

**ASX Release** 20 October 2020

# RotoGro Secures \$1.9M Technology Purchase Order from Canniberia

- RotoGro secures \$1.9M technology purchase order from Canniberia LDA (Portugal) for RotoGro's Patented and Proprietary Rotational Garden and Plant Nutrient Management Systems
- RotoGro will also provide Canniberia with onsite assembly, installation, testing, commissioning, training, and IP support
- Canniberia Facility will be RotoGro's first European commercial operation, delivering on the Company's mandate for expansion into Europe

Roto-Gro World Wide (Canada) Inc., a wholly-owned subsidiary of Roto-Gro International Limited ("ASX:RGI", "RotoGro" or the "Company"), is pleased to announce that it has executed a Purchase and Sale Agreement with Canniberia LDA ("Canniberia") which includes a \$1,904,000.00 technology purchase order for RotoGro's Patented and Proprietary Rotational Garden and Plant Nutrient Management Systems (the "Purchase Order" or "Order")

### **About Canniberia LDA**

Canniberia has three production buildings located in the city of Moura, in the District of Beja, Portugal (the "Canniberia Facility") and plans to establish itself as a large-scale European cultivator of high-quality medicinal cannabis products. The Canniberia Facility will be built out as a state-of-the-art cannabis cultivation hub, outfitted with RotoGro's Model 420IT Rotational Garden Systems (the "Garden Systems") together with RotoGro's supporting technology and infrastructure, including RotoGro's proprietary Plant Nutrient Delivery System (the "Fertigation System"). The Canniberia Facility will be built in two phases. (https://www.canniberia.com)

The first phase of the Canniberia Facility encompasses 72 Garden Systems and 1 Fertigation System, resulting in \$1M of sales revenue to RotoGro ("**Phase One**"). The second phase of the Canniberia Facility, to be initiated within 9 months of the order for Phase One, will encompass a further 72 Garden Systems, resulting in \$900K in sales revenue to RotoGro ("**Phase Two**"). The

Registered and Business Office

Directors

**Chief Financial Officer** 

Company Secretary

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Melanie Leydin





144 Garden Systems comprising Phase One and Phase Two will be installed in arrays of four units, stacked two-high, and will including RotoGro's propriety iGrow® growing management software.



Photo 1: Garden System installation for commercial operations

The Agreement and the Order arising therefrom are binding and will be firm upon Canniberia receiving a lawful cannabis cultivation pre-licence from Infarmed I.P. (the "**Prelicense**"), the regulatory body responsible for issuing such licences in Portugal. Canniberia will provide RotoGro with a 50% deposit for the order for Phase One within 14-days after receiving the issuance of the Prelicence from Infarmed I.P.

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RotoGro and Canniberia anticipate that the delivery of the Garden Systems for Phase One will occur at the beginning of Q1 2021. The Order includes onsite assembly, installation, testing, certification, commissioning, training, and IP support.

Canniberia's CEO and Managing Partner, Mr. Paulo Leandro, states, "Canniberia aspires to lead the medicinal cannabis sector on the Iberian Peninsula. Our products will focus on specialist medicinal cannabis flower to the European pharmaceutical industry. Leading the industry is highly dependent on innovation, maximising yield and lowering operating costs. Working with RotoGro over the last nine months has been refreshing and a very professional experience. Their timeless support and ability to adapt to the constraints of our facility and the needs of Infarmed has been critically important to fast tracking our growth and development. RotoGro's patented and proprietary agricultural technology will provide Canniberia the ability to consistently produce superior quality medicinal cannabis in a state-of-the-art environment, located in the historic city of Moura, Portugal.

RotoGro's COO, Mr. Michael Di Tommaso, states, "The successful execution of the Purchase and Sale Agreement with Canniberia and the resulting Canniberia Purchase Order are significant achievements in RotoGro's strategy to gain a foothold in the burgeoning European lawful cannabis sector. The Canniberia Facility will be our first large-scale European commercial operation which will serve as our European flagship to promote the RotoGro Garden Systems — a major milestone. The unprecedented global COVID pandemic has impacted RotoGro and the global economy at large. The continued hard work and diligent efforts of the RotoGro team are to be commended for securing this order. Each inquiry brings unique technical support and design needs which require our team to remain solution and outcome oriented, to provide the most suitable solution for our customers."

## --ENDS--

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

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# For more information please contact

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#### **About Roto-Gro International Limited**

Roto-Gro International Limited is an Australian-based company with global operations focused on the cultivation of lawful cannabis and perishable food (produce) which take advantage of its proprietary, patented, and patents-pending technology in the stackable rotary hydroponic garden space.

The Company has collaborated with Gibio Inc. and Freshero Pty Ltd for perishable foods. These ventures leverage RotoGro's patented rotational hydroponic garden systems, crop management fertigation hardware and proprietary software systems to produce greater yields and lower operating costs. In addition, the Company has also entered into a Share Purchase Agreement to acquire 51% of the issued and outstanding shares in the capital stock of Medical Compassion Canni Farms Inc. which is a late stage Health Canada cannabis cultivation and processing license applicant.

RotoGro's also provides a patent-pending specialised business line for water treatment and nutrient management in the viticulture, perishable foods and lawful cannabis space. The fertigation business line has successfully provided design solutions, installations and service contracts for licensed lawful cannabis facilities in the State of Nevada, USA and is embarking on expanding this offering globally.

The Company continues its focus on expanding into industry synergistic opportunities; exploring strategic partnerships in related markets which include, perishable food (produce) partnerships, lawful cannabis license ownership, growing management services, industry leading nutrients, emerging tissue culture (micropropagation) expertise and other supporting faculties of hydroponic growing.

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