

## ASX and MEDIA RELEASE

7 December 2017

### **ISRAELI AGRI-TECH LEADER WITH PROPRIETARY DISRUPTIVE TECHNOLOGY COMMENCES TRADING ON THE ASX**

- **Roots Sustainable Agricultural Technologies Limited commences trading on the ASX under ticker “ROO”**
- **Roots pioneering technology provides two-in-one root zone heating and cooling systems and irrigation by condensation systems that increase crop yields up to 50%, reduce energy consumption significantly and provide water for irrigation only from humidity in the air.**
- **The \$5 million initial public offering, managed by Everblu Capital, was significantly oversubscribed with strong support from institutional and retail investors**
- **Funds will be used for market development and expansion of commercialised technology into new markets**
- **Commercialisation of pilot programs underway in Israel and Spain with global rollout of several key programs expected in the near term.**

**Roots Sustainable Agricultural Technologies Limited (ASX: ROO, Roots or Company)**, today commenced trading on the Australian Stock Exchange under the ticker “ROO”, following an oversubscribed Initial Public Offering (IPO) that raised \$5 million.

The successful IPO, managed by EverBlu Capital, places the company in a strong position to further develop and commercialise its two pioneering technologies. Roots transforms the way farmers in areas that experience weather extremes and water shortages can more effectively manage their crop cycles by using a patented, closed cycle, agricultural system which utilises ground source heat exchange principles to cool and heat root zone temperatures to stabilise the optimum temperature range for growing the crops.

Dr Sharon Devir, CEO and Co-founder said: “Roots will play a tangible role in helping address the global food demand and supply imbalance that is only getting more challenging due to increasing weather extremes and crop demand and reduced access to water and agricultural land. Australia has always had a strong agronomy heritage, so we are excited to be offering Australian investors the chance to be part of the agri-tech sector with a company offering game-changing opportunities to farmers who are facing challenging environmental conditions and price pressures. Our listing on the ASX is a crucial step towards our continued growth in several markets around the world.”

EverBlu Capital Chairman, Adam Blumenthal said: “Roots offers a unique and patented solution to the challenges brought about by growing populations and water and food shortages. We have received significant interest both domestically and internationally from investors with an over-subscribed IPO. This is not surprising as innovative-solution companies like Roots find that through the ASX they have access to an educated local investment community which understands the way companies like this operate through their growth phases.”

**Roots' two patented core technologies are:**

- **Root Zone Temperature Optimization (RZTO)** optimises plant physiology for increased growth, productivity and quality by stabilising the plant's root zone temperature. Leveraging the principle of Ground Source Heat Exchange (GSHE), Roots installs a closed-loop system of pipes. The lower part is installed at a depth where soil temperature is stable and not affected by weather extremes, and the upper part in the target crop's root zone just below the soil surface. Water flowing through the lower pipes is charged by the soil's stable temperature. The heated (or cooled) water is pumped through the pipes installed in the root zone, where the heat (or cold) is discharged.

This significantly increases yields by up to 50%, increases growing cycle options, improves quality, mitigates extreme heat and cold stress while reducing energy consumption by up to 80% by stabilising and optimising the roots zone temperature.

- **Irrigation by Condensation (IBC)** provides water for irrigation from moisture in the air and soil. It is a standalone, closed-loop, solar-operated system to irrigate crops by condensing water from moisture or humidity contained in the air and soil on the external surface of pipes. After filling the system's water tank once, the water is continually cooled to below the dew point and the chilled water is circulated in pipes placed on the ground surface and/or in the soil at the plant's average root depth. The humidity that then condenses on the pipes is used to irrigate the crops with pure, chilled water.

It can operate independent of electricity grids, and allows farming in remote locations previously unsuited to food production due to water shortages.

## **Management**

Roots' multi-disciplinary management team are global leaders in root zone cooling and bring a wealth of experience across agronomy and related sectors in Israel, Europe, the US and Australia.

Chief Executive Officer and Co-founder, Dr Sharon Devir, has almost 20 years' experience in successful management of various international companies. He has been a seed investor and CEO in two agri-tech start-ups.

Dr Devir leads a team of world class scientific, technical and management leaders, with proven business value build-up records in agri-tech and related industries.

Non-Executive Director and Co-founder. Boaz Wachtel, is the inventor of the two patented core technologies and is published in 25 publications focussing on water and a frequent lecturer on Ag-Tech, water issues and sustainability. He has successfully co-founded two other ASX-listed companies, MMJ Phytotech Ltd and Creso Pharma Ltd.

## Near term milestones

Funds raised from the IPO will be used to: fund commercialisation of current RTZO pilot programs; geographic expansion into global markets; complete IBC proof of concept on several crops; increase sales and marketing; research and development; working capital; and IPO expenses.

## ABOUT Roots Sustainable Agricultural Technologies

Israeli-based, Roots Sustainable Agricultural Technologies Ltd. is developing and commercialising disruptive, modular, cutting-edge technologies to address critical problems being faced by agriculture today, including plant climate management and the shortage of water for irrigation.

Roots has developed proprietary know-how and patents to optimise performance, lower installation costs, and reduce energy consumption to a minimum to bring maximum benefit to farmers through their two-in-one root zone heating and cooling technology and off the grid irrigation by condensation technology.

Roots is a graduate company of the Office of the Israeli Chief Scientist Technological Incubator program.

More information [www.rootssat.com](http://www.rootssat.com)

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