

Annual Report

31 March 2020

CropLogic Limited

ARBN 619 330 648

New Zealand Company Number 3184550

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DIRECTORS' REPORT

Directors' Report CropLogic Limited 31 March 2020

The Directors present their report, together with the financial statements, of the consolidated group (referred to hereafter as the 'consolidated entity') consisting of CropLogic Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 March 2020.

Directors

The following persons were Directors of CropLogic Limited during the course of the financial year and up to the date of this report. Directors were in office for the entire period unless otherwise stated:

Mr. Steven Wakefield - Chairman/Non-executive Director

Mr. Peter Roborgh - Non-executive Director

Mr. John Corbett - Non Executive Director (Resigned 17 July 2020)

Mr. Stephen Silver - Non-executive Director

Information on Directors and Company Secretary

Mr. Steven Wakefield, B.Comm, B.Sc. FCA. C.M.Inst.D (Non-Executive Chairman)

Mr Wakefield was appointed to the Board on 27 August 2013. He was appointed Acting Chairman on 15 February 2019 and Chairman on 30 April 2019.

Mr Wakefield's career has seen him working for over 30 years with global accounting and management consulting firm Deloitte both in New Zealand and the USA in such roles as Senior Partner – Risk Advisory and Managing Partner, Christchurch office.

He is a director of Foodstuffs South Island Limited, the NZ Health Innovation Hub, former Deputy Chair of the Canterbury District Health Board, and an experienced director and trustee. Steven was named as New Zealand's top Chartered Accountant in the 2012 NZICA annual leadership awards.

Mr. Peter Roborgh, BSc, MSc(Hons) (Non-Executive Director)

Mr Roborgh was appointed to the Board on 2 November 2010.

Mr Roborgh was General Manager of rural telco Farmside at NZX listed TeamTalk Ltd. Earlier he served as Chief Operating Officer of Energy Mad Ltd. In this role he was responsible for representing Energy Mad's interests in its joint venture with its Chinese manufacturing partner, for establishing new national sales channels and for all aspects of worldwide fulfilment and logistics.

Prior to Energy Mad, he worked for the New Zealand Institute of Plant and Food Research evaluating the intellectual property, market proposition and future for CropLogic and was instrumental in CropLogic being established as a separate company. Peter was earlier Chief Executive of telco CallSouth Ltd, a business he established and subsequently sold to NZX listed TrustPower. Peter has a strong track record in FMCG, financial services and energy utilities and in startups in telecommunications, consumer electronics and agritech.

DIRECTORS' REPORT

Mr. John Corbett, Bbus(BusAccy), Mbus(AppFin) (Non-Executive Director)

Mr. Corbett was appointed to the Board on 1 November 2018.

Mr Corbett has almost 30 years' sector expertise in agriculture, agribusiness and infrastructure, providing organisations with corporate finance, strategic planning, business planning, business operations, governance, and financial analysis.

Beyond agriculture, agribusiness and infrastructure, Mr Corbett has worked across a range of industry sectors including manufacturing, retail and wholesale trade, mining and property, and has extensive practice in providing commercial, strategic and financial advisory services to both domestic and international clients.

Mr Corbett holds a Master of Business in Applied Finance and has had a banking career spanning 23 years. During this time he occupied senior corporate banking and infrastructure project finance roles with several major banks.

Mr Corbett provides practical knowledge and investment experience within the agribusiness sector with current Board appointments in the agriculture, solar and aquaculture industries.

Mr Corbett resigned on 17 July 2020.

Mr. Stephen Silver (Non-Executive Director)

Mr Silver was appointed to the Board on 22 February 2019.

Mr Silver brings 10 years of corporate finance experience to the board. Having worked in Perth, Sydney, London and New York. He is currently Managing Director of Evolution Capital Advisors Pty Ltd.

Chief Executive Officer

Mr. James Cooper-Jones, B.A./B.Comm, FIPA, FIFA, GIAcert, F Fin

Mr Cooper-Jones was appointed as Chief Executive Officer 22 June 2017.

A graduate of one of Australia's top ranked agricultural universities James is an experienced finance executive with a global perspective and has managed accounting and reporting functions in Australia, Asia, Africa and the Middle East. James' career has seen him hold accounting and secretarial roles in companies in the resources, agriculture, import/export and information technology industries. James also has extensive experience managing listed entities including reporting, marketing and investor relations, market positioning and branding and capital raising.

Mr Cooper-Jones resigned on 3 June 2020. No replacement CEO has been appointed.

Company Secretary

Mr Peter Gray (Company Secretary)

Mr Gray was appointed as Company Secretary on 31 March 2021.

Mr Gray has broad experience across the entire corporate finance and capital markets sector and been involved in both corporate finance advisory and equities research. Peter's skill base is grounded in a detailed understanding of valuations and valuation methodology.

Dividends

No dividends have been declared or paid during the financial year ended 31 March 2020.

DIRECTORS' REPORT

Principal activities

During the financial year the principal continuing activities of the consolidated entity consisted of providing agricultural technology to various crop growers including:

- Infield soil moisture monitoring;
- Infrared aerial imagery
- Yield prediction; and
- Agronomy and Farm Management
- Hemp Farming

Review of operations

Overview

For the financial year ended 31 March 2020 the company focused mainly on providing agricultural technology to various crop growers including, Infield soil moisture monitoring, Infrared aerial imagery, Yield prediction, and Agronomy and Farm Management.

During the year, the Company achieved a significant milestone with its expansion in the US but also faced major headwinds and unforeseen challenges that ultimately led to the failure to achieve any successful outcome.

The Company 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 going forward. In the interest of reducing operating costs, the Company also reduced its employee size.

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 allowed 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.

Review and Restructure

Due to the trial farm crop failure (announced on 20 December 2019) as well as market conditions out of the Company's control, such as the drop in the CBD hemp price, the Company undertook a comprehensive review of its operations and financial situation (Review and Restructure).

The Company engaged KPMG to provide some advisory assistance and Bourke Group to assist in the development of a potential restructuring plan.

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.

Subsequent to the "review and restructure" of the Groups operations, the Group dissolved its wholly owned subsidiaries in the USA

DIRECTORS' REPORT

Administration Period

On 22 July 2020, Craig William Melhuish and Christine Jane Johnston of Nexia New Zealand were appointed as joint and several voluntary administrators (Administrators) of CropLogic Limited and a liquidator was appointed to CropLogic Australia Pty Ltd.

On 25 August 2020, at the watershed meeting of creditors, the Administrators outlined a proposal received by them from an interested party and recommended that the Group's creditors approve a Deed of Company Agreement (DOCA) in order to complete a transaction that would result in the best return for creditors. The creditors resolved to execute a DOCA, with the terms yet to be finalised.

A DOCA was finalised and executed by the Directors and the Administrators (now referred to as the "Deed Administrators") on 15 September 2020. A copy of the executed Deed of Company Arrangement is available on the New Zealand Companies Office website.

On 30 November 2020, the Deed Administrators distributed funds in accordance with the terms of the DOCA. And, on 30 March 2021, the DOCA automatically terminated and the Company was reverted back to its Directors.

Looking Forward

The Board has determined the following objectives for the coming years to 2021/22 financial year:

- Reinstatement of the Company to the ASX;
- Investigate opportunities and asset acquisitions that may give rise to future equity raisings

Although relisting on the ASX is not guaranteed, by focussing on these objectives, the Board is confident that CropLogic can deliver value to all stakeholders including our shareholders.

Matters subsequent to the end of the financial year

The following subsequent events have arisen and/or occurred between 31 March 2020 and the date of this report that could have a significant impact on the operations of the Group, the results of those operations, and the state of affairs of the Group in future years.

On 3 April 2020, the Company agreed a settlement where NWAS and the Shephard Bros will each receive 50% of the entire 2019 hemp crop including the trimmed flower. As announced on 14th February 2020, the hemp market and prices are volatile and therefore subject to change however the Company had attributed a value on the 2019 hemp crop at that time in the range of AU\$580,000 (low estimate) to AU\$2,090,000 (high estimate) with a mid-point of AU\$1,300,000, with the Company adopting the mid-point of AU\$1,300,000 for accounting purposes. Thus NWAS and Shephard Bros will each receive the equivalent of AU\$650,000 in the agreed settlement, and the liens are effectively removed. NWAS and the Shephard Bros will also receive an approximately USD\$15,000 payment for third party costs related to completion of the reparation of the fields. Remaining equipment, mostly related to cultivation of hemp, will also be divided between the NWAS and Shephard Bros.

On 14 April 2020, the shareholders voted to approve the Debt to Equity Conversion of \$US4,032,073.79 (\$AU6,107,382.17) convertible note owed to Atlas Capital Markets at a conversion price of \$0.02, and \$AU350,000 short term loans payable to Directors of the Company at a price of \$0.02.

On 22 July 2020, Craig Melhuish and Christine Johnston, Chartered Accountants, were appointed as joint and several Voluntary Administrators of CropLogic.

On 25 August 2020, the Company announced that it had entered into a Deed of Company Arrangement ("DOCA") presented by Nexia New Zealand which was ultimately executed on 15 September 2020.

On 15 September 2020, a Deed of Company Arrangement was executed with the Company's major shareholder, Atlas Capital Markets Limited. On 30 March 2021, the Deed terminated and control of the Company returned to the Directors. As a result of the DOCA, the only debt remaining in the Company is \$126,250. Atlas Capital Markets Limited has agreed not to call any of the debt.

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.

DIRECTORS' REPORT

Corporate Governance Statement

In accordance with ASX Listing Rule 4.10.3 a copy of the Company's Governance Statement can be obtained at the following website: <https://bit.ly/3x6BzW2>.

Likely developments and expected results of operations

The CropLogic group will seek reinstatement to the ASX, and will investigate opportunities and asset acquisitions that may give rise to facilitating relisting on the ASX.

Meeting of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 March 2020, and the number of meetings attended by each director were:

	Board	
	Remuneration & Nomination Committee*	Audit & Risk Committee*
	Attended	Held
Steven Wakefield	15	15
Peter Roborgh	15	15
John Corbett ¹	15	15
Stephen Silver	15	15

* In the previous year, the Board resolved that the full Board will act as the Audit, Risk, Remuneration & Nomination Committee all relevant matters were discussed at board meetings.

1. John Corbett resigned on 17 July 2020.

Remuneration report

The remuneration report details the key management personnel remuneration arrangements for the Group.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

DIRECTORS' REPORT

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

In consultation with external remuneration consultants, the Nomination and Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive director's remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 21 June 2017, where the shareholders approved a maximum annual aggregate remuneration of \$250,000.

DIRECTORS' REPORT

Executive remuneration

The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Details of remuneration

		Short-term benefits		Post-employment benefits	Long - term benefits	Share - based payments		Total
		Cash Salary and fees	Cash bonus	Superannuation	Long service leave	Options	Performance rights	
		\$	\$	\$	\$		\$	\$
Non-Executive Directors:								
The Hon Cheryl Edwards AM ¹	2020	-	-	-	-	-	-	-
	2019	91,667	-	8,708	-	-	-	100,375
Mr Steven Wakefield	2020	91,204	-	-	-	108,306	-	199,510
	2019	43,365	-	-	-	-	-	43,365
Mr Peter Roborgh	2020	41,877	-	-	-	72,204	-	114,081
	2019	40,456	-	-	-	-	-	40,456
Mr John Corbett ²	2020	40,000	-	3,800	-	72,203	-	116,003
	2019	16,667	-	1,583	-	-	-	18,250
Dr Andrew Whitehead ³	2020	-	-	-	-	-	-	-
	2019	36,222	-	3,441	-	-	-	39,663
Mr Stephen Silver	2020	-	-	-	-	108,306	-	108,306
	2019	-	-	-	-	-	-	-
Executive Director:								
Mr Jamie Cairns ⁴	2020	-	-	-	-	-	-	-
	2019	176,276	-	-	-	-	-	176,276
Other Key Management Personnel:								
Mr James Cooper-Jones ⁵	2020	322,500	-	30,637	-	-	182,694	535,831
	2019	222,289	18,685	19,453	-	-	23,972	284,399
Mr David De Cuevas	2020	-	-	-	-	-	-	-
	2019	90,735	-	-	-	-	-	90,735
Total	2020	495,581	-	34,437	-	361,019	182,694	1,073,731
	2019	717,677	18,685	33,185	-	-	23,972	793,519

1. The Hon Cheryl Edwards AM resigned on 15 February 2019.

2. Mr John Corbett resigned on 17 July 2020.

3. Dr Andrew Whitehead resigned on 21 February 2019.

4. Mr Jamie Cairns resigned on 26 April 2018

5. Mr James Cooper-Jones resigned on 3 June 2020.

DIRECTORS' REPORT

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name: Mr Steven Wakefield
Title: Non-Executive Director (and Chairman from 30 April 2019)
Agreement commenced: 14 June 2017
Term of agreement: Ongoing and subject to shareholder approval
Details: Base annual remuneration of AUD 80,000

Name: Mr Peter Roborgh
Title: Non-Executive Director
Agreement commenced: 14 June 2017
Term of agreement: Ongoing and subject to shareholder approval
Details: Base annual remuneration of AUD 40,000

Name: Mr Stephen Silver
Title: Non-Executive Director
Agreement commenced: 20 February 2019
Term of agreement: Ongoing and subject to shareholder approval
Details: Base annual remuneration of AUD 40,000

Name: Mr John Corbett
Title: Non-Executive Director
Agreement commenced: 22 October 2018
Term of agreement: Ongoing and subject to shareholder approval
Details: Base annual remuneration of AUD 40,000

Name: James Cooper-Jones
Title: Chief Executive Officer
Agreement commenced: 5 July 2019
Resignation date: 3 June 2020
Term of agreement: Initial term of 12 months and then ongoing by mutual consent.
Details: Base Remuneration: AUD 350,000
Notice Period: 3 months

Short Term Incentive Plan

The following performance shares within the first year of employment, subject to the employee's performance and at the Board's discretion:

- 666,667 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of between \$0.10 and \$0.14 for the 15 trading days following the end of the first 12 months of employment.

- 1,333,334 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of between \$0.15 and \$0.19 for the 15 trading days following the end of the first 12 months of employment.

- 2,000,000 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of \$0.20 or more for the 15 trading days following the end of the first 12 months of your employment.

If all three milestones are achieved the maximum number of shares to be issued is 4,000,001.
The above Performance Rights expired on the 19th of July 2019.

DIRECTORS' REPORT

Long Term Incentive Plan

The following performance shares within three years of employment, subject to the employee's performance and at the Board's discretion:

- 433,526 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of between \$0.25 and \$0.34 for the 15 trading days following the end of the first 3 years of employment;

- 867,052 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of between \$0.35 and \$0.44 for the 15 trading days following the end of the first 3 years of employment;

- 1,300,577 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of \$0.45 or more for the 15 trading days following the end of the first 3 years of your employment.

If all three milestones are achieved the maximum number of shares to be issued is 2,601,155.

- 4,500,000 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of \$0.08 for 30 trading days;

- 4,500,000 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of \$0.10 for 30 trading days.

If all milestones are achieved the maximum number of shares to be issued is 9,000,000.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of performance rights

Details of performance rights issued to directors and other key management personnel as part of compensation are set out

Year-ended 31 March 2020

Name	Date	Performance	Issue price	\$
Mr James Cooper-Jones	19 August 2019	9,000,000	\$0.0599	165,933

Year-ended 31 March 2019

Name	Date	Performance	Issue price	\$
Mr James Cooper-Jones	29 June 2018	6,601,156	\$0.0082	16,761

Issue of options

Details of options issued to directors and other key management personnel as part of compensation are set out below:

Year-ended 31 March 2020

Name	Date	Performance	Issue price	\$
Steve Wakefield	19 August 2019	3,000,000	\$0.0361	108,306
Peter Robough	19 August 2019	2,000,000	\$0.0361	72,204
Stephen Silver	19 August 2019	3,000,000	\$0.0361	108,306
John Corbett	19 August 2019	2,000,000	\$0.0361	72,203
		<u>10,000,000</u>		<u>361,019</u>

DIRECTORS' REPORT

Additional disclosure relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ Other	Balance at the end of the year
Ordinary shares					
Steven Wakefield	11,517,729	-	2,000,000	-	13,517,729
Peter Roborgh	3,384,000	-	-	-	3,384,000
John Corbett ¹	2,666,667	-	2,000,000	-	4,666,667
Stephen Silver	24,897,035	-	6,600,000	-	31,497,035
Hon. Cheryl Edwards AM ²	917,668	-	-	-	917,668
Jamie Cairns ³	512,082	-	-	-	512,082
James Cooper-Jones ⁴	2,762,672	-	-	-	2,762,672

1. Mr John Corbett resigned on 17 July 2020.

2. The Hon Cheryl Edwards AM resigned on 15 February 2019.

3. Mr Jamie Cairns resigned on 26 April 2018

4. Mr James Cooper-Jones resigned on 3 June 2020.

This concludes the remuneration report.

DIRECTORS' REPORT

Directors' Interest

Name	Interest	Nature of Potential conflict and estimated value (if known)
Mr Steven Wakefield - Chairman	Former Partner at Deloitte	Deloitte were the accounting and tax advisors for CropLogic
	Director & beneficial owner – Innovative Software Limited	CropLogic Shareholder
	Director – INOV8 Limited	Software Development Company
	Director – NZ Health Innovation Hub	Joint venture of Auckland, Counties Manukau and Canterbury DHBs
	Director – Steve Wakefield Services Ltd	Governance and consulting services
	Chairman – Greater Christchurch Schools Network Trust	
	Director – Townsend Fields Limited	Residential Land Development
	Appointed Member – Quality, Finance, Audit & Risk Committee – Canterbury District Health Board	
	Citizens' Trustee – The Court Theatre Trust	
	Trustee – Church Property Trustees of the Anglican Diocese of Christchurch	
	Council Member – University of Canterbury	
	Director – Carolina Homes Limited	
	Director – RHOAD Limited	
	Founding Member – Canterbury Angels Association	
	Director & Shareholder – Nutrient Rescue Ltd	
	Director – Wakefield Holdings Limited	
	Director – Brackenridge Services Limited	
	Director – Foodstuffs South Island Limited	
Mr Peter Roborgh - NED	Foodstuffs (SI) Properties Limited	
	Murdoch Manufacturing Limited	
	Director/Shareholder – EVNEX Limited	Electric vehicle smart chargers
Mr Stephen Silver - NED	Licensee – Platform 1 Business Ownership Transition Consultants	
	Evolution Capital Advisors Pty Ltd – Managing Director	Evolution Capital is CLI's Corporate Advisor
	LTL Capital	

DIRECTORS' REPORT

Name	Interest	Nature of Potential conflict and estimated value (if known)
Mr John Corbett - NED	Director – Hemagrove Pty Ltd	
	Director – PlexiSun Australia Pty Ltd + PlexiSun Limited (NZ)	
	Director – Blue Harvest Pty Ltd	
	Director – Philip Yates Family Holdings Limited (NZ)	
	Chairman – Queensland Rural and Industry Development Authority	

Employee Remuneration

The following table shows the number of current or former employees (excluding employees holding office as Directors of the parent or a subsidiary) who received remuneration and other benefits in excess of \$100,000 from the subsidiary companies of the Group during the year ended 31 March 2020.

Band	Number of employees
\$100,000 to \$109,999	1
\$110,000 to \$119,999	0
\$120,000 to \$129,999	0
\$130,000 to \$139,999	0
\$140,000 to \$149,999	0
\$150,000 to \$159,999	0
\$160,000 to \$169,999	0
\$170,000 to \$179,999	0
\$180,000 to \$189,999	0
\$190,000 to \$199,999	0
\$200,000 to \$209,999	0
\$210,000 to \$219,999	0
\$220,000 and above	1

Donations

No member of the Group made any significant donations during the financial year.

Indemnity and Insurance

In accordance with section 162 of the *Companies Act 1993* and the constitution of the Company, the Company has given indemnities to, and has effected insurance for, the directors and executives of the Company and its related companies which, except for some specific matters that are expressly excluded, indemnify and insure directors and executives against monetary losses as a result of actions undertaken by them in the course of their duties. Specifically excluded are certain matters, such as the incurring of penalties and fines, which may be imposed for breaches of law.

DIRECTORS' REPORT

Auditor

The Company's Auditor, RSM Australia Partners, will continue in office in accordance with the Companies Act 1993. The directors are satisfied that the provision of non-audit services, during the year by the auditor is compatible with the general standard of independence for auditors imposed by the Companies Act 1993. Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 8 of the financial statements.

Directors' Responsibility Statement

The directors of CropLogic Limited are pleased to present to shareholders the financial statements and director's report for CropLogic Limited and its controlled entities for the financial year ended 31 March 2020.

The directors are responsible for presenting the financial statements in accordance with New Zealand law and generally accepted accounting practice, which give a true and fair view of the financial position of the Group as at 31 March 2020 and the results of their operations and cash flows for the year ended on that date.

The directors consider the financial statements of the Group have been prepared using accounting policies which have been consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

The directors believe that proper accounting records have been kept which enable accuracy, the determination of the financial position of the Group and facilitate compliance of the financial statement with the Companies Act 1993.

The directors consider that they have taken adequate steps to safeguard the assets of the Group, and to prevent and detect fraud and other irregularities. Internal control procedures are also considered to be sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements.

On behalf of the directors



Steven Wakefield

Chairman

Date: Wednesday, 30 June 2021

Place: Christchurch, New Zealand

CropLogic Limited

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2020

		Year ended	
	Note	31-Mar-20	31-Mar-19
		\$	\$
Revenue	4	2,076,799	2,190,539
Total Revenue		2,076,799	2,190,539
Operational expenses		(5,672,561)	(3,531,013)
Research & development		-	(203,911)
General & administrative expenses		(2,783,331)	(2,162,369)
Depreciation & amortisation	8	(1,219,061)	(651,558)
Other income	5	4,085	11,046
Other gains/(losses)	6	(616,501)	(139,905)
Finance costs	7	(1,093,705)	(26,219)
Impairment	8	(7,739,011)	-
Loss before tax		(17,043,286)	(4,513,390)
Taxation expense	9	-	(233,345)
Loss for the period		(17,043,286)	(4,746,735)
Items that may be reclassified to profit or loss			
Foreign exchange translation differences for foreign operations		(2,100,016)	251,081
Other comprehensive loss for the period		(2,100,016)	251,081
Total comprehensive loss for the period		(19,143,302)	(4,495,654)
From continuing operations			
- Basic (cents per share)	10	(4.33)	(2.66)
- Diluted (cents per share)	10	(4.33)	(2.66)

CropLogic Limited
Consolidated Statement of Financial Position
As at 31 March 2020

		Year ended	
	Note	31-Mar-20	31-Mar-19
		\$	\$
Equity			
Share capital	20	21,554,462	16,763,787
Retained earnings (losses)		(30,047,712)	(13,004,426)
Reserves	21	(41,642)	621,006
Total Equity		(8,534,892)	4,380,367
Represented by:			
Current assets			
Cash & cash equivalents	29	182,849	474,694
Trade & other receivables	18	-	56,262
Income tax receivable	9	-	1,432
Other current assets	19	-	777,682
Biological Assets	16	1,300,000	-
Total Current Assets		1,482,849	1,310,070
Current liabilities			
Trade & other payables	25	849,774	913,189
Current borrowings	22	7,221,577	37,018
Other current liabilities	24	25,000	136,923
Contingent consideration	23	-	421,748
Income tax payable	9	255,895	233,345
Lease liabilities	13	820,761	-
Total Current Liabilities		9,173,007	1,742,223
Working Capital		(7,690,158)	(432,153)
Non Current Assets			
Property, plant & equipment	12	-	2,295,678
Intangibles	15	-	997,906
Goodwill	14	-	2,128,802
Total Non Current Assets		-	5,422,386
Non Current Liabilities			
Borrowings	22	-	609,866
Lease liabilities	13	844,734	-
Total Non Current Liabilities		844,734	609,866
Net Assets		(8,534,892)	4,380,367

CropLogic Limited
Consolidated Statement of Changes in Equity
As at 31 March 2020

	Note	Issued capital	Accumulated losses	Share based payment reserve	Foreign currency translation reserve	Total equity
		\$	\$	\$	\$	\$
Balance at 1 April 2018		14,484,972	(8,321,899)	102,731	218,417	6,484,221
Loss for the period		-	(4,746,735)	-	-	(4,746,735)
Other comprehensive loss for the period		-	-	-	251,081	251,081
Total comprehensive loss		-	(4,746,735)	-	251,081	(4,495,654)
Transactions with owners in their capacity as owners:						
Contributions of equity (net of transaction costs)	20	2,278,815	-	-	-	2,278,815
Performance rights		-	-	23,972	-	23,972
Share based payments		-	-	89,013	-	89,013
Employee share options forfeited		-	64,208	(64,208)	-	-
		2,278,815	64,208	48,777	-	2,391,800
Balance at 31 March 2019		16,763,787	(13,004,426)	151,508	469,498	4,380,367
Balance at 1 April 2019		16,763,787	(13,004,426)	151,508	469,498	4,380,367
Loss for the period		-	(17,043,286)	-	-	(17,043,286)
Other comprehensive loss for the period		-	-	-	(2,100,016)	(2,100,016)
Total comprehensive loss		-	(17,043,286)	-	(2,100,016)	(19,143,302)
Transactions with owners in their capacity as owners:						
Contributions of equity (net of transaction costs)	20	4,790,675	-	-	-	4,790,675
Performance rights	27	-	-	182,694	-	182,694
Share based payments	27	-	-	1,254,674	-	1,254,674
		4,790,675	-	1,437,368	-	6,228,043
Balance at 31 March 2020		21,554,462	(30,047,712)	1,588,876	(1,630,518)	(8,534,892)

CropLogic Limited
Consolidated Statement of Cash Flows
For the year ended 31 March 2020

		Year ended	
	Note	31-Mar-20	31-Mar-19
		\$	\$
Cash Flows from Operating Activities			
Cash receipts from customers		2,064,149	2,155,142
Cash paid to suppliers and employees		(12,976,919)	(6,322,866)
Interest Income		4,085	11,046
Interest paid		(101,675)	-
Net Cash Flows used in Operating Activities	11	(11,010,360)	(4,156,678)
Cash Flows from Investing Activities			
Payments for property, plant and equipment and intangibles		(358,390)	(61,085)
Proceeds from sale of equipment and software license		396,229	-
Payment for contingent consideration for purchase of business		-	(433,407)
Net Cash Flows used in Investing Activities		37,839	(494,492)
Cash Flows from Financing Activities			
Proceeds from issue of shares, net of costs		4,701,716	2,342,828
Proceeds from issue of convertible notes, net of costs		6,107,381	-
Repayment of lease liability		(632,825)	-
Proceeds from borrowings		607,334	-
Repayment of borrowings		-	(101,926)
Net Cash Flows from Financing Activities		10,783,606	2,240,902
Net increase/(decrease) in cash and cash equivalents		(188,915)	(2,410,268)
Effects of exchange rate changes on the balance of cash held in foreign currencies		(102,930)	(47,096)
Cash at the beginning of the year		474,694	2,932,058
Cash at the End of the Year	29	182,849	474,694

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

1 General Information

These financial statements are for CropLogic Limited ("the Company" or "CropLogic") and its subsidiaries (together "the Group"). The Company is a limited liability company incorporated in New Zealand and listed entity on the Australian Securities Exchange. The registered office of the Company is DLA Piper New Zealand, Chartered Accountants House, Level 4, 20 Customhouse Quay, Wellington 6011, New Zealand.

2 Statement of Accounting Policies

Basis of Preparation and Statement of Compliance

The consolidated financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). For the purposes of complying with NZ GAAP, the Group is a for-profit entity. These financial statements comply with New Zealand International Financial Reporting Standards (NZ IFRSs) and other New Zealand accounting standards and authoritative notices that are applicable to entities that apply NZ IFRS.

The consolidated financial statements have been prepared using the historical cost convention unless otherwise stated below or in the notes.

The consolidated financial statements are presented in Australian Dollars (\$) (the 'presentation currency').

This report should be read in conjunction with any public announcements made by CropLogic during and subsequent to the reporting period.

Going concern

These financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business following the effectuation of the DOCA.

The Group incurred a loss for the year of \$17,043,286 (2019: \$4,746,735 loss) and a net operating cash out-flow of \$11,010,360 (2019: \$4,156,678 out-flow). As at 31 March 2020 the Group's current liabilities exceed current assets by \$7,690,158 (2019: \$432,153).

As stated in note 32, subsequent to the balance date, the Company undertook a review and restructure of operations, as announced on 23 March 2020, including the dissolution of its wholly owned subsidiaries in the USA, announced on 3 April 2020,

On 22 July 2020, Craig Melhuish and Christine Johnston, Chartered Accountants, were appointed as joint and several Voluntary Administrators of CropLogic.

On 25 August 2020, the Company announced that it had entered into a Deed of Company Arrangement ("DOCA") presented by Nexia New Zealand which was ultimately executed on 15 September 2020.

On 15 September 2020, a Deed of Company Arrangement was executed with the Company's major shareholder, Atlas Capital Markets Limited. On 30 March 2021, the Deed terminated and control of the Company returned to the Directors. As a result of the DOCA, the only debt remaining in the Company is \$126,250. Atlas Capital Markets Limited has agreed not to call any of the debt.

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Company to secure funds from capital raisings and manage its contractual and discretionary cash outflows in line with available funds to enable the Group to meet both its current and future obligations as disclosed in the financial report.

The directors are satisfied that the going concern basis of preparation of the financial report is appropriate, on the basis of:

- Effectuation of the DOCA and subsequent capital raisings post effectuation;
- Completed settlement agreement with Atlas in relation various loan facilities.
- potential recapitalisation of the Company and re-admission to the ASX.
- Atlas Capital Markets Limited has offered to provide financial support and support the Company through a recapitalisation process and target the recommencement of trading of the Company's shares on the ASX.

The ability of the Company to raise sufficient funds to enable it to successfully re-launch the Group's agricultural operations and to meet its contractual expenditure commitments, represents a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Should the Company be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial report of the Group does not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts and liabilities as and when they fall due.

Application of new and revised New Zealand Equivalents to International Financial Reporting Standards (NZ IFRSs)

The Group has adopted all of the mandatory new and revised Standards and Interpretations issued by the External Reporting Board (the XRB) that are relevant to their operations and effective for the current half year.

- NZ IFRS 16 Leases

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

Impact of the application of NZ IFRS 16 Leases

The Group has adopted NZ IFRS 16 from 1 April 2019. The Standard replaces NZ IFRS 16 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the Statement of Financial Position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under NZ IFRS 16 will be higher when compared to lease expenses under NZ IFRS 16. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the Statement of Cash Flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the Standard does not substantially change how a lessor accounts for leases.

Impact of adoption

NZ IFRS 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated. The impact of adoption on opening accumulated losses as at 1 April 2019 was as follows:

	1 April 2019
Operating lease commitments as at 1 April 2019 (NZ IFRS 117)	
Operating lease commitments discount based on the weighted average of the incremental borrowing rate of 6.6% (NZ IFRS 16)	734,286 (61,574)
Right-of-use assets (NZ IFRS 16)	672,712
Lease liabilities - current (NZ IFRS 16)	(253,351)
Lease liabilities - non-current (NZ IFRS 16)	(419,361)
Impact on opening accumulated losses as at 1 April 2019	-

See note 13 for further information.

New and revised NZ IFRSs in issue but not yet effective

The XRB have issued a number of Standards, amendments, and interpretations which are not yet effective and which may have an impact on the Group's Financial Statements. These are detailed below. The Group has not yet applied these in preparing these financial statements.

NZ IFRS 3 Definition of a Business

In December 2018, the New Zealand Accounting Standards Board (NZASB) issued amendments to the definition of a business in NZ IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. New illustrative examples were provided along with the amendments. Amendments are effective for reporting periods beginning on or after 1 January 2020. Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

IAS 1 and IAS 8 Definition of Material

In December 2018, the NZASB issued amendments to NZ IAS 1 Presentation of Financial Statements and NZ IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of 'material' across the Standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.' Amendments are effective for reporting periods beginning on or after 1 January 2020. The amendments to the definition of material is not expected to have a significant impact on the Group's consolidated financial statements.

New Zealand Equivalent to the IASB Conceptual Framework for Financial Reporting

In May 2018, the NZASB issued the New Zealand Equivalent to the IASB Conceptual Framework for Financial Reporting (2018 NZ Conceptual Framework) that describes the objective of, and the concepts for, general purpose financial reporting. The 2018 NZ Conceptual Framework is not a Standard. Nothing in the 2018 NZ Conceptual Framework overrides any Standard or any requirement in a Standard. The 2018 NZ Conceptual Framework is effective for reporting periods beginning on or after 1 January 2020. It does not have an impact on the Group's consolidated financial statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of non-current assets

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

As announced on 3 April 2020, the Directors resolved to the dissolution of its wholly owned subsidiaries in the USA, as a result the Goodwill was fully impaired as at 31 March 2020.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that management have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Presentation currency

The functional currency of the Group is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Australian dollars which is the Group's presentation currency.

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

Significant Changes in the Current Reporting Period

The Company 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 going forward. In the interest of reducing operating costs, the Company also reduced its employee size.

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 allowed 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.

3 Segment Information

The Chief Executive Officer and members of the executive team are the Group's chief operating decision makers. They have determined that based on the information they use for the purposes of allocating resources and assessing performance, the Group itself forms three segments. These segments are organised in geographical locations.

The segments of the Group are composed of the following:

- New Zealand
- United States
- Australia

Financial Information

The Group's chief operating decision makers primarily use a measure of adjusted earnings before tax, to assess the performance of the operating segments. However, the decision makers also receive information about the segments' revenue and assets on a monthly basis. The revenue represents revenue generated from both internal and external customers. The accounting policies of the reportable segments are the same as the Group's accounting policies described in the policy notes. Where costs are incurred on behalf of another segment, these costs are subsequently recognised in the segment to which they relate. Sales between segments are carried out at arm's length and are eliminated on consolidation. The revenue from external parties is measured in the same way as in the Statement of Profit or Loss.

Segment revenue and profit (loss)

	Revenue Year ended		Segment profit Year ended	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	\$	\$	\$	\$
Australia	47,263	22,964	(1,568,509)	(1,538,751)
New Zealand	1,349	15,786	(5,307,695)	(2,064,970)
United States	2,102,407	2,151,789	(11,926,172)	(925,070)
Loss before tax and eliminations	2,151,019	2,190,539	(18,802,376)	(4,528,791)
Intersegment Eliminations	(74,220)	-	1,759,090	15,401
Income tax expenses	-	-	-	(233,345)
Consolidated revenue and loss for the period	2,076,799	2,190,539	(17,043,286)	(4,746,735)

The following is an analysis of the Group's revenue from its major products and services.

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
CropLogic Aerial Imagery	111,369	304,470
Hydroprobe	1,304,036	1,399,680
CropLogic RealTime	685,329	440,997
Telemetry	41,826	-
Other miscellaneous income	8,459	45,392
Intersegment Eliminations	(74,220)	-
	2,076,799	2,190,539

The Group does not have any significant customers from which a substantial portion of revenue is derived.

Revenue from external customers

	Year ended	
	31 March 2020	31 March 2019
Australia	47,263	22,964
New Zealand	1,349	15,786
United States	2,028,187	2,151,789
	2,076,799	2,190,539

CropLogic Limited
Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

3 Segment Information (continued)

Segment assets and liabilities

For the purpose of monitoring segment performance and allocating resources between segments all assets and liabilities are allocated to reportable segments. The following is an analysis of the Group's assets and liabilities by reportable operating segment:

	31 March 2020	31 March 2019
	\$	\$
Assets		
Australia	54,798	238,834
New Zealand	12,251,273	7,836,864
United States	1,428,051	4,237,267
Intersegment Eliminations	(12,251,273)	(5,580,508)
Consolidated assets as per Statement of Financial Position	1,482,849	6,732,457
	31 March 2020	31 March 2019
	\$	\$
Liabilities		
Australia	1,456,624	1,777,584
New Zealand	8,352,245	366,018
United States	13,806,708	3,437,813
Intersegment Eliminations	(13,597,836)	(3,229,326)
Consolidated liabilities as per Statement of Financial Position	10,017,741	2,352,089

The Group's non-current assets (excluding financial instruments and deferred tax balances) by location of assets are detailed below;

	As at	
	31 March 2020	31 March 2019
Non-current assets		
Australia	-	38,648
New Zealand	-	3,212,100
United States	-	2,960,207
Intersegment Eliminations	-	(788,569)
Consolidated non-current assets as per Statement of Financial Position	-	5,422,386

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

4 Revenue

The group recognises revenue as follows;

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer; the group identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Rendering of services

Revenue from a contract to provide services is recognised when the service is provided (performance obligation in the contract is completed).

Hydropobe

Revenue from the rendering of Hydropobe services is recognised when the service is provided.

CropLogic RealTime

Revenue from the rendering of CropLogic RealTime services is recognised when the service is provided.

Sale of goods

Sales of CropLogic RealTime units are recognised as revenue when the products pass from the physical control of the Group pursuant to an enforceable contract, when selling prices are known or can be reasonably estimated and when the products are in a form that requires no further treatment by the Group.

CropLogic Aerial Imagery

Revenue from the rendering of CropLogic Aerial Imagery services is recognised when the service is provided.

Revenue from contracts with customers recognised at a point in time

Sale of services
Sale of goods

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
	2,054,224	2,151,789
	22,575	38,750
	<u>2,076,799</u>	<u>2,190,539</u>

5 Investment Income

Finance income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest revenue is recorded gross of resident withholding tax.

Interest Income received by asset category

Cash and short term deposits
Total investment income

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
	4,085	11,046
	<u>4,085</u>	<u>11,046</u>

6 Other gains and losses

Net loss arising on financial liabilities designated as FVTPL
Disposal of Non-current Assets gains/(losses)
Foreign exchange gains/(losses)
Total gains/(losses)

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
	-	(76,731)
	(1,043,162)	-
	426,661	(63,174)
	<u>(616,501)</u>	<u>(139,905)</u>

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

7 Finance Costs

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Interest on bank loans and overdrafts	211	154
Interest on third party loans	129,338	26,065
Interest on ROU Lease Liability	106,543	-
Costs associated with the Issue of Convertible notes	857,613	-
Total interest expense for financial liabilities not classified as at FVTPL	1,093,705	26,219

Finance costs relating to financial liabilities classified as at fair value through profit or loss are included in 'other gains and losses' in the note above.

8 Profit for the year

Sales tax

Revenue, expenses, assets and liabilities are recognised net of the amount of any sales tax except:

- where the amount of sales tax incurred is not recovered from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of sales tax (the net amount of sales tax recoverable from or payable to the taxation authority is included as part of receivables or payables).

Sales tax includes New Zealand Goods and Services Tax (GST), Australian Goods and Services tax (GST) and US sales taxes (where applicable).

Overhead Allocation

The presentation of the Profit and Loss by function requires certain overhead costs to be allocated to the function. These allocations require management to apply judgement. Some general and administration costs not relating to capitalised development assets have been allocated to functions based on employee activity.

Loss for the year has been arrived at after charging:

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Depreciation & amortisation		
Amortisation of intangible assets	90,685	191,193
Depreciation of property, plant and equipment	460,170	460,365
Depreciation of right of use assets	668,206	-
Total depreciation and amortisation expense	1,219,061	651,558
Employee benefits expense		
Employee entitlements	2,654,695	2,491,956
Defined contribution plans	110,413	91,108
Share-based payments - ordinary shares (see note 28)	361,019	25,000
Share-based payments - performance rights (see note 28)	182,694	23,972
Other employee benefits	326,297	-
Less: employee benefits capitalised	-	-
Total employee benefits expense	3,635,118	2,632,036
Impairment of Assets		
Property, Plant and Equipment	842,881	-
Right-of-use assets	1,276,463	-
Goodwill	2,220,490	-
Other intangibles	935,942	-
Biological assets	2,291,171	-
Inventory	81,366	-
Trade and Other receivables	68,912	-
Other assets	21,786	-
Total Impairment	7,739,011	-
Fees paid to auditors		
Audit of the financial statements	25,000	45,000
Review of the financial statements	30,000	30,000
Total fees paid to auditors	55,000	75,000

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

9 Income Tax

Current tax for the year

Tax expense comprises current and deferred tax. Income tax is recognised in the Income Statement except when it relates to items recognised directly in other comprehensive income (in which case the income tax is recognised in other comprehensive income). Income tax is based on tax rates and regulation enacted in the jurisdictions in which the entities operate.

Deferred Tax

Deferred income tax is recognised on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or subsequently enacted by the balance date and are expected to apply when the related deferred income tax asset or liability is realised or settled. An exception is made for certain timing differences arising from the initial recognition of an asset or liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Income tax recognised in profit & loss:

Current Tax

Expense (benefit) arising from previously unrecognised tax losses, tax credits or temporary differences of a prior period

Deferred Tax

Benefit arising from previously unrecognised tax losses, tax credits or temporary differences of a prior period

Total income tax expense (benefit) recognised in the current year

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Current Tax		
Expense (benefit) arising from previously unrecognised tax losses, tax credits or temporary differences of a prior period	-	233,345
	-	233,345
Deferred Tax		
Benefit arising from previously unrecognised tax losses, tax credits or temporary differences of a prior period	-	-
	-	-
Total income tax expense (benefit) recognised in the current year	-	233,345

The income tax expense for the year can be reconciled to the accounting profit as follows:

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Loss before tax	(17,043,286)	(4,513,390)
Income tax expense calculated at 27.5% (2019: 27.5%)	(4,686,904)	(1,241,182)
Effect of expenses that are not deductible in determining taxable profit	2,128,228	7,009
Reversal of R&D rebate	-	(233,345)
Effect of unused tax losses not recognised as deferred tax assets	2,558,676	1,234,173
	4,686,904	1,007,837
Income tax expense (benefit) recognised in profit or loss	-	(233,345)

The tax rate used above is 27.5% (2019: 27.5%) which is the corporate tax rate payable by corporate entities in Australia on taxable profits as determined by the Directors under tax law in that jurisdiction.

Current tax assets and liabilities

Current tax assets

Tax refund receivable

Current tax liability

Reversal of R&D rebate (Including Foreign exchange variance and Interest)

The analysis of deferred tax assets and liabilities at 27.5% (2019: 27.5%) are below:

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Tax losses and other temporary timing differences	3,435,188	876,512
	3,435,188	876,512
Deferred tax assets not recognised	(3,435,188)	(876,512)
	-	-

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

9 Income Tax (continued)

The Group has estimated tax losses carried forward of \$14.9 million (2019: \$5.6 million) subject to jurisdiction limitations and meeting certain loss recoupment rules. The Group has no deferred research and development deductions (2019: \$nil). Deferred tax assets, mainly represented by tax losses have not been recognised as there is significant uncertainty whether the Group will meet the requirements to utilise these tax losses in future or generate taxable profits.

As a result of the change in tax residency, the group has quarantined tax losses of \$1,859,305 in the New Zealand tax jurisdiction. These will be available at such time that revenue is generated in New Zealand.

The group received \$233,345 in 2019 from New Zealand inland Revenue under the Research and Development Tax Losses "Cash Out" scheme. The amount is required to be repaid due to the company becoming an Australian tax resident during the year.

Imputation credits

	31 March 2020 \$	31 March 2019 \$
New Zealand Imputation credits available for use	-	5,168

The 2019 comparatives for the income tax note have been adjusted to be consistent with the 2020 format. The overall tax position has not changed.

10 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its shares. Basic EPS is calculated by dividing the net loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares on issue during the year, excluding shares purchased and held as treasury shares (if any).

Diluted EPS is determined by adjusting the net loss attributable to ordinary shareholders and the weighted average number of ordinary shares on issue for the effects of all dilutive potential ordinary shares, which comprise treasury shares and options granted to employees and Directors. Potential ordinary shares are treated as dilutive when their conversion to ordinary shares would decrease EPS or increase the loss per share.

	Year ended	
	31 March 2020 Cents per share	31 March 2019 Cents per share
Basic earnings per share	(4.33)	(2.66)
Diluted earnings per share	(4.33)	(2.66)

Basic and diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	Year ended	
	31 March 2020 \$	31 March 2019 \$
Loss for the year attributable to members of the parent entity	(17,043,286)	(4,513,390)
Weighted average number of ordinary shares for the purposes of basic earnings per share	393,784,518	169,681,818

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For the year ended 31 March 2020

11 Reconciliation of Cash Flows from Operations

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Loss for the period	(17,043,286)	(4,746,735)
(Less)/plus non cash items		
Depreciation & amortisation	1,219,061	651,558
Loss on disposal of assets	1,043,162	7,431
Financial instruments at FVTPL	(421,748)	76,731
Net foreign exchange (gains)/losses	-	-
Impairment	5,447,840	-
Finance costs	992,030	26,219
Share based payments	683,714	43,972
(Less)/plus changes in working capital		
Decrease/(increase) in trade & other receivables	56,262	(35,397)
(Decrease)/increase in biological assets	(3,591,171)	-
(Decrease)/increase in income tax payable	1,432	236,888
Decrease/(increase) in stock & work in progress	-	16,318
Decrease/(increase) in other current assets	777,682	(692,247)
(Decrease)/increase in trade & other payables	(63,415)	430,553
(Decrease)/increase in other current liabilities	(111,923)	(171,969)
Net cash inflow/(outflow) from operating activities	(11,010,360)	(4,156,678)

Reconciliation of liabilities arising from financing activities

	2019	Cash flows	Non-cash changes		2020
			Acquisitions	Other	
Related party borrowings	-	607,334	-	-	607,334
Long term borrowings (i)	478,988	-	-	27,874	506,862
Asset Borrowings (ii)	167,896	-	-	(167,896)	-
Convertible notes (iii)	-	6,107,382	-	-	6,107,382
	646,884	6,714,716	-	(140,022)	7,221,578

(i) Other movements in long term borrowings is capitalised interest.

(ii) Asset borrowings relates to HP asset liabilities returned to financier

(iii) USD\$4.25 million (approx. AUD\$6.1 million) by way of a debt instrument with Atlas Capital Markets

CropLogic Limited

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For the year ended 31 March 2020

12 Property, Plant & Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes all expenditure that is directly attributable to the acquisition of the item. Subsequent costs are capitalised if it is probable that the future economic benefits will flow to the Group and the costs can be measured reliably. All other maintenance costs are recognised as an expense as incurred.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the allowed method which best represents the consumption of the economic benefits. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The asset's residual values and residual lives are reviewed and adjusted if appropriate at each balance date. If an asset's carrying amount is greater than its estimated recoverable amount, the carrying amount is immediately written down to its recoverable amount.

	Year ended				
	31 March 2020		31 March 2019		
Carrying amounts of:	\$		\$		
Plant & equipment	-		1,659,384		
Fixtures & fittings	-		31,942		
Motor Vehicles	-		604,352		
Work in progress at cost	-		-		
	-		2,295,678		
Cost					
	Plant & equipment	Fixtures & fittings	Motor Vehicles	Work in progress at cost	Total
	\$	\$	\$	\$	\$
Balance at 1 April 2018	1,906,227	41,551	550,720	312,436	2,810,934
Additions	3,949	-	213,916	15,237	233,102
Transfer	325,193	-	-	(325,193)	-
Disposals	(53,693)	-	(74,681)	-	(128,374)
Effect of foreign currency exchange	135,870	728	46,185	(2,480)	180,303
Balance at 31 March 2019	2,317,546	42,279	736,140	-	3,095,965
Additions	77,325	-	274,354	-	351,679
Disposals	(2,078,066)	-	(336,426)	-	(2,414,492)
Effect of foreign currency exchange	82,453	(1,167)	29,901	-	111,187
Impairment	(399,258)	(41,112)	(703,969)	-	(1,144,339)
Balance at 31 March 2020	-	-	-	-	-
Accumulated depreciation and impairment					
Balance at 1 April 2018	320,550	3,429	55,462	-	379,441
Eliminated on disposals of assets	(46,459)	-	(16,781)	-	(63,240)
Depreciation expense	366,612	6,677	87,075	-	460,364
Effect of foreign currency exchange differences	17,459	231	6,032	-	23,722
Balance at 31 March 2019	658,162	10,337	131,788	-	800,287
Eliminated on disposals of assets	(705,360)	-	(269,741)	-	(975,101)
Depreciation expense	309,592	5,023	145,555	-	460,170
Effect of foreign currency exchange differences	10,909	(344)	5,537	-	16,102
Impairment	(273,303)	(15,016)	(13,139)	-	(301,458)
Balance at 31 March 2020	-	-	-	-	-

The following useful lives are used in the calculation of depreciation:

Plant & equipment	3 years - 14 years
Fixtures & fittings	3 years - 10 years
Equipment under finance lease	7 years

Assets pledged as security

The Group holds borrowings as disclosed in note 22. The borrowings were secured against the motor vehicle assets which had a carrying amount of \$611,684 as at 31 March 2019. During the year ended 31 March 2020, some of the secured vehicles were sold. Subsequent to the year end, the Group went into Voluntary administration. As such, the group's assets have been carried at nil value as at 31 March 2020.

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13 Lease Assets and Liabilities

Right-of-use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
i) NZ IFRS 116 related amounts recognised in the balance sheet		
Right-of-use assets:		
Leased buildings	1,944,669	-
Accumulated depreciation	(668,206)	-
Impairment	(1,276,463)	-
Total right-of-use asset	-	-
Movement in carrying amounts:		
Leased buildings:		
Recognised on initial application of NZ IFRS 116 (previously classified as operating leases under NZ IFRS 117)	672,712	-
Opening balance	672,712	-
Addition to right-of-use asset	1,271,957	-
Depreciation expense	(668,206)	-
Impairment expense	(1,276,463)	-
Net carrying amount	-	-
ii) NZ IFRS 116 related amounts recognised in the statement of profit or loss		
Depreciation charge related to right-of-use assets	668,206	-
Interest expense on lease liabilities	106,543	-

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Current lease liability	820,761	-
Non-current lease liability	844,734	-
Total lease liability	1,665,495	-

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14 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

	Year ended	
	31 March 2020	31 March 2019
Cost	\$	\$
Balance at the beginning of the year	2,128,802	1,971,893
Additional amounts recognised from business combinations occurring during the period	-	-
Adjustments resulting from the subsequent recognition of deferred tax assets	-	-
Effects of foreign currency exchange differences	91,688	156,909
Balance at the end of the period	<u>2,220,490</u>	<u>2,128,802</u>
	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Accumulated impairment losses		
Balance at beginning of the year	-	-
Impairment losses recognised in the year	(2,220,490)	-
Effects of foreign currency exchange differences	-	-
Balance at the end of the year	<u>(2,220,490)</u>	<u>-</u>
Net book value		
At the beginning of the year	2,128,802	1,971,893
At the end of the year	<u>-</u>	<u>2,128,802</u>

Allocation of goodwill to cash-generating units

Goodwill has been allocated for impairment testing purposes to the US operations as a cash-generating unit. Before recognition of any impairment losses the carrying amount of goodwill was allocated as follows:

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
US operations - ProAg CropLogic LLC	<u>-</u>	<u>2,128,802</u>

Goodwill as at 31 March 2020

The goodwill associated with ProAg CropLogic LLC arose when the Group acquired the business of Professional Ag. Services Inc. in April 2017.

The Group 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 AgServices, Inc., a Washington corporation], (ProAg Vendors).

As such, the Goodwill recorded in relation to ProAg CropLogic LLC has been written-down to nil.

CropLogic Limited

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15 Other intangible assets

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment of intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is the greater of fair value less costs to sell or the asset's value in use. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

15 Other intangible assets (continued)

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Carrying amounts of		
Capitalised development assets	-	253,713
IP Rights	-	360,211
Other Intangibles	-	15,531
Telemetry IP and Customer Relationships	-	368,451
	<u>-</u>	<u>997,906</u>

	Capitalised development assets	IP Rights	Other Intangibles	Telemetry IP and Customer Relationships	Total
Cost	\$	\$	\$	\$	\$
Balance at 1 April 2018	331,077	529,275	19,497	903,512	1,783,361
Additions	-	-	952	-	952
Additions from internal developments	1,977	-	-	-	1,977
Effect of foreign currency translation differences	4,182	9,281	365	9,666	23,494
Balance at 31 March 2019	337,236	538,556	20,814	913,178	1,809,784
Additions	-	-	-	6,711	6,711
Effect of foreign currency translation differences	(3,324)	(14,861)	(4,734)	(27)	(22,946)
Impairment	(333,912)	(523,695)	(16,080)	(919,862)	(1,793,549)
Balance at 31 March 2020	-	-	-	-	-
Accumulated amortisation & impairment					
Balance at 1 April 2018	10,737	131,002	3,386	459,737	604,862
Amortisation expense	70,724	43,919	1,548	75,002	191,193
Impairment	-	-	-	-	-
Effect of foreign currency translation differences	2,062	3,424	349	9,988	15,823
Balance at 31 March 2019	83,523	178,345	5,283	544,727	811,878
Amortisation expense	8,929	79,019	2,737	-	90,685
Effect of foreign currency translation differences	(10,970)	(29,959)	(150)	-	(41,079)
Impairment	(81,482)	(227,405)	(7,870)	(544,727)	(861,484)
Balance at 31 March 2020	-	-	-	-	-

The following useful lives are used in the calculation of amortisation.

Capitalised development assets	3 years
IP Rights	10 - 12.5 years
Telemetry IP and Customer Relationships	10 years

Significant intangible assets

Plant & Food Intellectual Property Rights were acquired on 31 May 2016. They provide the Group the rights to market, promote, distribute and supply the system and method for managing and predicting crop performance in the commodities of Cotton, Soybean, Maize and Wheat in the jurisdiction of the United States of America.

Telemetry Intellectual Property and related customer relationships of Indigo Systems were acquired in October 2014. The Telemetry Asset acquired relates to IP, hardware, proprietary software stack, and backend systems required to manage the communication of data from field-based data acquisition devices to the CropLogic "cloud", where that data is analysed and presented in a usable manner for decision support. Combined with the existing low-power long-range mesh networking technology, this IP is an important part of CropLogic's data acquisition strategy.

Capitalised development assets include the internally generated intangible assets: Mobile app for customers, Growerview website, management platform (web based map showing location and status of deployed assets and alerting system), and aerial imaging software.

Subsequent to the year end, the Group went into Voluntary Administration. As such, the Group's assets have been carried at nil value as at 31 March 2020.

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16 Biological Assets

	31 March 2020	Year ended 31 March 2019
	\$	\$
Additions during the year	3,591,171	-
Impairment	(2,291,171)	-
	1,300,000	-

Biological assets, in the form of planted hemp crops, are accounted for under NZ IAS 41 agriculture, which requires that the assets be measured at fair value less costs to sell.

As announced on 14th February 2020, the hemp market and prices are volatile and therefore subject to change however the Company had attributed a value on the 2019 hemp crop at that time in the range of AU\$580,000 (low estimate) to AU\$2,090,000 (high estimate) with a mid-point of AU\$1,300,000, with the Company adopting the mid-point of AU\$1,300,000 for accounting purposes.

As announced on 14 February 2020 NW Ag Solutions LLC ('NWAS'), a provider of agricultural services to LogicalCropping had placed a lien over the hemp crop, and Bradley V. Shephard and Stanley V Shephard (Shephard Bros), a landlord to LogicalCropping had advised of their potential intention to place a lien over the hemp crop. As announced at the time, the Company disputed elements of NW Ag Solutions LLC claim. The Bradley V. Shephard and Stanley V. Shephard leases are for approximately 2 further years.

Subsequent to the year end, the Company has agreed a settlement where NWAS and the Shephard Bros will each receive 50% of the entire 2019 hemp crop including the trimmed flower. Thus NWAS and Shephard Bros will each receive the equivalent of AU\$650,000 in the agreed settlement, and the liens are effectively removed.

17 Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Inter-company transactions and balances between Group companies are eliminated on consolidation.

The financial statements in each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The assets and liabilities of these entities are translated at rates approximating the exchange rates existing at balance date. Revenue and expenses are translated at rates approximating the exchange rates ruling at the dates of transactions. The exchange gains or losses arising on translation are recorded in other comprehensive income and accumulated in the foreign currency translation reserve in equity.

Name of subsidiary	Principal activity	Functional Currency	Place of incorporation & operation	Proportion of ownership interest and voting power held by the Group	
				31 March 2020	31 March 2019
Indigo Systems Limited	Telemetry	NZD	New Zealand	100%	100%
CropLogic USA LLC	Holding company	USD	United States	100%	100%
ProAg CropLogic LLC	Agronomy services	USD	United States	100%	100%
CropLogic Australia PTY LTD	Agtech Services	AUD	Australia	100%	100%
Lincoln Agriculture PTY LTD	Holding company	AUD	Australia	100%	100%
CLPA Holding Company	Holding company	USD	United States	100%	100%
LogicalCropping LLC	CBD Producing Industrial Hemp	USD	United States	100%	100%

Change in the Group's ownership interest in a subsidiary

No new subsidiaries were incorporated during the year.

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

18 Trade and other receivables

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Trade receivables	-	56,262
Allowance for doubtful debts	-	-
	<u>-</u>	<u>56,262</u>

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Age of receivables that are past due but not impaired	-	43,753
91-120 days	-	43,753
	<u>-</u>	<u>43,753</u>

In determining the expected credit losses on a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

19 Other current assets

	As at	
	31 March 2020	31 March 2019
	\$	\$
Prepayments	-	777,682
	<u>-</u>	<u>777,682</u>

Majority of the prepayments at 31 March 2019 were industrial hemp trial farming activities that commenced post year end.

20 Issued Capital

	As at	
	31 March 2020	31 March 2019
	\$	\$
Issued capital comprises		
416,605,449 fully paid ordinary shares (31 March 2019: 296,602,740)	21,554,462	16,763,787
	<u>21,554,462</u>	<u>16,763,787</u>

	Number of shares	Share capital
		\$
Balance at 31 March 2018	123,269,440	14,484,972
Fully paid ordinary shares issued at \$0.015	173,333,300	2,600,000
Costs directly attributable to the cost of issuing shares	-	(321,185)
Balance at 31 March 2019	296,602,740	16,763,787
Fully paid ordinary shares issued at \$0.040	76,503,125	3,060,125
Fully paid ordinary shares issued at \$0.040 - share based payment	2,000,000	80,000
Fully paid ordinary shares issued at \$0.038 - share based payment	3,709,250	142,064
Fully paid ordinary shares issued at \$0.060	37,040,334	2,222,420
Fully paid ordinary shares issued at \$0.080 - share based payment	750,000	60,000
Costs directly attributable to the cost of issuing shares	-	(773,934)
Balance at 31 March 2020	416,605,449	21,554,462

All shares rank equally with regard to the Group's residual assets. The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Group. The shares have no par value.

During the 2020 year, the Group received services from suppliers where payment was settled by the issue of ordinary shares. The value of services was measured as the fair value of the shares issued. The fair value of the shares was based on the prices paid for equivalent shares by non-employee third parties at the same time. During 2019 there were no such transactions.

Of the above ordinary shares issued, 86,515,625 shares were issued for cash consideration, 2,000,000 issued in lieu of professional services and 31,487,084 on conversion of convertible notes.

Share issue transaction costs during the period of \$772,822 (2019: \$321,185) have been netted off against the amount recognised in equity.

CropLogic Limited

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20 Issued Capital (continued)

Long Term Incentive Plan

On 23 June 2017, the Group issued 1,125,925 performance rights with a fair value of \$102,731 in three classes under its long term incentive plan for selected executives: Class A (533,333 rights), Class B (355,555 rights) and Class C (237,037 rights). The performance hurdles are:

- (Class A): The Group's share price, as traded on ASX, increasing to not less than \$0.30 (calculated on a volume weighted average basis over a continuous 30 trading day period) during the first 12 months following the commencement of official quotation of the Group's shares on ASX

- (Class B): The Company's share price, as traded on ASX, increasing to not less than \$0.45 (calculated on a volume weighted average basis over a continuous 30 trading day period) during the period immediately following expiry of the time period specified in the Class A Performance Rights up to 24 months following the commencement of official quotation of the Company's shares on ASX

- (Class C): The Company's share price, as traded on ASX, increasing to not less than \$0.675 (calculated on a volume weighted average basis over a continuous 30 trading day period) during the period immediately following expiry of the time period specified in the Class B Performance Rights up to 36 months following the commencement of official quotation of the Company's shares on ASX

On 30 April 2018 703,703 of the performance rights with a fair value of 64,208 were forfeited.

On 29 June 2018, the Group issued 6,601,156 performance rights in two classes under its long term incentive plan for selected executives: Tranche A (4,000,001 rights) and Tranche B (2,601,155 rights).

The performance hurdles for **Tranche A** are:

- 666,667 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of between \$0.10 and \$0.14 for the 15 trading days following the end of the first 12 months of employment;
 - 1,333,334 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of between \$0.15 and \$0.19 for the 15 trading days following the end of the first 12 months of employment;
 - 2,000,000 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of \$0.20 or more for the 15 trading days following the end of the first 12 months of your employment;
- If all three milestones are achieved the maximum number of shares to be issued is 4,000,001.

The above Tranche A performance rights expired on the 19th of July 2019.

The performance hurdles for **Tranche B** are:

- 433,526 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of between \$0.25 and \$0.34 for the 15 trading days following the end of the first 3 years of employment;
 - 867,052 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of between \$0.35 and \$0.44 for the 15 trading days following the end of the first 3 years of employment;
 - 1,300,577 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of \$0.45 or more for the 15 trading days following the end of the first 3 years of your employment;
- If all three milestones are achieved the maximum number of shares to be issued is 2,601,155.

The fair value of both tranches of performance rights issued in the current period is \$54,120 and will be expensed over the vesting period.

On 19 August 2019, the Group issued 9,000,000 performance rights in two classes under its long term incentive plan to members of the Company's management: Tranche 1 (4,500,000 rights) and Tranche 2 (4,500,000 rights).

The performance hurdles for Tranche 1 are:

- 4,500,000 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of \$0.08 for 30 trading days;

The performance hurdle for Tranche 2 are:

- 4,500,000 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of \$0.10 for 30 trading days.

The fair value of both tranches of performance rights issued in the current period is \$539,100 and will be expensed over the vesting period.

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

21 Reserves

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Foreign currency translation reserve	(1,630,518)	469,498
Share-based payment reserve:		
Performance rights	245,189	62,495
Share options	1,343,687	64,013
Shares granted (not issued)	-	25,000
	(41,642)	621,006

The foreign currency translation reserve's movement is solely as a result of exchange differences on translating foreign operations. These exchange differences related to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Australian Dollars) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

22 Borrowings

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Unsecured - at amortised cost		
Loans from:		
related parties (i)	6,714,716	-
other entities (ii)	506,861	478,988
	7,221,577	478,988
Secured - at amortised cost		
Asset Finance (iii)	-	167,896
	-	167,896
Current	7,221,577	37,018
Non-current	-	609,866
	7,221,577	646,884

Summary of borrowing arrangements

(i) During the year, the Group secured USD\$4.25 million (approximately AUD\$6.1 million) by way of a debt instrument with Atlas Capital Markets, as per the announcement dated 29 May 2019. On 14 February 2020, as part of the CropLogic Review and Restructure, CropLogic entered into a Convertible Note Conversion Deed with Atlas Capital Markets. The Conversion Deed states that Atlas will convert a total of \$US4,032,073.79 (\$AU6,107,382), being the agreed amount owing to Atlas, into ordinary shares of the Company (Shares) at a conversion price of 2 cents. The conversion is subject to shareholder approval at a meeting to be held in the coming weeks. Atlas will also be issued further shares under two true-up mechanisms (subject to the terms and shareholder approval at the time of issue) and options exercisable at 2 cents and with a term of 5 years. Furthermore, CropLogic has entered into Convertible Note Conversion Deeds (Short-Term Loan Conversion Deeds) with Directors Mr. Steven Wakefield and Mr. Stephen Silver in respect of the loans announced on 14 February 2020 and in respect of the unsecured short-term funding loan with sophisticated investors announced on 20 December 2019. Under the Short-Term Loan Conversion Deeds, the lenders will convert the entire debts owed by the Company totalling \$AU350,000 into 17,500,000 Shares at a conversion price of 2 cents. These conversions are subject to shareholder approval at a meeting.

At the General Meeting held on 14 April 2020 the above conversions were approved by the shareholders.

(ii) The Group holds a loan from Callaghan Innovation which was received to fund research and development. The loan accrues interest at 3% per annum and is capitalised to the loan annually where it is unpaid. The loan and any accrued interest is repaid at a rate of 3% of the product's revenue annually until the loan and accrued interest have been repaid in full.

(iii) These are asset finance for acquisition of motor vehicles. The term of the borrowings range from 9 to 60 months. The Group's obligations under finance are secured by the lessors' title to the leased assets. Interest rates underlying all obligations under the borrowings are fixed at respective contract dates ranging from 3% to 7% per annum.

As a result of the CropLogic Review and Restructure all vehicles assets under finance arrangements were returned to the financier, and related liability was extinguished.

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

23 Contingent Consideration

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Current	-	421,748
Non-current	-	-
Total contingent consideration	-	421,748

The fair value of the contingent consideration relates to the acquisition of Professional Ag Services Inc in financial year 2018. As announced on 23 March 2020, under the New ProAg Agreement, the ProAg vendors agreed to release the Company from its obligation to pay the final instalment of \$US315,000. This has been outlined in further detail in note 26 financial instruments.

The Company had no contingent consideration liabilities as at 31 March 2020.

24 Other current liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Liabilities for wages and salaries, including non-monetary benefits, annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Current provisions		
Employee benefits	-	11,778
Other provisions	25,000	125,145
	25,000	136,923

The provision for employee benefits represents annual leave and payroll entitlements accrued to date.

Other provisions represent the Group's best estimate of costs incurred to date where invoices have not yet been received from suppliers at year-end. The estimate is calculated by reference to future-dated invoices and percentage calculations of works incurred at the date of the financial statements. No discount rate has been applied.

25 Trade and other payables

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Trade payables	849,774	913,189

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

26 Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 60 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

26 Financial instruments (continued)

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. The Group does not consider that it holds any equity instruments.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities are classified as at FVTPL when the financial liability is

- (i) contingent consideration that may be paid by an acquirer as part of a business combination, to which NZ IFRS 3 applies,
- (ii) held for trading, or
- (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item. Fair value is determined in the manner described below.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings as detailed in note 22 offset by cash and bank balances) and equity of the Group (comprising issued capital, reserves and retained earnings as detailed in note 20).

The Group is not subject to any externally imposed capital requirements.

Management reviews the capital structure of the Group on a regular basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital.

Categories of financial instruments

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Financial Assets		
Cash and bank balances	182,849	474,694
Loans and receivables	-	56,262
Financial Liabilities		
Contingent consideration for a business combination	-	421,748
Amortised cost	9,761,846	1,560,074

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

26 Financial instruments (continued)

Financial risk management objectives

The Group has identified the following financial risks being market risk (including currency risk and interest rate risk) and credit risk.

The Group seeks to minimise the effects of market risks by holding cash in currencies where the Group predominately has trading businesses and regularly reviewing the interest rates on deposits to ensure the best return is obtained. Credit risk is minimised by ensuring there are no individual customers contributing to a significant portion of sales revenue. The Group has implemented a robust receivables process and as such the rate of default is very low.

Foreign currency risk management

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group is exposed to foreign exchange risk currently arising as a result of undertaking commercial transactions involving the New Zealand dollar and United States dollar, and also as a result of holding cash and cash equivalents in New Zealand dollars (NZD) and United States dollars (USD). The Group does not use any derivative financial instruments to manage this foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	Liabilities		Assets	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	\$	\$	\$	\$
Currency of New Zealand	1,912,849	592,043	-	12,998
Currency of United States	4,032,074	1,287,012	78,598	251,590

Foreign currency sensitivity analysis

The Group is mainly exposed to the currency of New Zealand and the currency of the United States.

	USD Impact		NZD Impact	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	\$	\$	\$	\$
Profit or loss	585,735	132,334	169,374	50,398

The Group's sensitivity to foreign currency has increased during the current year due to the purchase of Professional Ag. Services' Inc US-based business. The Group has also participated in significant transactions with suppliers which were mainly denoted in US dollars.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year. US dollar denominated sales are seasonal, with lower sales volumes in the second half of the financial year, resulting in a reduction in US dollar receivables at the end of the reporting period.

Interest rate risk management

The Group is exposed to interest rate risk because entities in the Group borrow funds, which at times utilises both fixed and floating interest rates. The risk is managed by the Group by ensuring most debt is at fixed interest rates and by regularly reviewing the debt to equity mix to ensure the most efficient funding model is maintained.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

CropLogic Limited

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For the year ended 31 March 2020

26 Financial instruments (continued)

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's:

- profit for the year ended 31 March 2020 would decrease/increase by Nil (2019: decrease/increase by Nil). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings; and
- other comprehensive income for the year ended 31 March 2020 would remain unchanged (2019: no change).

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with approved counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure is regularly monitored. The carrying amounts shown on the statement of financial position represents the Group's maximum exposure to credit risk.

Trade receivables throughout the year consist of a large number of customers, across different geographical areas. Regular credit evaluation is performed on the financial condition of accounts receivable.

The Group does not have significant credit risk exposure to any single counterparty as there is no single customer which provides a significant portion of revenue.

The credit risk on liquid funds is limited because the Group holds funds only with high-grade banking counterparties.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with management. The Group manages liquidity risk by monitoring cash forecasts of the Group's liquidity reserve on the basis of expected cash flow. This enables management to determine funding needs and to ensure the Group meets its future operating requirements.

Liquidity and interest risk tables

The following table details the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

	Weighted average effective interest rate (%)	Less than 3 months	3 months to 1 year	
31 March 2020	%	\$	\$	
Non-interest bearing	-	7,564,490	-	
Fixed interest rate instruments	3%	506,861	-	
		<u>8,071,351</u>	<u>-</u>	
	1-5 years	5+ years	Total	Carrying amount
31 March 2020	\$	\$	\$	\$
Non-interest bearing	-	-	7,564,490	7,564,490
Fixed interest rate instruments	-	-	506,861	506,861
	<u>-</u>	<u>-</u>	<u>8,071,351</u>	<u>8,071,351</u>
	Weighted average effective interest rate	Less than 3 months	3 months to 1 year	
31 March 2019	%			
Non-interest bearing	-	913,189	442,851	
Fixed interest rate instruments	3%	15,002	59,375	
		<u>928,191</u>	<u>502,226</u>	
	1-5 years	5+ years	Total	Carrying amount
31 March 2019	\$	\$	\$	\$
Non-interest bearing	-	-	1,356,040	1,334,938
Fixed interest rate instruments	180,560	478,987	733,924	646,884
	<u>180,560</u>	<u>478,987</u>	<u>2,089,964</u>	<u>1,981,822</u>

The amounts included above for non-interest bearing debt include the maximum amounts of contingent consideration. These have been included at maximum as it is highly probable that they will be paid in full given the historical pattern of the financial results on which they are based.

The following table details the Group's expected maturity for its financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of information on financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

CropLogic Limited

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For the year ended 31 March 2020

26 Financial instruments (continued)

	Weighted average effective interest rate	Less than 1 month	1-3 months	3 months to 1 year	Total
31 March 2020	%	\$	\$	\$	\$
Non-interest bearing	-	162,849	-	-	162,849
Fixed interest rate instruments	2%	-	20,000	-	20,000
		<u>162,849</u>	<u>20,000</u>	<u>-</u>	<u>182,849</u>
31 March 2019	%	\$	\$	\$	\$
Non-interest bearing	-	510,956	-	-	510,956
Fixed interest rate instruments	2%	-	20,000	-	20,000
		<u>510,956</u>	<u>20,000</u>	<u>-</u>	<u>530,956</u>

The amounts included above for variable interest rate instruments for both financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

Fair value measurements

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair Value of Financial Liabilities Held at Fair Value through Profit or Loss

The Group's financial liability relating to contingent consideration is measured at fair value at the end of each reporting period. Fair value is determined in line with the fair value hierarchy outlined in the accounting policies.

Financial Liability	Fair value as at 31 March	Fair value as at 31	Fair value hierarchy	Valuation technique
Contingent consideration in Professional Ag Services Inc business combination	-	421,748	Level 3	Discounted cash flow

Fair value as at 31 March 2019

Significant unobservable inputs and relationship of unobservable input to fair value:

- Discount rate of 6% has been used in the discounting of the expected cash flows. A slight increase in the discount rate used in isolation would result in a significant decrease in the fair value. A 5% increase/decrease in the discount rate used while holding all other variables constant would decrease/increase the carrying amounts of the contingent liability by \$1,008.

- Based on historical performance, it was determined highly probable the US subsidiary would generate gross revenue in excess of the performance hurdle in each of the fiscal years ending 31 December 2019 and 2020. Probability adjusted revenues had no effect on the contingent consideration due. A 5% decrease in the probability-adjusted revenues while holding all other variables constant would have no effect on the contingent consideration due.

Fair value as at 31 March 2020

Pacific North West agronomy, farm management and agtech operations :

- In undertaking the review of operations and financial situation, the Company identified that employment costs in the USA, including benefits were high and predicted to increase. As such, CropLogic 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).

- As announced on 14 February 2020, the Company was due to pay a final instalment of \$US315,000 (\$AU477,130) to the ProAg Vendors by 31 January 2020. Under the terms of the New ProAg Agreement, the ProAg vendors agreed to release the Company from its obligation to pay the final instalment of \$US315,000.

- The full details of the New ProAg Agreement can be found in Appendix 3 of the CropLogic Review and Restructure ASX Announcement, lodged on 23 March 2020.

The fair value of the Group's financial assets and liabilities is considered to be approximately equal to their carrying amount. The Group has no other assets or liabilities that are measured at fair value.

Reconciliation of Level 3 Fair Value Measurements

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Opening Balance	421,748	759,192
Contingent Consideration as a result of business combination	-	-
Less: amount forgiven	(421,748)	-
Less: amount paid to date	-	(433,407)
Total gains or losses:		
- in profit or loss	-	76,731
Effects of foreign currency exchange differences	-	19,232
	<u>-</u>	<u>421,748</u>

CropLogic Limited

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For the year ended 31 March 2020

27 Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

The Company has a long term incentive scheme for selected executives. Shares are issued and held in trust by the Group until the following performance hurdle classes have been met; 9,000,000 performance rights in two classes under its short term and long term incentive plan for selected executives: Tranche 1 (4,500,000 rights) and Tranche 2 (4,500,000 rights).

The performance hurdles for Tranche A are:

- 4,500,000 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of \$0.08 or more for 30 consecutive trading days.

The performance hurdles for Tranche B are:

- 4,500,000 CropLogic Limited Shares if CropLogic Limited shares achieve a VWAP of \$0.10 or more for 30 consecutive trading days.

The performance rights are escrowed for 2 years and subject to the employee staying with the company for that two years.

The weighted average fair value of the performance rights granted during the financial year is \$0.0599. Performance rights were priced using a barrier option pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of the probability of meeting market conditions attached to the option and behavioural considerations. Expected volatility is based on the market average volatility for newly listed small capitalisation companies. The performance rights are vesting over a period.

Inputs into the model	Performance rights	
	Tranche 1	Tranche 2
Grant date share price	0.070	0.070
Vesting hurdle	0.080	0.100
Expected volatility	100%	100%
Option life	2 years	2 years
Dividend yield	0.00%	0.00%
Risk-free interest rate	0.73%	0.73%

In addition, 10,000,000 share options were issued during the current year to Directors. The options vested on grant date and fair value of the options \$361,019 was recognised. For the options issued during the year a Black Scholes option pricing model was used to determine fair value at the grant date as follows;

Inputs into the model	
Grant date	19/08/2019
Grant date share price	0.066
Exercise price	0.060
Expected volatility	100%
Option life	2 years
Dividend yield	0.00%
Risk-free interest rate	0.73%

Movements in shares options during the year

	2020		2019	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Balance at the beginning of the year	10,000,000	0.06	-	-
Granted during the year	10,000,000	0.06	10,000,000	0.06
Exercised during the year	-	-	-	-
Balance at the end of the year	20,000,000	0.06	10,000,000	0.06

Movements in performance rights during the year

	2020		2019	
	Number of performance rights	Weighted average exercise price	Number of performance rights	Weighted average exercise price
Balance at the beginning of the year	7,023,381	0.0130	1,125,928	0.091
Granted during the year	9,000,000	0.0599	6,601,156	0.008
Exercised during the year	-	-	(703,703)	(0.091)
Balance at the end of the year	16,023,381	0.0599	7,023,381	0.013

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

28 Related party transactions

Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly, and includes the Directors, the CEO, and COO, and CTO. The remuneration of directors and other members of key management personnel during the year was as follows;

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Short-term employee benefits	322,500	331,709
Post-employment benefits	34,437	33,185
Share-based payments - options	361,019	-
Share-based payments - performance rights	182,694	23,972
Directors Fees	173,081	404,653
	1,073,731	793,519

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Other related party transactions

Stephen Silver was managing director at Evolution Capital Advisors (previously Hunter Capital Advisors) during the current financial year. The Group purchased \$389,162 (2019: \$55,000) of consulting and other services from Evolution Capital Advisors.

Steven Wakefield was a council member of the University of Canterbury during the period. In 2020, the Group paid \$51,696 (2019: \$57,500) for a licensing fee.

29 Cash & cash equivalents

For the purposes of the consolidated Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the consolidated Statement of Cash Flows can be reconciled to the related items in the consolidated Statement of Financial Position as follows:

	Year ended	
	31 March 2020	31 March 2019
	\$	\$
Cash on hand	162,849	454,694
Short term deposits	20,000	20,000
	182,849	474,694

30 Non-cash transactions

During the current year, the Group entered into the following non-cash investing and financing activities which are not reflected in the consolidated Statement of Cash Flows:

- Issue of options as a share based payment to Directors (disclosed in note 27)
- Issue of performance rights to CEO & KMP's as part of long term incentive plan (disclosed in note 27)
- Issue of shares as share based payment for professional services (disclosed in note 20)

31 Commitments for expenditure

As announced on 14 February 2020, the Company was due to pay a final instalment of \$US315,000 (\$AU513,364) to the ProAg Vendors by 31 January 2020. Under the terms of the relevant agreement, the Company has 30 days in which to remedy the matter. Under the New ProAg Agreement dated 27 March 2020, the ProAg vendors will agree to release the Company from its obligation to pay the final instalment of \$US315,000.

(the above US dollar amounts have been translated at the 31 March 2020 AUD-USD spot rate of 0.6136)

No commitments for expenditure as at balance date.

CropLogic Limited

Notes to and forming part of the Financial Statements

For the year ended 31 March 2020

32 Events after the reporting period

The following subsequent events have arisen and/or occurred between 31 March 2020 and the date of this report that could have a significant impact on the operations of the Group, the results of those operations, and the state of affairs of the Group in future years.

On 3 April 2020, the Company agreed a settlement where NWS and the Shephard Bros will each receive 50% of the entire 2019 hemp crop including the trimmed flower. As announced on 14th February 2020, the hemp market and prices are volatile and therefore subject to change however the Company had attributed a value on the 2019 hemp crop at that time in the range of AU\$580,000 (low estimate) to AU\$2,090,000 (high estimate) with a mid-point of AU\$1,300,000, with the Company adopting the mid-point of AU\$1,300,000 for accounting purposes. Thus NWS and Shephard Bros will each receive the equivalent of AU\$650,000 in the agreed settlement, and the liens are effectively removed. NWS and the Shephard Bros will also receive an approximately USD\$15,000 payment for third party costs related to completion of the reparation of the fields. Remaining equipment, mostly related to cultivation of hemp, will also be divided between the NWS and Shephard Bros.

On 14 April 2020, the shareholders voted to approve the Debt to Equity Conversion of \$US4,032,073.79 (\$AU6,107,382.17) convertible note owed to Atlas Capital Markets, and \$AU350,000 short term loans payable to Directors of the Company.

On 22 July 2020, Craig Melhuish and Christine Johnston, Chartered Accountants, were appointed as joint and several Voluntary Administrators of CropLogic.

On 25 August 2020, the Company announced that it had entered into a Deed of Company Arrangement ("DOCA") presented by Nexia New Zealand which was ultimately executed on 15 September 2020.

On 15 September 2020, a Deed of Company Arrangement was executed with the Company's major shareholder, Atlas Capital Markets Limited. On 30 March 2021, the Deed terminated and control of the Company returned to the Directors. As a result of the DOCA, the only debt remaining in the Company is \$126,250. Atlas Capital Markets Limited has agreed not to call any of the debt.

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.

33 Contingent liabilities and contingent assets

The Group has no contingent liabilities as at 31 March 2020.

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**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
CROPLOGIC LIMITED**

Opinion

We have audited the financial statements of CropLogic Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 March 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") and International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") and International Standards on Auditing (New Zealand) ("ISAs NZ"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA code"), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We are independent of the Group. Other than in our capacity as auditor we have no relationship with, or interests in, the Group.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

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RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Material Uncertainty Related to Going Concern

We draw attention to Note 2, which indicates that the Group incurred a loss of \$17,043,286 and had net cash outflows from operating activities of \$11,010,360 for the year ended 31 March 2020. As at that date, the Group had net current liabilities of \$7,690,158 and net liabilities of \$8,534,892. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 March 2020, but does not include the financial statements and the auditor's report thereon, which we received prior to the date of this Auditor's report.

Our opinion on the financial statements does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible on behalf of the Group for the preparation and fair presentation of the financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and ISAs NZ will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

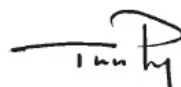
A further description of our responsibilities for the audit of the financial statements is located on the External Reporting Board's website at: <https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1>. This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Company's shareholders, as a body. Our audit has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 30 June 2021

ADDITIONAL ASX INFORMATION

The following additional information is required by the Australian Securities Exchange. The information is current as at 30 June 2021.

(a) Distribution schedule and number of holders of equity securities as at 30 June 2021.

The consolidated financial statements have been prepared in accordance with New Zealand generally accepted accounting

	1 - 1,000	1,001 - 5,000	5,001 - 10,000	10,001 - 100,000	100,001 - and over	Total
Fully Paid Ordinary Shares	33	24	233	1009	531	1830
Employee Performance Rights	0	0	0	0	0	0

The number of holders holding less than a marketable parcel of fully paid ordinary shares as at 30 June 2021 is 33.

(b) 20 Largest holders of quoted equity securities as at 30 June 2021.

The names of the twenty largest holders of fully paid ordinary shares as at 30 June 2021 are:

Rank	Name	30-Jun-21	%IC
1	Adamo Investments Limited	376,222,049	46.43
2	LTL Capital Pty Limited	28,583,035	3.53
3	Citicorp Nominees Pty Limited	15,303,944	1.89
4	HSBC Custody Nominees (Australia) Limited	14,630,517	1.81
5	GAULE, Michael William	12,406,553	1.53
6	INNOVATIVE SOFTWARE LIMITED	11,517,729	1.42
7	Wind Investment Group Pty Ltd	11,000,000	1.36
8	POWERHOUSE VENTURES LIMITED	10,102,831	1.25
9	SUBURBAN HOLDINGS PTY LIMITED	9,497,716	1.17
10	ASPIRE NZ SEED FUND LIMITED	8,816,730	1.09
11	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	8,573,715	1.06
12	GAULE, Michael William	7,599,618	0.94
13	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED	6,394,219	0.79
14	GOLDEN WORDS PTY LTD	4,406,756	0.54
15	COMSEC NOMINEES PTY LIMITED	4,355,527	0.54
16	COOMBE, Richard Clifton	4,300,489	0.53
17	NEUMANN, Evan and NEUMANN, Ricky	3,500,000	0.43
18	ROBORGH, Peter Leon	3,384,000	0.42
19	BNP PARIBAS NOMINEES PTY LTD	3,147,107	0.39
20	XU, Zhigang	3,000,000	0.37
Total		546,742,535	67.47

Stock Exchange Listing – Listing has been granted for 810,327,498 fully paid ordinary shares of the Company on issue on the Australian Securities Exchange.

The unquoted securities on issue as at 30 June 2021 are detailed below in part (d).

(c) Substantial shareholders

Substantial shareholders in CropLogic Limited and the number of equity securities over which the substantial shareholder has a relevant interest as disclosed in substantial holding notices provided to the Company are listed below:

Name	Date Lodged on ASX	Fully Paid Ordinary Shares	% of Total Shares
Adamo Investments Limited	23/04/2020	376,222,049	46.42%

ADDITIONAL ASX INFORMATION (continued)

(d) Unquoted Securities

There were no unquoted securities on issue as at 30 June 2021.

(e) Restricted Securities as at 24 June 2021

The Company had no restricted securities as at 30 June 2021.

(f) Voting Rights

All fully paid ordinary shares carry one vote per ordinary share without restriction. Unquoted performance rights have no voting rights.

(g) On-Market Buy-Back

The Company is not currently undertaking an on-market buy-back.

(h) Corporate Governance

The Board of CropLogic Limited is committed to achieving and demonstrating the highest standards of Corporate Governance. The Board is responsible to its Shareholders for the performance of the Company and seeks to communicate extensively with Shareholders. The Board believes that sound Corporate Governance practices will assist in the creation of Shareholder wealth and provide accountability. In accordance with ASX Listing Rule 4.10.3, the Company has elected to disclose its Corporate Governance policies and its compliance with them on its website, rather than in the Annual Report. Accordingly, information about the Company's Corporate Governance practices is set out on the following website <https://bit.ly/3x6BzW2>.

(i) Application of Funds

During the financial year, CropLogic Limited confirms that it has used its cash and assets (in a form readily convertible to cash) in a manner which is consistent with the Company's business objectives.

(j) Company Secretary

The Company Secretary is Mr Peter Gray.

(k) Registered Office

The Company's Registered Office is -
DLA Piper New Zealand
Chartered Accountants House
Level 5
50-64 Customhouse Quay
Wellington 6140
New Zealand

(l) Share Registry

The Company's Share Registry is as follows -
Link Market Services
Level 12, QV1 Building 250
St George Terrace
Perth WA 6000

Enquiries: +61 8 9211 6670

CORPORATE DIRECTORY

Registered Office

DLA Piper New Zealand

Chartered Accountants House
Level 4, 20 Customhouse Quay
Wellington 6011
New Zealand

Website Address

n/a

Directors

Steven Wakefield

Non-Executive Chairperson

Peter Roborgh

Non-Executive Director

John Corbett

Non-Executive Director

Stephen Silver

Non-Executive Director

Senior Executives

Peter Gray

Company Secretary

Auditor

RSM Australia Partners

Level 32
Exchange Tower
2 The Esplanade
Perth WA 6000
Australia

Securities Exchange

CropLogic Limited shares are quoted on the Australian Securities Exchange (ASX:CLI)

Share Register

Link Market Services Limited

Level 12, QV1 Building
250 St Georges Terrace
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+61 8 9211 6670

Notice of Annual Meeting

The Annual Meeting of Shareholders is yet to be announced and its expected to be held in Perth, Australia.

Confirmation of this information will be provided to shareholders at an appropriate time.

