**ASX and MEDIA RELEASE**

**4 April 2019**

## Roots receives second RZTO cannabis sale in North America

- **Valued at A$42,300/ US$30,000, Roots will install its Root Zone Temperature Optimisation (RZTO) technology in multiple 1,000 sqf hoop houses in Northern California.**
- **Second sale to North America's cannabis sector in less than a month.**
- **Follows successful open field root zone heating pilot during autumn in Washington State, where heating system increased average un-trimmed dry bud and leaf weight by 60 to 283 percent compared to un-heated control crops.**

**Roots Sustainable Agricultural Technologies Limited (ASX: ROO, Roots** or **Company**) has secured a second sale of its Root Zone Temperature Optimisation (RZTO) heating and cooling system in America to independent cannabis producer Ivo Lopez of Mendocino Natural Farms in Northern California. A holder of several cultivation licenses, Mendocino Natural Farms is a cannabis producer, processor and a member of the Round Valley Cooperative in 'The Emerald Triangle'.

The A$42,300/ US$30,000 sale involves Roots installing its proprietary RZTO cooling and heating technology in multiple 1,000 square foot hoop houses at Mendocino Natural Farms' property in Round Valley, California. RZTO will be installed in two stages, with the first stage dedicated to the installation of a heat pump for root zone heating. During the second stage, coils will be inserted at depth for root zone cooling using the principles of Ground Source Heat Exchange (GSHE).

It is Roots' second sale within North America's lucrative cannabis sector in less than a month, following an initial sale to industry leader Tim Blake in late March. Both sales are the result of Roots' Technology Showcase in North America in February and a successful open field RZTO heating pilot on cannabis in Washington State during challenging autumn growing conditions of heavy frosts and temperatures below zero degrees.

Roots CEO, Dr. Sharon Devir said, "Roots continues to strategically target the North American cannabis market with our sustainable ag-tech heating and cooling solutions, which cater to the industry-wide shift towards outdoor cannabis production.

"This second sale in less than a month is a testament to the uniqueness of our RZTO technology in a competitive market, where operators are increasingly looking to adopt environmentally-friendly technologies that support healthy plant growth without the use of harmful chemicals.

"Our root zone technology enables growers to minimise the impact of external weather conditions while significantly reducing capital and operational outlays. Yield and crop performance results from our highly successful open field heating pilot in Washington State demonstrates the ability of RZTO to facilitate year-round growing.

Mendocino Natural Farms' Managing Director Ivo Lopez said ,"Roots' root zone heating and cooling technology is an ideal fit for Mendocino Natural Farms and supports our commitment to low-impact

farming. Roots' technology will allow us to sustainably increase the plant quality and yield as well as extend our growing season and continue through the winter months."

-ENDS-

**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.

**Investor Enquiries**
Justin Foord
Market Eye
justin.foord@marketeye.com.au
+61 2 8097 1200

**Media Enquiries**
Tristan Everett
Market Eye
tristan.everett@marketeye.com.au
+61 403 789 096

**Corporate Enquiries:**
EverBlu Capital
E: info@everblucapital.com
P: +61 2 8249 0000