

24 January 2018

**Roots signs Australian distribution agreement and two-installation pilots including proof of concept on apricot trees.**

- **Roots signs non-exclusive Australia distribution agreement with Adam Water Solutions, one of Western Australia's leading irrigation and Ag-tech integrators, for Roots' proprietary two-in-one root zone heating and cooling technology, that increases crop yields significantly with very low energy consumption.**
- **World-first proof of concept of RZTO technology on young apricot trees to take the number of crops being optimised with RZTO technology to eight.**
- **Pilot project to be rolled out over 14 months commencing from April 2018.**

**Roots Sustainable Agricultural Technologies Limited (ASX: ROO, Roots or Company)** is pleased to announce that the Company has signed a non-exclusive distribution agreement and pilot demo program with Adam Water Solutions, a leading West Australian irrigation and Ag-tech integrator, to sell, distribute and install its Root Zone Temperature Optimization (RZTO) products in Australia.

The pilot program consists of two-installations of ground-source, heat exchange-based heating and cooling systems to demonstrate their capacity to influence yield, quality, maturity time and extreme weather ameliorating effects. The first pilot starts in April 2018 at a facility north of Perth.

The pilot will also provide a world-first proof of concept on young apricot trees for a one-year period. This will increase Roots presence in the open field tree market segment. This segment generally lacks Ag-tech innovation and opens Roots to a vast new market.

Dr Sharon Devir, CEO and Co-founder said, "This Australian distribution agreement and pilot program is a key part of our global expansion plans. It builds upon similar agreements in additional markets in Southern Europe and the Middle East. Australia has a proud history of agricultural innovation, so we are pleased that Australia, the country we listed our company in, will now be able to take advantage of our technology, which will help farmers address critical problems they face. These include plant climate management to optimize crop yields and quality, increased speed to market, and addressing the shortage of water for irrigation."

"With our Australian pilot we are also proud to be extending the crops being utilized with RTZO systems by pioneering a proof of concept on apricot trees north of Perth. The potential market for Roots target crops for using RTZO technology in Australia is estimated at several million dollars per annum. We expect that once we successfully showcase our technology in Australian conditions that significant orders will follow – especially for farmers in the agricultural production areas across Australia."

“We expect to establish a long term commercial relationship with Adam Water Solutions. It is a sophisticated and well-established company in Western Australia serving the Australian farming industry, mainly in designing, supplying and installation of irrigation and fertigation systems. It also represents and acts as an agent for major leading companies and manufacturers of irrigation equipment in Australia and overseas.”

#### **About Root Zone Temperature Optimization (RZTO):**

Root Zone Temperature Optimization (RZTO) optimizes plant physiology for increased growth, productivity and quality by stabilizing 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. Water is then pumped through the pipes installed in the root zone, and heats in the winter and cools in the summer.

This significantly increases yields, improves quality, mitigates extreme heat and cold stress and shortens growing cycles, while reducing energy consumption by up to 80% compared to existing heating and cooling systems by stabilizing and optimizing the roots zone temperature.

#### **About Roots Sustainable Agricultural Technologies Ltd:**

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 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)

#### **About Adam Water Solutions**

Adam Water Solutions (AWS) is a West Australian Company that has for 35 years provided water solutions to the Australian and global farming industry to make full use of every drop of water. Adam Water Solutions services includes creative irrigation designs, supply of quality products, installation and project management.

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