

ASX and MEDIA RELEASE

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Roots enters South Korea's ag-tech market with RZTO reseller agreement

- **Non-exclusive reseller agreement signed with Korean agricultural production and distribution company, Ezfarm, for Roots' patented root zone temperature optimization technology.**
- **Initial one-year agreement with option for annual extensions.**
- **Represents Roots' further expansion in North East Asia, following the commercial order of A\$323,000 with Dagan in China in February 2018.**

Roots Sustainable Agricultural Technologies Limited (ASX: ROO, Roots or Company) has signed a binding non-exclusive reseller agreement for the South Korean market with Ezfarm, a leading Korean ag-tech production and distribution company.

The agreement allows Ezfarm to import and sell Roots' patented root zone temperature optimisation (RZTO) technology and associated products in South Korea for an initial one-year term, with the option to renew the agreement annually. Under the agreement, Ezfarm will be able to determine the prices of the technology and services. No revenue has been generated under the agreement as at the current date.

Dr Sharon Devir, CEO and co-founder said, "This distribution agreement represents our increasing presence in NorthEast Asia and follows an exclusive distribution agreement and initial commercial orders from Dagan in China earlier this year."

"Our expanding global footprint which now includes operations in China, Israel, Spain, Australia and Korea, signifies the ability of Roots' innovative ag-tech solutions to address numerous agricultural production and climate management issues facing farmers around the world."

"South Korea has limited arable land with many family-run farms of small sizes. However, it is seeing a rise in specialist farms in greenhouse vegetables and more valuable crops. This means our proprietary root zone technology is an effective solution enabling these farmers to increase their crop yields, reduce growing cycles and therefore gain improved market prices. Our system comes in three configurations utilizing ground source heat exchange as well as heat (or cooling) pumps which will be perfect to help farmers manage Korea's extreme temperature ranges with hot and humid summers and cold and dry winters."

"We expect this agreement will be the start of a long-term commercial relationship with Ezfarm, as part of our global expansion plans as we help farmers optimize their crops through environmentally sustainable practices that improve their outputs in the most economically efficient and beneficial way through enhanced plant yield, quality and life cycle management."



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 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 Optimization (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.

About Ezfarm

Ezfarm is one of the leading Ag-Tech providers in Korea with field-oriented solutions that enable farmers, markets, and consumers to utilise technology to combat the changing agricultural environment. It has a speciality area in horticulture and hydroponics technology systems.

In 2014 it was awarded the Minister of the Future Creation Science Award and in 2017 the Korea Leading Company Grand Prize.

More information www.ezfarm.co.kr

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