



ROTOGRO

ASX Release

29 January 2021

Quarterly Activities Report for the Period Ended December 31, 2020

Roto-Gro International Limited (ASX:RGI) (“RotoGro” or the “Company”) is pleased to provide its quarterly activities report for the period ended December 31, 2020.

Quarter Highlights

- Executed a **AUD\$10M Technology Licence Agreement** with Verity Greens Inc., launching the Company’s entry into the global perishable foods market.
- Executed a **Purchase and Sale Agreement with Canniberia LDA for AUD\$2.03M.**
- Executed a **Growing Management Services Agreement** with Canniberia LDA which provides for a net profit share of 25% of the EBITDA earned from all sales of lawful cannabis flower cultivated at Canniberia’s facility.
- Successfully **raised AUD\$1.53M** (before costs) through a placement of new fully paid ordinary shares to professional and sophisticated investors led by the Company’s Corporate Adviser, Peak Asset Management
- The **Company currently has several proposed technology sale and purchase agreements with customers for review**, along with numerous new sales leads into the United States of America, the United Kingdom and Europe
- Along with perishable food research, the Company’s research and development team have **successfully produced a new cannabis strain that thrives in the RotoGro 420 IT System** - The Company’s proprietary “*Black Romulan*” strain provides shorter, compact, well-shaped buds, and a mild smell and taste. Initial tests conducted by our research and development team indicate yields tetrahydrocannabinol (commonly referred to as THC, the most sought-after cannabinoid) in excess of 20%.

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Matthew O’Kane (Non-Executive Director)
Terry Gardiner (Non-Executive Director)

Chief Financial Officer

Melanie Leydin

Company Secretary

Melanie Leydin





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Operational Overview

The Company remains focused on establishing itself as a leading agricultural technology supplier to the indoor vertical farming market for the cultivation of lawful cannabis and perishable foods. The Company's approach to low capital joint ventures and synergistic acquisitions remains steadfast as it collaborates with customers and partners to find the optimal path to roll out commercial operations.

During the quarter, the Company executed an AUD\$10M Technology License Agreement (the "**Verity Agreement**") with Verity Greens Inc. ("**Verity Greens**" or "**Verity**"), which established the Company's path to roll out its commercial operations in the global indoor vertical farming market.

The Verity Agreement provides for technology sales, annual licensing fees, manufacturing fees, software licensing fees, and a net profit interest. The Verity Agreement also grants Verity with the exclusive rights to purchase RotoGro's Model 710 Rotational Garden System (the "**RotoGro 710**"), specifically to produce high-quality perishables, subject to binding purchase and time-related rollout requirements.

RotoGro's collaboration with Verity is an important milestone, providing the Company with a viable route to penetrate the thriving indoor vertical farming market for the cultivation of perishables foods. Achieving this milestone is consistent with the Company's strategy to enter into less capital-intensive ventures and collaborations, which the Board has determined is the optimal path for RotoGro to roll out its commercial operations in the global indoor vertical farming market.

Verity Greens advised RotoGro that it plans provide RotoGro with its first purchase order for no less than 624 RotoGro 710s by Q4 2021, and it plans to develop its first indoor urban vertical farming operation outfitted with RotoGro's patented and proprietary technology within the next 18 months. Verity Greens has advised RotoGro that it is currently completing its full-spectrum market analysis, which it will use to then inform RotoGro of the jurisdiction in which it will construct its first, state-of-the-art facility, in accordance with the time periods set out in the Verity Agreement.

During the quarter, the Company also executed a Purchase and Sale Agreement with Canniberia LDA ("**Canniberia**"), which provides for an AUD\$2.03M technology purchase order for RotoGro's Patented

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and Proprietary Model 420 Rotational Garden Systems (the “**RotoGro 420**”) and Plant Nutrient Management Systems (“**Canniberia Agreement**”).

This Canniberia Agreement is conditional upon Canniberia being awarded its lawful cannabis cultivation pre-license from Infarmed, I.P., (Portugal’s National Authority of Medicines and Health Products). COVID-19 related governmental shutdowns and Infarmed’s resulting reduced regulatory processing times has intermittently delayed this process, but Canniberia has indicated to the Company that it remains steadfast on obtaining their cannabis cultivation license and buildout of its state-of-the-art cannabis cultivation facility centred around the RotoGro 420 and RotoGro’s patented and proprietary technology in Portugal.

In addition, the Company also entered into a Growing Management Services Agreement with Canniberia, which is conditional upon Canniberia being granted a lawful cannabis cultivation licence (as opposed to a pre-license) and subject to the successful completion of the Purchase and Sale Agreement. The Growing Management Services Agreement requires RotoGro to provide a dedicated growing team to manage the cultivation processes at Canniberia’s lawful cannabis cultivation facility in exchange for all reasonable direct costs associated with doing so and a net profit share of 25% of the EBITDA earned from all sales of lawful cannabis flower cultivated at Canniberia’s facility.

The Company awaits the grant by Health Canada of Medicinal Compassion CanniFarms Inc’s (“**MCCF**”) lawful cannabis cultivation licence. Delays are attributed to Health Canada’s continued internal processing and the administrative delays arising from COVID-19. The Company has been advised that the principals of MCCF have maintained a continuous dialogue with Health Canada and its licence review is progressing. Once Health Canada awards a cannabis cultivation license to MCCF, the Company will schedule an EGM to seek shareholder approval/ratification of the issue of the relevant consideration securities, which form part of the Company’s acquisition of 51% of the issued common shares in the capital stock of MCCF.

Production and Sales Pipeline

The Company continues to develop the existing sales pipeline for technology sales into the indoor vertical farming space for the cultivation of both lawful cannabis and perishable foods. Recent sales

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leads are progressing well. The Company is focussed on maintaining healthy commercial relationships with prospective customers.

The Company currently has several proposed technology sale and purchase agreements with customers for review, along with numerous new sales leads into the United States of America, the United Kingdom and Europe. Although these leads are highly prospective, it is not guaranteed these proposals will convert into sales orders and/or growing management contracts. Nonetheless, the Company is optimistic about converting these proposed transactions into sales as the Company continues to work diligently with new and existing customers at varying stages of their development.

RotoGro's dedicated production team have worked steadfast on scheduling and preparing the purchase order from Canniberia for its initial delivery of 72 RotoGro 420s, complete with RotoGro's supporting technology (including its proprietary plant nutrient management system), in anticipation of the grant of the cultivation pre-license.

Research & Development

During the quarter, RotoGro's research and development team tested and identified several growing mediums (a growing medium, also referred to as a substrate, is the material in which plants are cultivated which supply the nutrients, air, and water necessary for optimal root growth, and which provide physical support to the plant) to optimise the crop growth within the RotoGro 710. This is an important milestone for this team because the intrinsic design of the RotoGro 710 allows cultivators to use various substrates as growing mediums. In turn, this will allow RotoGro to recommend to its prospective customers a substrate which is appropriate for the type of crop being cultivated to optimise its growth schedule. In addition, RotoGro's research and development team continues to isolate stress tests for leafy greens grown in soil. These stress tests encompass variable soil volumes in parallel with adjusted nutrient and water dosing to assess the impact on crop yields.

Along with perishable food research, the Company's research and development team have successfully produced a new cannabis strain that thrives in the RotoGro 420 being - the Company's proprietary "*Black Romulan*" strain provides shorter, compact, well-shaped buds, and a mild smell

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and taste. Initial tests conducted by our research and development team indicate yields tetrahydrocannabinol (commonly referred to as THC, the most sought-after cannabinoid) in excess of 20%.

The research and development team has also successfully cultivated the “*Ayahuasca Purple*” strain in the RotoGro 420, which it will continue to test and optimise. Notably, RotoGro’s Senior Plant Scientist, Mr. Drazen Vivic, has repeatedly harvested in excess of 3.18 kilograms (approximately 7 lbs.) of the “*God’s Green Crack*” strain in the RotoGro 420, which further validates the RotoGro 420’s superior cultivation yields. These tests will benefit the RotoGro-Canniberia venture by providing RotoGro’s dedicated growing management team with the resources to cultivate high-quality/high-yield cannabis strains at Canniberia’s facility, optimising the revenue targets associated with RotoGro’s 25% profit share.

The next phase of research and testing will include further optimisation tests on new cannabis strains. Our team will also plant cannabis crops in the RotoGro 710 to compare its yields to those of the RotoGro 420 along with determining whether the RotoGro 420 is appropriate for the cultivation of “mother” cannabis plants. The footprint covered by mother cannabis plants in a traditional cannabis operation is comparatively large. Cultivating mother cannabis plants in the RotoGro 420 would provide the cannabis market with a space saving solution, further expanding the RotoGro 420’s list of uses and benefits, providing cannabis cultivators with another compelling reason to cultivate with RotoGro systems. Our team will also continue stress tests of the automated feeding system specific to the RotoGro 710 for the fully automated cultivation and harvesting system at the Company’s operational facility in Bolton, Ontario, Canada (the “**RotoGro Facility**”) including the crops being cultivated in the rooms at the RotoGro Facility.

Engineering, Design, and Innovation

During the quarter, the engineering, design, and innovation teams worked collaboratively on RotoGro’s full-facility software control system, entitled the “*RotoGro Facility Edition*”. The *RotoGro Facility Edition* software is a new, innovative, and integral addition to RotoGro’s proprietary portfolio of technology that enhances the Company’s competitive advantage, further solidifying its position as

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a market leader in the agricultural technology space. This new software development is specific to full-facility buildouts using the RotoGro 710 together with its supporting, automated technology.

The *RotoGro Facility Edition* software consists of a new, user-friendly, visually appealing interface that is web-based and fully responsive (i.e., it may be accessed by any device - PC, Mac, phone, tablet, etc.) in real-time, providing for increased utility. This new software has superior, increased security layers, with optimised user profile preferences. Currently, the layout, navigation, and dashboard designs are complete, with work progressing on hardware and associated full-facility process flows.

Our team is also revamping its previously presented *Enterprise Edition* iGrow® Software System. This new version will update features, including a revised and more user-friendly interface, added security layers, email utility for alerts, and LED lighting system control features for RotoGro's new, proprietary LED lighting systems in both the RotoGro 420 and the RotoGro 710. This software system will be utilised for all facilities installed with RotoGro's Garden Systems and supporting technology that do not require full-facility automation.

During the quarter, the Company completed stress tests on the RotoGro 710 after implementation of the fully automated feed system for perishable foods. Our team continues to test this automated feeding system in its dedicated grow rooms at the RotoGro Facility to ensure its optimisation. Our team also completed component redesigns and rebuilds of the RotoGro 710's supporting, automated technology – the Automated Guided Vehicles (used to load and unload the growing trays) and the conveyor systems along with installing sensors integral to its function on the six-stacked RotoGro 710 automation test units at the RotoGro Facility. Further safety enhancements of the RotoGro 710 were also designed and implemented.

Our team continues software and hardware coding and development to integrate the Automated Guided Vehicles to deliver its optimized, automated, and comprehensive operational solution.

During the next quarter, the Company's engineering team will commence work with Verity Greens to provide schematics for the third-party outsourcing of design drawings for Verity Greens' first

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perishable food facility. Our team also continues to work in collaboration with Canniberia on its full-facility design, centred around RotoGro's technology.

Administration

As announced to the ASX on 8 December 2020, (announcement titled "RotoGro Executed a Patent Infringement Settlement Agreement with RavenQuest BioMed Inc."), the Company was successful in its patent infringement against RavenQuest BioMed Inc. (CSE:RQB) ("**RavenQuest**"). The Federal Court of Canada ordered that RotoGro is the owner of Canadian Patent No. 2,908,184 (the "**RotoGro Patent**"), and that, as between RotoGro and RavenQuest, the RotoGro Patent is valid and was infringed by RavenQuest. Amongst other things, the Federal Court Order provides that RavenQuest is permanently restrained from infringing or challenging, directly or indirectly, the RotoGro Patent and is an unequivocal validation of the Company's proprietary rights and an emphatic repudiation of a competitor's attempt to replicate our proprietary technology. The Company is committed to the protection of its intellectual property and the associated shareholder value.

The Company has initiated discussions with three accredited Canadian Universities to conduct peer review studies of its patented and proprietary agricultural cultivation technology, specifically the RotoGro 710 for the production of perishable foods. These studies will focus on verifying RotoGro's internal crop cultivation findings, thereby providing independent third-party verification of RotoGro's data, as well as the continued optimisation of RotoGro's technology throughout crop cultivation cycles.

RotoGro's internal studies and research indicate that the Company's systems produce superior crop yields in shorter full-harvest crop times when compared to other indoor vertical farming technologies. Specifically, that the RotoGro 710 produces approximately 90 kilograms of leafy greens throughout each 21-day cultivation cycle. For each 21-day crop cultivation cycle, the RotoGro 710, when stacked three-high, produce 265 kilograms of leafy greens for every 6m² of floor space. This extrapolates to an annual production of approximately 4,500 kilograms of leafy greens for every 6m² of cultivation area floor space.

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Capital Raise

During the quarter, the Company's Corporate Adviser, leading Melbourne-based boutique firm Peak Asset Management ("**Peak**"), successfully managed a \$1.53M (before costs) raise for the Company through a placement of new fully paid ordinary shares at \$0.04 per share to professional and sophisticated investors ("**Placement**"). The raise was supported by a 2:3 option, each with an exercise price of \$0.05 cents and expiring on 31 December 2023. The Placement strengthened the Company's balance sheet in support of rolling out its perishable food division throughout North America and satisfying its existing technology purchase orders.

The Placement was extremely well supported across a broad range of professional and sophisticated investors. The Company was very pleased with Peak's management of the Placement and looks forward to continuing to work closely with Peak and its executive director Niv Dagan to drive shareholder value.

The Placement was undertaken on 30 November 2020 within the Company's existing capacity for new equity issuances under ASX Listing Rules 7.1 (22,360,309 shares issued) and 7.1A (15,901,041 shares issued) and the issue of the Options will be subject to shareholder approval at the Company's upcoming General Meeting, scheduled for 18 February 2021.

Activity Expenditure

A summary of the Company's expenditure incurred during the quarter in respect of the above business activities is set out in the below table:

Activity	Expenditure (AUD)
Production and Sales Pipeline	\$81,000
Research and Development	\$37,000
Engineering, Design, and Innovation	\$282,000

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Administration	\$315,000
Capital Raise	\$55,000
Total	\$770,000

Related Party Transactions

Payments to related parties and their associates during the quarter, as outlined in Section 6 of the accompanying Appendix 4C to this quarterly activity report, were AU \$106k. These payments are related to the settlement of fees for Baker Young regarding corporate advisory and brokerage services, as well as executive director salaries and settlement of directors' fees outstanding for current and prior periods.

Chief Executive Officer, Michael Di Tommaso, states, "Throughout the quarter, the Company continued to work diligently to drive shareholder value. The execution of agreements with both Verity Greens and Canniberia is a significant accomplishment. Our collaboration with Verity Greens puts RotoGro in a unique position to enter the indoor vertical farming marketplace for perishable foods with efficiency and effectiveness, moving the RotoGro 710 to the forefront of indoor agricultural technology. Canniberia provides RotoGro with its first European footprint in the lawful cannabis cultivation market. Expanding from North America to Europe with our patent-protected technology will promote RotoGro throughout Europe, generating further business opportunities for the Company. RotoGro's production, research and development, and design and innovation teams are continuing their hard work to ensure that RotoGro capitalises on these projects to generate both revenue and continued market exposure. The Company is also extremely excited to move forward with its Corporate Advisor, Peak Asset Management, who successfully raised over \$1.5M during the quarter. The Company is well positioned to make a genuine, positive impact in 2021 in the world of indoor agriculture. The team is focused on driving revenue, generating value from its existing and new collaborations, and, most importantly, executing our business plan.

--ENDS--

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

For more information please contact:

Investment Enquiries

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About Roto-Gro International Limited

Roto-Gro International Limited (“**RotoGro**”) is an Australian company which utilises its state-of-the-art, automated agricultural cultivation technology to provide sustainable and cost-effective solutions to both conventional and indoor vertical farms. The Company’s global operations are focused on the cultivation of perishable food (produce) and lawful cannabis utilising its proprietary, patented, and patents-pending technology in the indoor vertical farming space.

The core of RotoGro’s technology is its patented Rotational Garden Systems which provides for greater space savings and yields with lower operating costs compared to other farms utilising different technologies. RotoGro’s Rotational Garden Systems are supported by the Company’s proprietary iGrow Enterprise Edition software, state-of-the-art nutrient management system and in-house design and engineering services.

RotoGro’s in-house engineering teams provide consultative services for full facility designs to produce state-of-the-art facilities equipped with RotoGro’s technology. Similarly, RotoGro’s research and design teams work with its existing customers to ensure their long-term success cultivating high-quality crops.

RotoGro has formalised a collaboration with Verity Greens Inc. for the cultivation of perishable foods (produce). This venture is reliant upon RotoGro’s technology to produce greater yields with lower operating costs. In addition, RotoGro continues to nurture relationships for technology sales and growing management services in the lawful cannabis cultivation space, globally.

RotoGro maintains its focus on expansion into industry synergistic opportunities and exploring strategic partnerships in the perishable food (produce) space and the lawful cannabis space, while sourcing lawful cannabis cultivation license ownership opportunities, engaging in growing management services contracts, and providing the agricultural industry with industry-leading nutrient management systems and supporting, automated technology.

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

ROTO-GRO INTERNATIONAL LTD

ABN

84 606 066 059

Quarter ended ("current quarter")

31 Dec 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(37)	(67)
(b) product manufacturing and operating costs	(64)	(65)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(245)	(329)
(f) administration and corporate costs	(315)	(439)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	154	326
1.8 Other (provide details if material)	-	-
- Business Development and consultants	(17)	(44)
- Legal Advisory fees	(187)	(187)
- Design & Innovation	(282)	(496)
- Property & facilities	(37)	(86)
1.9 Net cash from / (used in) operating activities	(1,030)	(1,387)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
(c) property, plant and equipment	(130)	(168)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(130)	(168)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	1,530	1,530
3.2 Proceeds from issue of convertible debt securities	972	1,223
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(55)	(55)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Lease repayments	(44)	(80)
3.10 Net cash from / (used in) financing activities	2,403	2,618

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	88	346
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,030)	(1,387)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(130)	(168)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,403	2,618
4.5	Effect of movement in exchange rates on cash held	(29)	(107)
4.6	Cash and cash equivalents at end of period	1,302	1,302

5. Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1 Bank balances	1,302	88
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,302	1,302

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	106
6.2 Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	

Related party payments during the quarter relate to director fees and Baker Young for corporate advisory and brokerage services incurred in the quarter, as well as settlement of director fees outstanding from prior periods.

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,030)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,302
8.3 Unused finance facilities available at quarter end (item 7.5)	0
8.4 Total available funding (item 8.2 + item 8.3)	1,302
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.26
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes – Although the Company has undertaken measures to reduce cash outflows as a result of the global Covid-19 pandemic the current number of staff and net operating cash flows are required as a minimum to ensure the Company can deliver on the board agreed business strategy to drive sustained revenue and shareholder value	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: The Company have a number of alternatives to raise cash as and when appropriate, including raising additional equity in support of delivering on the Company's strategy or cultivation and partnerships.	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the Company expects to be able to continue its operations and meet its business objectives on the basis that it expects to be able to secure funding as described in the answer to Question 2 above and deliver on securing near term partnerships and sales orders.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:29 January 2021.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.