



March 20, 2024 | Important Pricing Change Notice

To our Valued Customers:

As you may be aware, the CO2 supply across the country is being affected by a stagnant or decreasing amount of available product for commercial uses, coupled with expansion of demand. Since March of 2023 through current data through Feb 2024, the CO2 Price Index has increased 7%, and is showing no signs of reversing the trend.

During that same period, the demand for product has severely outpaced capacity, as the cannabis industry begins to build its cannabinoid and terpene extraction, and dry ice use spiked for shipping. We have secured a higher level of product for the coming year to accommodate, however we have been forced to bring in CO2 from other sources – some significantly farther away – creating higher product and transportation costs. In addition to the raw product costs, the costs of the tanks and systems used in servicing our customers' needs continue to go up as well.

We have been able to create some internal efficiencies to help mitigate some of these factors, however we will need to take action to recover a portion of the increases.

Effective April 15, 2024 or as contracts allow, we will be increasing:

- Facility and Rental Fees
- Beverage Carbonation Product Prices
- Dry Ice Prices

A detailed list of these changes related to your account(s) is available upon request from your servicing location.

We are pleased you have chosen us to be a vendor partner, and we will continue to manage the ever-changing CO2 supply market as best we can! Our success depends on Yours!

Sincerely,

Your CO2 Sales & Service Team