



ROTOGRO

ASX Release

06 April 2021

Update on proposed acquisition of Majority Interest in 420 Inc. (formerly Medicinal Compassion Canni Farms Inc.)

Roto-Gro International Limited (“ASX:RGI”, “RotoGro” or the “Company”) advises that it is not proceeding with the proposed acquisition of 51% of the issued common shares in the capital stock of 420 Inc., formerly known as Medicinal Compassion Canni Farms Inc. (the “**420 Share Purchase Agreement**”) at this time.

Following discussions with, and extensive submissions to, ASX during March 2021, ASX has now determined that it considers that the business arising from the 420 Share Purchase Agreement would constitute a change in the nature of the Company’s activities and the Company would be required under ASX Listing Rule 11.1.3 to re-comply with the requirements of Chapters 1 and 2 of the Listing Rules before it may complete the acquisition. Such compliance is expected to cause further transactional delays and significant costs, which will prevent the Company from being able to complete the 420 Share Purchase Agreement on a timely basis. The Company has, therefore, decided not to proceed with the 420 Share Purchase Agreement at this time.

The Company will continue to evaluate commercial opportunities in line with its business strategy, and remains focused on successfully commercialising its technologies and existing commercial partnerships.

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Directors

Michael Carli (Non-Executive Chairman)
Michael Di Tommaso (Executive Director)
Matthew O’Kane (Non-Executive Director)
Terry Gardiner (Non-Executive Director)

Chief Financial Officer

Melanie Leydin

Company Secretary

Melanie Leydin





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

For more information please contact:

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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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