

ASX and MEDIA RELEASE

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Roots builds momentum in North America's cannabis sector with third RZTO sale

- **A\$28,000/ US\$20,000 sale to luxury cannabis producer is Roots' third order from North America's cannabis sector in about a month.**
- **Roots' proprietary Root Zone Temperature Optimisation (RZTO) cooling technology will be installed in an indoor facility with growbags in Southern California.**
- **First RZTO sale in the USA to be used primarily for cannabis cooling.**

Roots Sustainable Agricultural Technologies Limited (ASX: ROO, Roots or Company) continues to build momentum in North America's cannabis sector, securing a third sale of its Root Zone Temperature Optimisation (RZTO) heating and cooling system in about a month.

The A\$28,000/ US\$20,000 sale to premium recreational and medical cannabis producer CannDESCENT will see Roots' proprietary RZTO cooling and heating technology installed in a greenhouse at CannDESCENT's growing facilities in Southern California.

The luxury cannabis producer customises plant growing environment by stage and strain with flowers picked and trimmed by hand. CannDESCENT produces a range of cannabis products and was voted California's number one selling flower brand in 2017 and number one selling luxury flower brand in 2018.

The latest sale builds on previous RZTO cannabis orders from industry leader Tim Blake and independent grower Mendocino Natural Farms in late March and early April.

Roots CEO, Dr. Sharon Devir said, "This sale to a luxury cannabis brand, which is known for its unique growing techniques and attention to detail, is a further endorsement of our proprietary RZTO technology from another industry leader. It is also the first time our cooling technology will be installed in greenhouse growbags in the United States."

"This sale, where RZTO will be used initially for cooling, will complement the recent results our sustainable ag-tech technology achieved where RZTO-heated open field cannabis plants increased the un-trimmed dry bud and leaf weight plants by up to 283 percent despite challenging autumn growing conditions of heavy frosts and temperatures below zero degrees. RZTO not only enables a customer to plant early and extend growing cycles production, but also reduces heating and cooling costs compared to traditional systems."

"Roots' proprietary root zone heating and cooling technology continues to generate interest from leading players within North America's cannabis sector and we expect these first three sales will be the first of many."

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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

About Root Zone Temperature Optimization (RZTO):

Root Zone Temperature Optimisation (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, increases growing cycle planting options, improves quality, mitigates extreme heat and cold stress while significantly reducing energy consumption by stabilising and optimising the roots zone temperature.

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