



ASX and Media Release
Powerhouse Ventures Limited
(ASX Code: "PVL")
NZ Company No. 1854396 / ARBN 612 076 169

CropLogic commences US rollout of sensor technology

Christchurch, New Zealand, 3 April 2018

Powerhouse Ventures Limited ("PVL") is pleased to advise that CropLogic Limited (ASX Code: CLI) has announced its deployment of sensor technology in the Pacific Northwest region of America.

Please see the attached CropLogic media release.

For more information regarding the CropLogic offering, please visit www.croplogic.com or refer to the PVL contacts listed below.

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For further information contact:

Paul Viney

Chief Executive Officer

+64 210 847 2029

paul.viney@Powerhouse-ventures.co.nz

Stuart Whitham

Chief Financial Officer

+64 22 420 2404

stuart.whitham@Powerhouse-ventures.co.nz

Greg Slade

Investor Relations

+61 48 891 7882

greg@sladeir.com

About Powerhouse Ventures Limited

Powerhouse is a leading intellectual property commercialisation company which focuses on developing brilliant research from New Zealand and Australian universities into world changing businesses. It has developed a unique approach to develop these innovations and businesses by providing access to business building expertise, capital, networks, recruitment and ongoing business support. Powerhouse has a successful track record with an existing active portfolio of early stage to mature businesses across four main sectors: engineering and clean-tech, medical and healthcare, agritech and environmental and digital and ICT.

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ASX Code
CLI

ARBN
619 330 648

Registered Office
L1, 11 Deans Avenue
Addington
Christchurch 8011
New Zealand

Email
info@croplogic.com

Website
croplogic.com

CropLogic Commences US Rollout Ahead of 2018 Growing Season

CropLogic Limited (ASX: CLI) is pleased to announce the commencement of the deployment of sensor technology in the Pacific Northwest region of America ahead of the upcoming growing season in the US. This rollout follows on from a successful 2017 growing season and is underpinned by increasing support from major growers in the region.

CropLogic will have a total of 830 in-field sensors (probes) available for the upcoming 2018 growing season with the majority of these being allocated and used by existing customers in order to transform current cropping systems, with an expected increase in value added and revenue generated for the Company.

The Company will be able to lower the costs of production and freight of the probes and provide staff with the opportunity to upskill for any future support purposes by having the sensors assembled in-house and in-market.



Figure 1: CropLogic Probe in onion field in Washington State, USA

Jamie Cairns, Managing Director of CropLogic, said:

“The level of support CropLogic received from growers in the previous season was exceptional and we have targeted our off-season system development at technology improvements that have been led by our customers.

“Growers are demanding further insights into quality and yield, and through leveraging the CropLogic platform, the agronomy community is better informed to influence direct outcomes linked to profitability and sustainability.”

The expected crop mix for the upcoming US growing season will likely comprise potatoes (50%), onions (20%), carrots and corn (20%) and beans and peas (5%). The Pacific Northwest region leads the way in yield output for potatoes and onions, which represent high-margin products.

Jamie Cairns said:

“While CropLogic has led with potatoes, onions remain a target crop for us and it is pleasing that we are getting traction in this commodity for our technical offering.

“One of the benefits for CropLogic in acquisitions such as that in the USA is that we pick up existing revenue streams from these crops of interest and can then tailor our technical offering to that crop whilst still generating revenue in the traditional manner.

“This “layering” of technology both de-risks and informs our development process.

“While the Company’s major operational focus has been on delivering into the Pacific Northwest ahead of the 2018 growing season, opportunities in other US states are arising as the regional growing seasons approach. This early stage interest validates our model of using Washington State as a reference market and is generating interest in new geographies from growers new to CropLogic technology.”



Figure 2: CropLogic agronomist installing probe in an onion field in Washington State, USA

Jamie Cairns said:

“Most competitor sensor platforms ignore rain gauges and instead rely upon local meteorological data. CropLogic takes a different approach and uses this data to differentiate rain fall from irrigation on a field-by-field basis. With average field sizes approximately 100 acres in the US market, this ability to monitor microclimates becomes incredibly important in data accuracy going into our models.

“Being able to accurately differentiate rainfall from irrigation also forms part of our value proposition to those that need to account for their water usage, and this includes both processors and growers.”



Figure 3: CropLogic Probes ready for deployment at the Company's facilities in Pasco, Washington State, USA

The combination of in-field sensors and aerial imagery can substantially reduce the amount of time that an agronomist needs to spend in the field, whilst increasing the ability to analyse what is happening across large-scale fields and increasing the accuracy of their decision making.

The benefit for an agronomist is the ability to service more acres more reliably at a lower cost than under traditional models. This provides the agronomist with more time for grower interaction and complex problem solving.

Jamie Cairns said:

“CropLogic’s two-fold approach of underground and aerial data capture provides the platform for both predictive and reactive management decisions. Insight into growing conditions gained through in-field and underground data provides the grower with the ability to tailor and predict the application of water and nutrients, for example, while an aerial view provides the ability to health check the plant at a given point in time.

“CropLogic is able to use this data to both predict and validate decisions in the field and to directly apply the benefits of remote sensing technology in the disruption of an existing service industry.”



Science | Agronomy | Technology

About CropLogic

CropLogic is a New Zealand agronomy services company listed on the Australian Securities Exchange (ASX) and currently servicing approximately 60,000 acres or 30% of the potato market in Washington State, USA.

CropLogic offers large scale crop growers with agronomic expertise based upon scientific research and delivered with cutting edge technology – science, agronomy and technology interwoven into an expert system for decision support.

CropLogic builds upon 30 years of scientific research by The New Zealand Institute of Plant and Food Research, an internationally-recognised Crown Research Institute. The CropLogic analytical platform gathers crop data via in-field sensors coupled with satellite communications, before processing this with proprietary scientific models to predict outcomes and optimise field productivity. Skilled agronomists help present this information to the grower and assist them in their critical decision-making process.

The CropLogic system has been developed with the benefit of over 500 field trials throughout Australia, China, New Zealand, and the United States of America. In 2017 the system was commercially launched into Washington State, USA.

For more information please visit: www.croplogic.com

For further information please contact:

Jamie Cairns
Managing Director
CropLogic Limited
T: +64 21 645 445
E: jamie.cairns@croplogic.com

James Cooper-Jones
CFO/Company Secretary
CropLogic Limited
T: +61 419 978 062
E: james.cooper-jones@croplogic.com

Rod North
Managing Director
Bourse Communications Pty Ltd
T: +61 408 670 706
E: rod@boursecommunications.com