

12 January 2022

## First revenues booked from ‘Super Mini’ Root Zone Temperature Optimisation (RZTO) product with sales into multiple markets

### Highlights:

- Orders shipped to customers and distributors in Australia, Singapore and South Africa
- Systems being deployed in multiple countries across diverse crop range including cannabis, lettuce, blueberries, peppers and cucumbers
- ‘Super Mini’ RZTO system is designed for use in commercial growing operations providing growers the ability to learn and adopt the technology to specific crops, varieties and growing conditions
- Follow up commercial orders expected after successful completion of adoption period
- Discussions with collaborators ongoing – demand magnified by agricultural dealers and growers’ adoption of regenerative and sustainable agricultural practices
- Roots chosen among five finalists in Israeli Ministry of Agriculture competition to demonstrate amelioration effects of agricultural technologies to face extreme weather conditions.

Roots Sustainable Agricultural Technologies Limited (ASX: ROO, “Roots” or “the Company”) is pleased to provide an update on global expansion initiatives for the Company’s ‘Super Mini’ RZTO system. As at the Quarter ended 31 December 2021, Roots secured AUD13K in initial sales for the new system.

The ‘Super Mini’ RZTO system launched in October 2021 (*Refer ASX announcement: 13 October 2021*) is designed to provide POC for use in commercial growing operations in advance of larger orders. The system uses the same design and intellectual property as the Company’s proprietary RZTO technology, optimising plant physiology for increased growth, productivity and quality by stabilising a plant’s root zone temperature year around.

The deliveries have been provided to paying customers in multiple countries for a POC demonstration to validate the numerous benefits of the system. These initial sales reflect an increased level of global interest for innovative and sustainable agricultural solutions and provide a foundation for the Company to continue international expansion initiatives. Follow up commercial orders are expected once successful adoption demonstrations are completed.

The benefits of the system are applicable across many crops, growing methods and substrates as evidenced by the variety of growers seen in the initial uptake. Sales include:

- **Australia** – ECS Botanics Limited (ASX: ECS) Australia’s largest producer of medicinal cannabis;



- **Singapore** – Otolith Investment for use in hydroponic lettuce temperature optimisation of liquid nutrient;
- **Israel** – Costa Group subsidiary and Europe’s largest blueberry producer AfricanBlue, Carmel Berry and cucumber growers for heat pump installation under desert conditions;
- **Spain** – Criado y López S.L. a leading Agro-textiles and plastic distributors specialist; and
- **South Africa** – Cherry Irrigation SA a southern African irrigation, automation and fertigation system experts.

The diverse range of territories highlights the systems flexibility and ability to provide ideal growing conditions under a number of different environments and weather conditions.

To highlight this, Roots has been chosen among five finalists by the Israeli Ministry of Agriculture for the GrowingIL competition "Keeping it Cool" to demonstrate amelioration effects of technologies on agriculture in the face of extreme weather conditions. GrowingIL connects different parties in the Ag-Tech ecosystem and its aim is to develop the Israeli Ag-Tech ecosystem and reshape Israeli agriculture to meet emerging global food needs through the implementation of ground-breaking technologies.

**Roots CEO, Boaz Wachtel said:** *“These initial sales, whilst modest in revenue terms, is an important development for Roots as they deliver visibility for our technology in multiple global markets and they are a foundation for much larger commercial orders for the RZTO.*

*“The acceptance of the product by a number of different agricultural specialists across several global markets highlights the sustained efforts of our global expansion initiatives and the increased demand for our product following the recent global shift towards net-zero. As discussions continue with additional collaborators, Roots remains in prime position to continue the expansion and see an uptick in these sales figure.”*

**-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 faced by agriculture today, including management of plant's root zone temperatures 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 Root Zone Temperature Optimization (RZTO)**

Root Zone Temperature Optimization (RZTO) optimises plant physiology for increased growth, productivity and quality by stabilising the plant’s root zone temperature. Using Ground source heat exchange (GSHE) installations either alone, or in combination with heat pumps, or with heat pumps alone, ROOTS is able to provide accurate range of root zone temperatures for farmer and the plants to obtain the multiple benefits.



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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*This announcement was authorised by the Board of Directors of Roots Sustainable Agricultural Technologies Limited.*

**Forward looking statements**

This announcement contains forward-looking statements with respect to ROOTS and its respective operations, strategy, investments, financial performance and condition. These statements generally can be identified by use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe" or "continue" or the negative thereof or similar variations.

The actual results and performance of ROOTS could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition and government regulation.

The cautionary statements qualify all forward-looking statements attributable to ROOTS and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this announcement and ROOTS has no obligation to up-date such statements, except to the extent required by applicable laws.

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