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## Hemp Trial Farm Leads to CBD Trimmed Flower Joint Venture

### Highlights

- **CropLogic and leading agriculturalists joint venture to produce premium trimmed flower CBD hemp**
- **CropLogic agronomy and agtech expertise to be applied over premium product**
- **Trimmed CBD hemp flower offers greater than 100% return over biomass**

CropLogic Limited (ASX:CLI) (**CropLogic** or **Company**), award-winning global agronomy, farm management and agtech company, is pleased to advise that it has entered into a joint venture to grow premium CBD hemp trimmed flower with experienced Oregonian agriculturalists, the Shephard Brothers.

CropLogic will implement its agricultural skill set and agtech over an additional 16.6 acres of premium hemp, cultivated specifically to produce trimmed CBD flower (as opposed to bio-mass). Trimmed flower is modelled to have a significantly higher return on investment than hemp biomass.

CropLogic has partnered with the Shephard Brothers, both experienced agriculturalists to demonstrate CropLogic's digital applications, including CropLogic realTime<sup>1</sup> over CBD hemp trimmed flower production.

The Shephard Brothers have operated a successful nursery business in Oregon supplying much of the blooming stock (flowers and vegetables) to much of the west coast including some of the largest chain stores in the USA.

The Shephard Brothers contribution to the joint venture will include providing acreage, shedding and storage and also labour and machining during the trimming process. CropLogic's contribution will include providing hemp plant management expertise as well farm management, agronomy and agtech expertise.

"Local interest in CropLogic's Hemp Trial Farm has drawn much local attention to CropLogic and in particular our agronomy, farm management and agtech expertise," said CropLogic CEO James Cooper-Jones. "We have drawn on this interest and joined with the Shephard Brothers to develop a premium CBD hemp trimmed flower product to demonstrate CropLogic's farm management, agronomy and agtech expertise.

<sup>1</sup> **CropLogic realTime** – The hardware technology monitors and tracks key crop metrics, such as soil moisture and irrigation, and converts observations into data 24/7. This information is then collated in a concise and accurate format, providing actionable insights for users to make cost-saving decisions. Users can view this data in a user-friendly application called CropLogic GrowerView, which can be accessed via desktop, as well as on both Android and Apple iOS. CropLogic has developed this tool with the expertise of leading agronomists, leveraging over 30 years of research.

“We are pleased to partner with agriculturalists of the calibre of the Shephard Brothers and are keen in expanding CropLogic’s proprietary knowledge of not only hemp, an exciting and emerging crop, but also expand our knowledge of cropping generally.

“The Shephard Brothers’ understanding of plant development including flowering will be of great benefit to CropLogic, as will their experience in marketing and product positioning.”

Trimmed flower is a premium CBD hemp product. CBD hemp flowers are removed from the plant and then trimmed. The flower is then smoked, including as CBD cigarettes and cigars.

CBD hemp trimmed flower is a premium product and therefore attracts a higher sale price. Prices of US\$450/lb have been commonly observed by CropLogic and price ranges of between US\$300 to US\$600/lb being common (price variance largely due to grade, marketing and quantity).

Proceeds from the joint venture will split equally.

It is expected this venture will produce between 8,000 and 10,500 lbs of trimmed flower.

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#### **About CropLogic**

CropLogic is an award-winning global agricultural technology company listed on the Australian Securities Exchange (ASX). After launching its product into Washington State, USA in 2017, CropLogic is currently servicing a significant portion of horticultural growers in this region, with a market share as high as 30% in some crops. Following significant growth (2017-2018) in Washington State and Northern Oregon, in 2018, CropLogic expanded into the Idaho market. CropLogic offers growers of irrigated crops with digital agricultural technology expertise based upon scientific research and delivered with cutting edge technology – science, agronomy and technology interwoven into an expert system for decision support. For more information, please visit: <http://www.croplogic.com/>

#### **Forward Looking Statements**

This announcement may contain forward-looking statements that involve risks and uncertainties. Indications of, and guidelines or outlook on, future earnings, distributions or financial position or performance and targets, estimates and assumptions in respect of production, prices, operating costs, results, capital expenditures, reserves and resources are also forward-looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and estimates regarding future events and actions that, while considered reasonable as at the date of this announcement and are expected to take place, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and readers are cautioned not to place undue reliance on these forward- looking statements. These forward-looking statements are subject to various risk factors that could cause actual events or results to differ materially from the events or results estimated, expressed or anticipated in these statements.