Press release



Food autonomy and circular economy

Entosystem propels a new and promising field of activity for Québec

Drummondville, April 26 2022 – Entosystem, a company that is committed to the circular economy by developing innovative technological solutions for insect breeding to contribute to Québec's food autonomy, is proud to announce the construction of a new plant in Drummondville thanks to more than \$60 million in public and private investments.

Entosystem recycles organic matter from Québec's agri-food industry that would otherwise be discarded, transforming it into several environmentally friendly products through a **zero-waste process**.

The matter recovered from farm to grocery store is used to feed the black soldier fly larvae. The factory will receive 250 tons of food daily, which will be consumed by the insects in only six days. Once well fed, these larvae are dried and ground into a **rich protein flour used to fed domestic and farm animals.** This circular process also makes it possible to market an **effective fertilizer approved for organic farming**.

This innovative approach makes the circular economy an integral part of the company's business model.

Tangible ecological and economic benefits

This new factory of **more than 100,000 sq. ft.** will allow Entosystem to create **70 new jobs** in the region, in addition to keeping the 30 jobs already active in Sherbrooke, and to have **a fully automated industrial system for its entire insect breeding process.** These technological improvements will allow the company to revalorize 90,000 tons of organic matter each year in order to produce 5,000 tons of high quality protein larvae as well as 15,000 tons of approved fertilizer for organic farming.

According to an independent study, this innovative project will reduce GHG emissions by 85% per year compared to the current scenario, while increasing Canada's self-sufficiency and

food security.

A large proportion of the food produced in Canada is wasted or lost. On a larger scale, agriculture, dog and cat feeding, and the use of unsustainable fertilizers contribute to a large proportion of GHG emissions in North America.

Quotes

"We are proud to play a pioneering role in the development of this promising sector for the environment, the economy and the food autonomy of Québec. Already established in Estrie, this expansion in the city of Drummondville would not have been possible without the exceptional support of our partners: Agriculture and Agri-Food Canada, BDC, Farm Credit Canada, Export Development Canada, the Ministry of Agriculture, Fisheries and Food, Investissement Québec, the Financière agricole du Québec, RECYC-QUÉBEC, the City of Drummondville and the SDED, Desjardins and Sanimax."

- Cédric Provost, President and co-founder, Entosystem

"The use of insects to speed up the process of composting food waste is a promising solution for the environment. By recovering products intended for landfill, Entosystem creates value-added products, generates a zero-waste circular economy and contributes to the achievement of our climate targets. The Government of Canada's investment in the company's new facilities will allow it to increase its production of alternative proteins for animal feed and fertilizers, which are essential inputs for the agricultural industry."

-The Honourable Marie-Claude Bibeau, Minister of Agriculture and Agri-Food

"For nearly six years now, Entosystem has devoted its energy to promoting the development of local production and opening up a new market within our Québec agri-food industry, namely that of insect protein meal intended for animal consumption, as well as insect-based biofertilizers. We are therefore happy to support them today with their project, which will allow the company to strengthen its expertise and to take a giant step forward in its field, while encouraging sustainable agriculture and stimulating the economic vitality of Centre du Québec."

- André Lamontagne, Minister of Agriculture, Fisheries and Food, Minister responsible for the Centre du Québec and Chaudière-Appalaches regions, and MNA for Johnson

"With an innovative protein-based insect meal product, and a new state-of-the-art plant, Entosystem is providing the means to distinguish itself in a fast-growing market. By combining innovation, automation, and the circular economy, all of the ingredients are present to ensure a winning recipe for this project."

- Pierre Fitzgibbon, Minister of Economy and Innovation and Minister responsible for Regional Economic Development "Entosystem's project presents an innovative circular economy approach, which will contribute to the development of a variety of new processing methods for the recovery of organic matter. The organic matter diverted from waste disposal thanks to this large-scale project will thus be valorized to market quality products with high added value. This is a company that fits right in with our vision of a green economy for Québec!"

- Benoit Charette, Minister of the Environment and the Fight Against Climate Change, Minister Responsible for the Fight Against Racism and Minister Responsible for the Laval Region.

"I salute Entosystem's significant commitment in our region and, more precisely, in Drummondville. This major investment is further proof of the strength and dynamism of our economy. Additionally, we are very pleased to see the development of local industrial solutions that implement circular economy principles benefiting players in the Québec agri-food sector."

- Sébastien Schneeberger, MNA for Drummond-Bois-Francs and Deputy Government House Leader

"Drummondville is pleased that an innovative and forward-thinking company such as Entosystem has chosen the Capitale du développement to locate its business. Entosystem's arrival supports the diversification of our regional economy. Food processing is the second largest sector of activity in Drummondville. The circular economy is entering a new era and Drummondville has always been a forerunner. We are committed to the reduction of food waste and the recovery of residual matter. The arrival of Entosystem is another step in this direction."

- Stéphanie Lacoste, Mayor of Drummondville and president of SDED

"FCC is proud to support a young, innovative company like Entosystem that promotes environmentally responsible practices in Québec and helps reduce the carbon footprint of modern agriculture on the environment. With a promising business model and a team of passionate people, Entosystem has what it takes to reach new heights in the coming years and make a difference in a sustainable and responsible food system."

- Manuel Vaillancourt, senior director of business relations, Financement agricole Canada

"As a partner of Entosystem for several years, in particular in support of its pilot plant project, Investissement Québec is proud to see construction of this state-of-the-art facility in Drummondville come to fruition. In addition to relying on strategic business relationships with a variety of major players in Québec's agri-food industry, the company is taking steps to strengthen its production and supply chain, thus contributing to the economic development of Centre-du-Québec and its surroundings."

- Guy LeBlanc, President and CEO, Investissement Québec

"In order to ensure a green recovery based on the resilience of our businesses and territories, it is essential to focus on the circular economy as a development driver. Rethinking our modes of production and consumption, optimizing the use of resources, is contributing to the collective effort to reduce greenhouse gases, while making a waste-free Québec a reality. Innovative projects that propose solutions upstream, such as this one, contribute to bringing us closer to this goal."

- Sonia Gagné, President and CEO, RECYC-QUÉBEC

"In the context of climate change and resource shortages, it is important to find innovative solutions to reduce food waste. As a leader in socio-economic development, we must support an economy that extends the life cycle of matter. That's why we are proud to provide \$13.5 million in funding for Entosystem's new factory."

- Jean-Yves Bourgeois, Senior Vice President Business Services, Mouvement Desjardins

"The technology developed by Entosystem is among the best in the world and allows for innovative and sustainable management of organic matter in the agri-food industry. As a privileged partner, Sanimax shares a common expertise and values that make our collaboration strong. We believe that this is a project for the future that will help strengthen the role of Québec and its businesses as leaders in the circular economy. We are proud to actively contribute to the development of this new sector."

- Martial Hamel, president - North America, Sanimax

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About Entosystem

Entosystem uses cutting edge insect farming technology in order to position itself as a major player in the field of agricultural circular economy. We produce entomological proteins and flour derived from insects with added value, by allowing, on the one hand, the recuperation of the nutritional value from food waste, and, on the other, a better control of food safety.

For further information

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