



ROTOGRO

ASX Release

8 December 2020

RotoGro Executes Favourable Patent Infringement Settlement Agreement with RavenQuest BioMed Inc.

Highlights

- RotoGro executes **binding Settlement Agreement with RavenQuest in favour of RGI (ASX)**
- The Federal Court of Canada orders that RotoGro is the owner of **Canadian Patent No. 2,908,184** and that RavenQuest infringed the Patent by its manufacturing, sale, and distribution of orbital gardens;
- The patent grants RotoGro **the exclusive right, privilege and liberty** to make, construct, use, and sell to others to be used, its proprietary Stackable Modular Rotatable Gardening System, **for a period of 20 years from the Patent's filing date.**
- RavenQuest is **permanently restrained** from infringing or challenging, directly or indirectly, the Patent;

Rotogrow will provide the market shortly with an update on its European, AUS & USA patent portfolio for its proprietary stackable modular system *Further to the Company's public filings on 4 November 2019 (titled "RotoGro Files Statement of Claim for Patent Infringement Against RavenQuest BioMed Inc. (CSE:RQB), William George Robinson, and Others") and 14 January 2020 (titled "RotoGro Update Regarding RavenQuest BioMed Inc. (CSE:RQB), William George Robinson and Others Patent Infringement Claim").*

Roto-Gro International Limited (ASX:RGI) ("**RotoGro**" or the "**Company**"), is pleased to announce that it has executed a binding Settlement Agreement with RavenQuest BioMed Inc. ("**RavenQuest**"), pertaining to the Company's legal proceedings at the Federal Court of Canada against RavenQuest, CL2G Consulting ("**CL2G**"), Synergy Solutions Management ("**Synergy**"), 1052543 B.C. Ltd. ("**1052543**"), and William George Robinson ("**Robinson**") (collectively, the "**Defendants**"). The Statement of Claim was issued on 24 October 2019 claiming the infringement of RotoGro's Canadian Patent for its Stackable Modular Rotatable Gardening System (the "**Gardening Systems**"), Patent No. 2,908,184 (the "**Patent**").

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Chief Financial Officer

Melanie Leydin

Company Secretary

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History Between RotoGro and the Defendants

RotoGro delivered letters to RavenQuest and Robinson demanding that they cease and desist their use of RotoGro's proprietary technology. The first letter, sent on 21 December 2017, put RavenQuest and Robinson on notice that RotoGro would defend and protect its intellectual property rights pursuant to its patent applications in Canada and the U.S., and stated that RavenQuest's promotional paper featured an unlicensed drawing identical to the invention described and shown in RotoGro's application for the Patent. The second letter, sent on 27 September 2019, stated that RavenQuest's advertised "orbital gardens" would infringe claims in the Patent once issued on 22 October 2019.

History of the Patent and Ensuing Claim

RotoGro's wholly owned subsidiary, Roto-Gro Inc., filed an application on 13 October 2015 with the Canadian Intellectual Property Office ("CIPO") for a patent of its Stackable Modular Rotatable Gardening System. The Patent was granted to RotoGro by CIPO on 22 October 2019. The Patent grants RotoGro the exclusive right, privilege and liberty to make, construct, use, and sell to others to be used, its proprietary Stackable Modular Rotatable Gardening System, as described in the Patent for a period of 20 years from the Patent's filing date.

On 24 October 2019, the Federal Court of Canada issued Roto-Gro Inc.'s Statement of Claim against the Defendants claiming the infringement of the Patent. RavenQuest subsequently filed a Counterclaim against RotoGro, to which RotoGro filed and served a Reply and Defence to Counterclaim.

Settlement Agreement

On 20 November 2020, RotoGro and RavenQuest executed a Settlement Agreement consisting of the following principal terms:

1. RavenQuest admits infringement and accepts the validity of the Patent;
2. the Settlement Agreement shall not be considered an admission by any party of any allegations in the Statement of Claim or in the Statement of Defence and Counterclaim, except for RavenQuest's admission regarding its infringement and the validity of the Patent;

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3. RavenQuest agrees not to infringe or challenge, directly or indirectly, the Patent; and
4. RotoGro agrees to dismiss its Statement of Claim against all defendants, without costs, and RavenQuest agrees to dismiss its Counterclaim without costs

Court Order

Following the execution of the Settlement Agreement, on 2 December 2020 the Federal Court of Canada ordered as follows:

1. RotoGro is the owner of the Patent. As between the parties, the Patent is valid and subsisting, and claims 1-7 were infringed by RavenQuest by its manufacturing, sale, and distribution of orbital gardens;
2. RavenQuest shall be permanently restrained from infringing or challenging, directly or indirectly, the Patent;
3. RavenQuest's Counterclaim is dismissed without costs;
4. RotoGro's Claims against all Defendants are dismissed without costs; and
5. This matter shall be otherwise dismissed.

RotoGro's Non-Executive Chairman, Michael Carli states, "This is an enormous success for RotoGro and our stakeholders. The Company will continue to protect and defend our intellectual property rights as we execute our expansion into the agricultural technology market. With our proprietary and patented Rotational Garden Technology protected in Canada, the United States, and throughout Europe, RotoGro is at the forefront of driving safe, sustainable and secure fresh produce production in the Vertical Farming space. I commend the executive team for their diligence in proactively enforcing and defending our intellectual property rights."

--ENDS--

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This announcement is authorised for release to the market by the Board of Directors of Roto-Gro International Limited.

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About Roto-Gro International Limited

Roto-Gro International Limited (“**RotoGro**”) is an Australian company which utilises its state-of-the-art, automated agricultural cultivation technology to provide sustainable and cost-effective solutions to both conventional and indoor vertical farms. The Company’s global operations are focused on the cultivation of perishable food (produce) and lawful cannabis utilising its proprietary, patented, and patents-pending technology in the indoor vertical farming space.

The core of RotoGro’s technology is its patented Rotational Garden Systems which provides for greater space savings and yields with lower operating costs compared to other farms utilising different technologies. RotoGro’s Rotational Garden Systems are supported by the Company’s proprietary iGrow Enterprise Edition software, state-of-the-art nutrient management system and in-house design and engineering services.

RotoGro’s in-house engineering teams provide consultative services for full facility designs to produce state-of-the-art facilities equipped with RotoGro’s technology. Similarly, RotoGro’s research and design teams work with its existing customers to ensure their long-term success cultivating high-quality crops.

RotoGro has formalised a collaboration with Verity Greens Inc. for the cultivation of perishable foods (produce). This venture is reliant upon RotoGro’s technology to produce greater yields with lower operating costs. In addition, RotoGro continues to nurture relationships for technology sales and growing management services in the lawful cannabis cultivation space, globally.

RotoGro maintains its focus on expansion into industry synergistic opportunities and exploring strategic partnerships in the perishable food (produce) space and the lawful cannabis space, while sourcing lawful cannabis cultivation license ownership opportunities, engaging in growing management services contracts, and

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ROTOGRO

providing the agricultural industry with industry-leading nutrient management systems and supporting, automated technology.

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