highlights***

#### ***Fourth Quarter 2022 Financial Highlights***

Deveron achieved record revenue in Q4/2022. This was due to strong growth contributed by previously acquired farm advisory and soil sampling companies and the Company’s enterprise sales initiatives. The remaining growth derived from the partial recognition of revenue from Deveron’s three acquisitions completed in the year. The fourth quarter highlighted the value of the vertically integrated soil labs in the Company’s network, which led to higher gross profit margin and adjusted EBITDA\* margins. The quarter also benefited from some carry over of activity from the previous quarter. The Company’s Q4/2022 gross profit grew 269% year-over-year to \$11,725,584 from \$3,178,638 in Q4/2021. The Company continues to see strong organic growth due to increased demand for Deveron’s vertically integrated soil sampling, analyses and insights as the macro environment drives growers to utilize higher fidelity collection and analysis tools to improve profitability.

## *Year-End 2022*

For the year ended December 31, 2022, Deveron reported annual improvements in gross revenue through the partial contribution of newly acquired lab assets and strong organic growth. The Company continues to capitalize on strong demand for standardized digital agriculture field data. In 2022, Deveron executed on its consolidation strategy, acquiring \$29.7 million in annualized gross revenue, and found cost synergies of approximately \$2 million that will be fully recognized in 2023.

2022 saw Deveron acquire and integrate three soil labs: Agri-Labs, A&L Laboratories Canada, and Frontier Labs. Soil labs are a critical piece of the Company's vertically integrated soil network. These acquisitions provided Deveron with the ability to create economies of scale within the Company's offering, by leveraging their fixed assets and labour, the Company is able to increase product margin by driving throughput to the Company's internal lab assets. The Company now estimates that it represents approximately 11% of the annual North American soil testing market (The Fertilizer Institute, 2021). Finally, Deveron saw great success with the Company's enterprise offerings, announcing \$10 million in enterprise contracts in 2022.

"2022 was an incredible year for the Company. We feel we have proved our thesis, found a strong product market fit and can now continue to execute on our growth strategies," said David MacMillan, President, and CEO of Deveron Corp. "Growers and agribusiness are battling high inflation, increasing input costs and an ever-changing agricultural landscape, as they look for higher profitability while increasing the health of their soil. Deveron's vertically integrated soil data network provides the scale and standardization needed to help drive better decisions on the farm as well as for large agricultural enterprises. This strategy allowed us to achieve exponential growth of 470% in our data insight products as well as 46% growth within our data collection products in Q4/2022. In 2023, we will continue to integrate our service by cross selling our vertically integrated offering, which we believe will have substantial benefit for our customers and the broader agricultural industry."

## Summary of Financial Results

Result of operations	For the three months ended			For the twelve months ended		
	December 31 <sup>st</sup> , 2022	December 31 <sup>st</sup> , 2021	% Change	December 31 <sup>st</sup> , 2022	December 31 <sup>st</sup> , 2021	% Change
Total Revenue	\$15,143,300	\$4,491,103	237%	\$28,923,133	\$8,598,475	236%
Gross Margin	11,725,584	3,178,638	269%	19,951,841	5,828,950	242%
Gross Margin %	77%	71%	6%	69%	68%	1%
Operating Expenses	7,577,701	4,567,415	66%	28,126,550	10,849,226	159%
Non-IFRS adjusted EBITDA (loss)*	4,815,798	(593,096)	-	(827,268)	(3,328,280)	75%
Net Income (Loss)	\$3,975,838	\$(1,388,777)	-	\$(8,573,905)	\$(5,020,276)	-71%
Weight Average Common Shares Outstanding	132,176,098	87,351,976		116,387,677	76,992,311	
Per Share:						
Net Loss	0.03	(0.02)		(0.07)	(0.07)	

*\*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 excluding interest expense, depreciation and amortization expense, share-based payments, income tax expense, acquisition and integration costs, impairment of goodwill, property, plant, equipment and right-of-use assets (ROU), and change in NCI put obligation. 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*

	<i>For the three months ended</i>		<i>For the twelve months ended</i>	
	<i>Dec 31, 2022</i>	<i>Dec 31, 2021</i>	<i>Dec 31, 2022</i>	<i>Dec 31, 2021</i>
<b>IFRS Net Income (Loss)</b>	\$3,975,836	\$(1,388,777)	\$(8,573,905)	\$(5,020,276)
Less: Interest	1,842,469	45,160	3,368,346	111,453
Less: Depreciation & Amortization	1,633,274	702,200	4,830,484	914,212
Less: Share Based Payments	241,148	48,321	1,147,082	666,331
Less: Income Taxes	172,047	0	399,196	0
Acquisition and integration costs	-	-	1,050,506	-
Change in NCI put obligation	(3,048,977)	-	(3,048,977)	-
<b>Non-IFRS Adjusted EBITDA (loss)*</b>	<b>\$4,815,798</b>	<b>\$(593,096)</b>	<b>\$(827,268)</b>	<b>\$(3,328,280)</b>

**Acquisition Highlights for 2022**

During fiscal 2022, Deveron, acquired three agriculture companies totaling \$29.7 million in annualized revenue and \$12.3 million in EBITDA. The Company increased total soil lab capacity by 780,000 samples annually. Highlights of the Company's acquisitions are below:

- On May 24<sup>th</sup>, Deveron acquired A&L Canada Laboratories. A&L is the largest soil and tissue laboratory in Canada. Founded by Greg Patterson, and based in London, Ontario, A&L operates a 54,500 square foot laboratory with significant growth capacity. A&L processes over 435,000 soil samples per year. Deveron and A&L have cooperated in Canadian soil testing and analysis since 2019 and jointly own and operate Wood's End Laboratory in the United States. During the 12-month period ended December 31, 2021, A&L had unaudited revenue of \$26.7 million and EBITDA of \$11.6 million.
- On October 4<sup>th</sup>, Deveron acquired Frontier Labs. Frontier Labs is a leading soil lab and agronomy company, based in Iowa, that services Iowa and Minnesota, and has an annual capacity to process 200,000 samples. Frontier Labs had unaudited 2021 revenue of \$2.1 million with EBITDA of \$450,000.
- On March 11<sup>th</sup>, Deveron acquired Agri-Labs. Agri-Labs is a leading soil lab and agronomy company that services Indiana, Michigan, and Ohio. Agri-Labs conducts 45,000 soil tests annually and provides clients with sampling services and prescription recommendations across 100,000 acres. Agri-labs had unaudited 2021 revenue of \$916,000 with EBITDA of \$331,000.

## ***Operational Highlights for 2022***

### *Deveron Announces Overnight Marketed Public Offering of Units*

On February 15th, Deveron announced that it has commenced an overnight marketed public offering of Units of the Company seeking to raise aggregate gross proceeds of approximately \$8 million.

### *Deveron Announces Upsize and Pricing of Overnight Marketed Public Offering*

On February 24<sup>th</sup>, Deveron announced that it has upsized its previously announced overnight marketed public offering from \$8 million to approximately \$10 million. The Company has granted to RJL an option to sell up to a number of additional Units, Common Shares or Warrants, or any combination thereof as is equal to 15% of the aggregate number of Units purchased in the Offering to cover over-allotments, if any, and for market stabilization purposes, at the Issue Price. If the Over-Allotment Option is exercised in full, the total gross proceeds to the Company will be \$11.5 million.

### *Deveron Announces Closing of Overnight Marketed Public Offering*

On February 25th, Deveron announced the closing of its overnight marketed offering including the exercise in full of the over-allotment option. In connection with the Offering the Company issued an aggregate of 16,428,573 units in the capital of the Company at a price of \$0.70 per Unit for total gross proceeds of \$11.5 million.

### *Deveron Signs New Enterprise Client to End-to-End Carbon Services Platform*

On March 23rd, Deveron announced the signing of a \$750,000 enterprise contract with an agricultural carbon provider. The contract, focused on 85,000 acres in the Mississippi Delta, provides the client access to Deveron's carbon services platform to collect, analyze and share in-field soil carbon data.

### *Deveron Selected as Key Partner in \$7.5 Million USDA Climate Smart Commodities Initiative*

On October 12th the Company announced that it had been named as a key partner in a multiyear US \$7.5 million USDA initiative, with current enterprise client, AgriCapture. The partnership, which is focused on Arkansas, Mississippi, Missouri, Louisiana, Texas, and California, provides AgriCapture access to Deveron's carbon services platform for infield collection, lab analysis, and digitization of soil carbon data. The Company has agreed to provide US \$2 million in collection service and soil analytics for the initiative.

*Deveron Expands Multi-Year Contract with USDA for use of Carbon Services Platform by US \$900,000*

On October 18th, the Company announced that due to the success of the initial year of the project, the Company has expanded its enterprise agreement supporting the USDA by US \$900,000. This represents organic growth of 50% on the contract and increases the total value to US \$2.7 million. The Company has agreed to provide an additional US \$464,500 in collection service as well as US \$435,500 in soil analytics and has expanded the scope of the contract to include Kansas, Oklahoma, Texas, Colorado, Montana, Idaho, and Washington.

*Deveron Appoints New Board Member*

On November 17th, the Company announced it has appointed Tim Close as a director to the Company's Board. Tim is the former President, and CEO of Ag Growth International, a leading provider of equipment and technology solutions for the world's food infrastructure including seed, fertilizer, grain, feed, and food processing systems. Tim oversaw the strategic direction and operations of the business globally. Under his leadership, the Company evolved from a regional equipment supplier to a global agricultural and food processing solutions provider with a leading-edge technology business. Prior to AGI, Tim spent over 10 years in capital markets in escalating roles at Macquarie Capital in Toronto and Chicago with extensive experience in debt and equity markets, as well as mergers and acquisitions.

*Deveron Announce Strategic Cost Optimization and Synergy Program*

On December 1st, the Company announced that the Company has implemented a significant cost optimization program driven by a strategic refocusing on the North American soil testing market and the synergies created from its recent acquisitions.

***Subsequent to Year End***

*Deveron Announces Private Placement and Debt Restructure.*

On April 14<sup>th</sup>, 2023 Deveron announced a non-brokered private placement of up to 4,838,710 common shares in the capital of the Company at a price of \$0.31 per Common Share for gross proceeds of \$1.5 million. \$1 million of the proceeds are from insiders of the Company. Additionally, the Company announced it has conditionally agreed with Toronto-Dominion Bank to partially restructure its \$28.3 million credit facility, to issue a new 25-year mortgage for \$6.8M on the properties associated with A&L Canada Laboratories East, Inc. TD has valued the properties at \$9.1M. The \$6.8 million mortgage will be used to reduce the 10-year, \$28.3 million credit facility used to acquire A&L

### *Deveron Signs New Enterprise Contracts Totaling \$9.5 Million*

On March 14<sup>th</sup>, 2023, Deveron announced that the Company has signed two new enterprise contracts, totaling \$9.5 million. Focusing on tissue sampling and pesticide analysis, the first contract has a total value of \$4 million spread over 2 years, via Deveron's subsidiary A&L Canada Laboratories. The second contract is for 3-years totaling \$5.5 million in revenue, of which \$2.7 million is expected to be recognized in 2023. This project utilizes Deveron's vertically integrated soil ecosystem of data collectors and soil labs to measure agricultural carbon in soil.

### *Deveron Provides Corporate Update*

On February 15<sup>th</sup>, 2023, Deveron announced an update on recent corporate developments. In connection with the common share purchase warrants issued in connection with a non-brokered financing on December 23, 2020, through various exercises Deveron received proceeds of \$2,385,128 from the exercise of 5,359,839 warrants with an exercise price of \$0.45 and proceeds of \$245,575 from the exercise of 701,644 broker warrants with an exercise price of \$0.35. Secondly, Deveron provided an update on the continued growth of the Company's bundled offering of field collection services and lab analysis services. The Company has seen the successful onboarding of four additional regional Ag-retailers. The scope of the work focuses on soil fertility sampling and analysis in Saskatchewan, Minnesota, and South Dakota. Deveron continues to see strong macro tailwinds pushing growers and enterprises to collect and use more data to optimize their operations. In addition, Deveron announced that A&L Biologicals, a subsidiary of Deveron's recently acquired A&L Laboratories Canada, has been granted a registration from the Pesticide Management Regulatory Agency (for A&L's most recent biological product, Cuc-GUARD. Cuc-Guard acts as a vaccine for target crops to prevent the infection and spread of the green mottle mosaic virus, which can be prevalent in the production of greenhouse cucumbers.

### ***Business Outlook***

"Deveron is poised to have another strong financial year in 2023, as we embark on the next phase of our growth," said David MacMillan, President, and CEO of Deveron Corp. "As we continue to grow our network and build market share, the Company sees three major opportunities to succeed in 2023 and beyond. These are through regional organic growth, new enterprise sales, including continued growth of the carbon testing market, and M&A. The Company will continue to internalize the analysis of our collected samples in 2023 and fully recognize and leverage the economies of scale found in our lab assets. In 2022, the Company was able to acquire 11% of market share of the soil testing market, through our M&A and organic growth initiatives. As macro tailwinds drive growers, agri-business, and large enterprises to higher fidelity sampling and analysis practices, demand for a standardized dataset continues to be of critical importance for all of our customer segments. We continue to demonstrate the value of agricultural data

through our value-add approach to sampling and analysis of soil as we succeed in capturing new clients through our regional and enterprise sales flow. “

The Management’s Discussion and Analysis and the accompanying Financial Statements and Notes for full year 2022 are available under the Company’s profile on SEDAR at [www.sedar.com](http://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 better manage fertilizer, seed, fungicide, and other farm inputs. 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 of farmland are actively farmed annually.** For more information and to join our community, please visit [www.deveron.com](http://www.deveron.com).

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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](http://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.*