

Surna Signs Contracts for New Monitoring and Controls Systems

Agreements cover equipment for a combined total of over 212,000 square feet of cultivation space

Boulder, Colorado, February 11, 2020 — <u>Surna Inc.</u> (OTCQB: SRNA) announced a major milestone as it relates to the Company's <u>SentryIQTM</u> Monitoring, Controls and Automation systems for control and data visualization of engineered cultivation facilities. The company has entered into seven contracts with six different companies to implement its <u>SentryIQTM</u> platform. Introduced in April 2019, these systems provide a steady stream of data that customers use to make daily cultivation decisions. Additionally, Surna can use this data to track trends and apply future enhancements to its products and services, fostering closer relationships with clients throughout their facilities' life cycles.

The new contracts cover the following projects:

- **100,000 square foot project in Alberta, Canada:** Surna is working on two projects for one customer that each involve approximately 50,000 square feet of cultivation space. Surna will provide engineering design, climate control equipment and its SentryIQTM mechanical plant controller to control the chiller plant, boiler and to monitor energy consumption in the chiller plant.
- **25,000 square foot project in California:** Surna will provide engineering design services, climate control equipment and a SentryIQ[™] plant controller for a 25,000-square-foot cultivation space facility run by a multi-facility operator.
- **10,000 square foot project in Alberta, Canada:** Along with engineering design services, Surna will provide climate control equipment, a front-end user interface, SentryIQTM Facility Supervisor and SentryIQTM Room Controllers that will control temperature, humidity and CO₂ evacuation for over 10,000 square feet of cultivation space. Additionally, Surna will provide vapor pressure deficit monitoring and data collection. Surna will also conduct ongoing monitoring and supervision support by logging into the customer's system to review performance and adjust programming and algorithms as needed.
- **40,000 square foot project in British Columbia, Canada:** Surna is providing engineering design, climate control equipment and its full suite of controls products for 40,000 square feet of cultivation space in a multi-tiered facility utilizing LED lighting.
- **12,000 square foot project in Oklahoma:** Surna is providing climate control equipment and its full suite of controls products for 12,000 square feet of cultivation space. Surna is also providing engineering design services for this multi-state operator.
- **25,000 square foot project in Michigan:** Surna is providing climate control equipment and its full suite of controls products for 25,000 square feet of cultivation space. Surna is also providing engineering design services for this facility.

All SentryIQTM controls include Surna's proprietary loop capacity monitoring, which allows Surna to assess the actual output and unused capacity of the climate control equipment under various operating conditions. This provides valuable engineering data for optimizing performance remotely and troubleshooting — data not

previously available to cannabis cultivators because the industry has not systematically collected and analyzed it before now. Because cooling and dehumidification systems are typically the largest consumers of energy in cannabis cultivation facilities, such information is extremely important to accurately assess energy use associated with climate control systems under various operating conditions. Additionally, the data provides critical cornerstone information for predictive energy modeling in the future.

With Surna's full suite of engineering, equipment, controls and data collection, cultivators no longer need three separate vendors to provide these products and services. At the same time, Surna can leverage the data it collects to ensure its designs operate with optimal efficiency under real-world conditions.

Surna's mechanical design services, coupled with its SentryIQTM controls, offer customers significant flexibility to adapt to changing needs, methods and facility parameters, including modifications that may occur between design, application and perfection of the cultivation process.

About Surna

Surna Inc. (www.surna.com) designs, engineers and manufactures application-specific environmental control and air sanitation systems for commercial, state- and provincial-regulated indoor cannabis cultivation facilities in the U.S. and Canada. Our engineering and technical team provides energy and water efficient solutions that allow growers to meet the unique demands of a cannabis cultivation environment through precise temperature, humidity, light, and process controls and to satisfy the evolving code and regulatory requirements being imposed at the state, provincial and local level.

Statement about Cannabis Markets

The use, possession, cultivation, and distribution of cannabis is prohibited by U.S. federal law. This includes medical and recreational cannabis. Although certain states have legalized medical and recreational cannabis, companies and individuals involved in the sector are still at risk of being prosecuted by federal authorities. Further, the landscape in the cannabis industry changes rapidly. This means that at any time the city, county, or state where cannabis is permitted can change the current laws and/or the federal government can supersede those laws and take prosecutorial action. Given the uncertain legal nature of the cannabis industry, it is imperative that investors understand that investments in the cannabis industry should be considered very high risk. A change in the current laws or enforcement policy can negatively affect the status and operation of our business, require additional fees, stricter operational guidelines and unanticipated shut-downs.

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