

30 April 2021

CROPLOGIC UPDATE FOR THE QUARTER ENDING 31 MARCH 2020

Please note, this is an update for the quarter 31 March 2020.

Highlights

- Full review of operations has continued throughout the quarter
- US hemp operations to be scaled back
- Licence agreement for CropLogic soil moisture monitoring technology signed for the US
- Plans put in place to recapitalise the Company

CropLogic Limited (ASX: CLI) (CropLogic or Company) is pleased to provide the following report on its activities for the quarter ended 31st March 2020 (the **Quarter**) and Appendix 4C.

Summary of Operations

The Company has finalised its hemp farm trials and has scaled back its exposure to its US based project. The drop in the CBD hemp price has had a significant impact on the industry and CropLogic is continuing to review its strategy for this part of its business. CropLogic does not intend to crop CBD hemp in the 2020 northern hemisphere season. In the interest of reducing operating costs in the meantime employee size has been reduced to key team members.

CropLogic has negotiated an agreement (New ProAg Agreement) that will license the CropLogic soil moisture monitoring technology, including the software source code for CropLogic realTime, to Professional Ag Services, Inc. and transfer the assets of the ProAg business, including customers and personnel, to the vendors of the original ProAg services business, [Professional Ag Services, Inc., a Washington corporation], (ProAg Vendors).

These decisions allow CropLogic to reduce its ongoing employee obligations to core staff, greatly reducing its running costs, whilst also maintaining a continued presence in the Pacific North West and developing its technology via Professional Ag Services, Inc as a licensee.

Restructure of Funding

In order to improve the financial position of the Company, the following initiatives were put in place:

- Atlas Capital Markets (Atlas) has agreed to convert US\$4,032,073 of convertible notes to equity in CropLogic at a conversion price of \$0.02.

- Outstanding Director loans of \$350,000 will be converted to equity at a price of \$0.02.

The Company also entered into a short term loan facility to provide some flexibility to its future funding options. The facility is for up to US\$500,000, which will be made available when CropLogic shares recommence trading.

The funding restructure is subject to Shareholder approval and has been included in the Notice of Meeting released on 23 March 2020. The meeting is to be held on 14 April 2020.

Events subsequent to the Quarter

The meeting of Shareholders was held on 14 April 2020 with all resolutions being approved (see Notice of Meeting released on 23 March 2020).

The Company continues to review its future business strategy on how best to apply its agronomy, farm management and agtech expertise, and has begun consideration of opportunities and asset acquisitions that may give rise to future equity raisings.

As announced on 3 April 2020, a settlement of the dispute with NW Ag Solutions LLC and Bradley V. Shephard and Stanley V. Shephard was reached whereby CropLogic has relinquished the inventory from the hemp farm trial, plus pay US\$15,000. Furthermore, ProAg CropLogic LLC and LogicalCropping LLC have commenced dissolution.

On 23 July 2020, CropLogic Limited was placed in Voluntary Administration with the appointment of Craig William Melhuish and Christine Jane Johnston of Nexia New Zealand as joint and several voluntary administrators. Further, a liquidator was appointed to CropLogic Australia Pty Ltd.

On 30 March 2021, a Deed of Company Arrangement was performed, the Deed automatically terminated and control of the company was passed back to the Directors. The Directors are focussed on bringing the reporting obligations of the Company up to date following the Voluntary Administration, hence the release of this quarterly update and associated Appendix 4C.

For further information and media inquiries:

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About CropLogic

CropLogic is an agricultural technology focussed company with expertise in soil monitoring technology and hemp farming.