croplogic™

July 2018
James Cooper-Jones - CEO
# Annual Report Presentation

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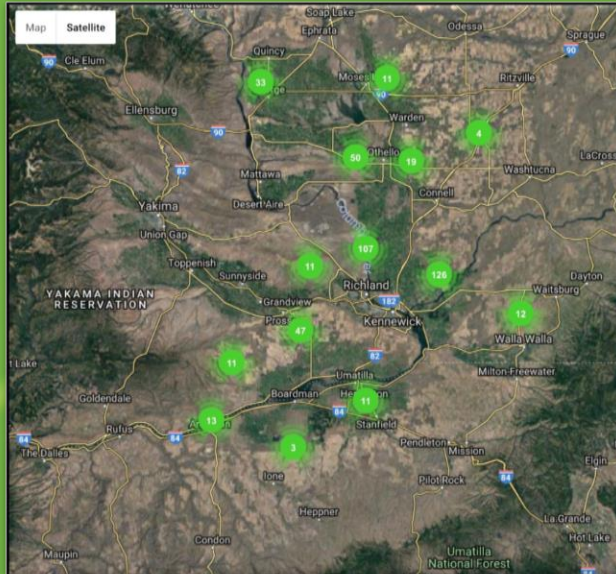# Financial Year in Review – April 2017 to March 2018

## Key Milestones Achieved

- Completion of milestone 'beach-head' acquisition into USA market

- Launch of **CropLogic Realtime** into the US market (see slide 4)

  *With significant growth in:*
  - *crops / irrigation types*
  - *general uptake of technology*

- Listing on the Australian Securities Exchange (ASX: CLI)
- Significant development of CropLogic technologies:

  - Suite of GrowerView desktop and mobile (iOS & android apps) including the GrowerView mobile app now available on the Apple App Store. (see slide 11)

  - Development of and increase of CropLogic's aerial imagery capabilities - *with funding from NZ Government owned Callaghan Innovation* (see slide 12)

  - Development of CropLogic Predict with the acquisition of a further four plant models – from the NZ Government owned Institute of Plant and Food (see slide 13)
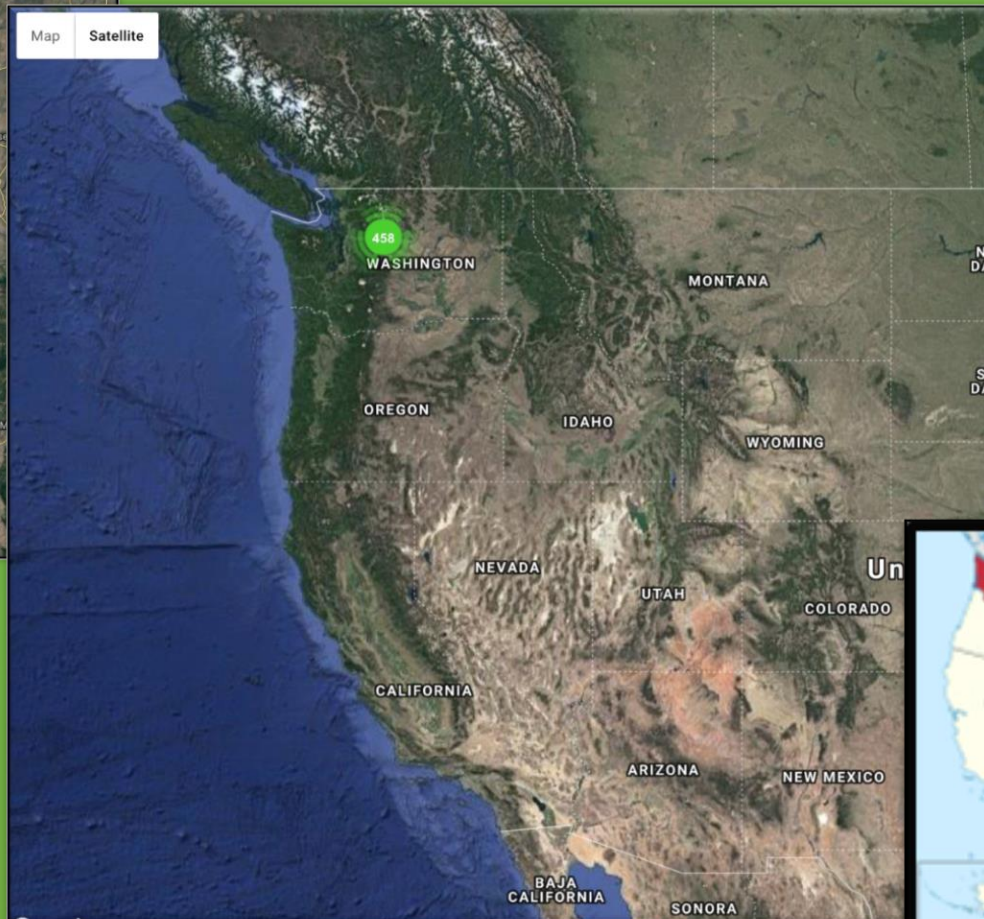
## Key Goals for FY19

- Further growth into the USA market (see slide 7)

- Entry into the Australian market (see slide 8)

  *With the 'beach-head' acquisition complete and providing excellent 'ground truthing' (see slide 5) when considering further growth into the US and entry into the Australian markets, greater focus will be given to a recurring revenue model via direct sales, partnerships, and distributors, whilst still providing after sales agronomy support.*

- Further development of CropLogic's core digital AgTech technologies (see slide 9)

  *CropLogic will continue to look for partnerships around the globe, but particularly in its key growth regions to continue to develop its technologies and where possible in jurisdictions that provide incentives to do so, such as Australia.*

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# Excellent Response to CropLogic Realtime for the 2018 Washington State Growing Season

## Number of CropLogic Realtime sites

- 2017 Growing Season: 87
- 2018 Growing Season: Current 458
- *Total season rotation: over 500*
- *Growing season (Feb - Sep)*

## 2018 CropLogic Realtime site growth contributors

- 2017 customers increasing uptake
- 2017 customers 'championing' **CropLogic Realtime**

# Washington State is proving excellent 'ground truthing' for CropLogic Realtime technology

**Over the last year CropLogic has seen CropLogic Realtime used in an increasing number of crop and irrigation types**

**This increases CropLogic's addressable market and revenue potential**

### 2016
Potatoes

### 2017
Potatoes

Over 62,000 acres of trials since 2011 with key food processing companies.

▸ **Over 600 fields in 4 nations**

**United States**
550 trial fields, 1 multinational processor and 1 major US processor

**China**
8 field trials, 1 multinational processor

**New Zealand**
124 field trials, 1 multinational processor

**Australia**
2 field trials, 1 multinational processor

**CropLogic attributes this growth in addressable crops to:**

- Technology tested in variety of regions
- Contributions from and collaborations with world class agricultural technology institutes and processors
- Years of practical 'on the ground' agronomy / agricultural experience

Carrot

Wheat

Corn

Onion

Asparagus

# CropLogic Realtime is being used in a variety of commodities & irrigation systems during the 2018 growing season

**Cherries (Infant)**



**Cherries (mature)**



**Wine Grapes**



**Onions**



**Apples**



**Winter Onions**



**Commodity type (Crop) with irrigation type**

- **Vegetables (Centre Pivot)**
  - Potatoes
  - Onions
  - Carrots
  - Peas
  - Beans
- **Tree Crops (In row Drip and low level sprayers)**
  - Apples
  - Cherries
- **Viticulture (In row drip)**
  - Grapes
- **Fodder (Centre Pivot)**
  - Alfalfa (Lucerne)
- **Other**
  - Asparagus (Drip tape)
  - Grains – Wheat / Corn (Centre Pivot)
  - Hops (Centre Pivot)

# Future Growth - USA



**Current area of operation**

**'Stepping out' regions easily referenceable to CropLogic's current areas of operation**
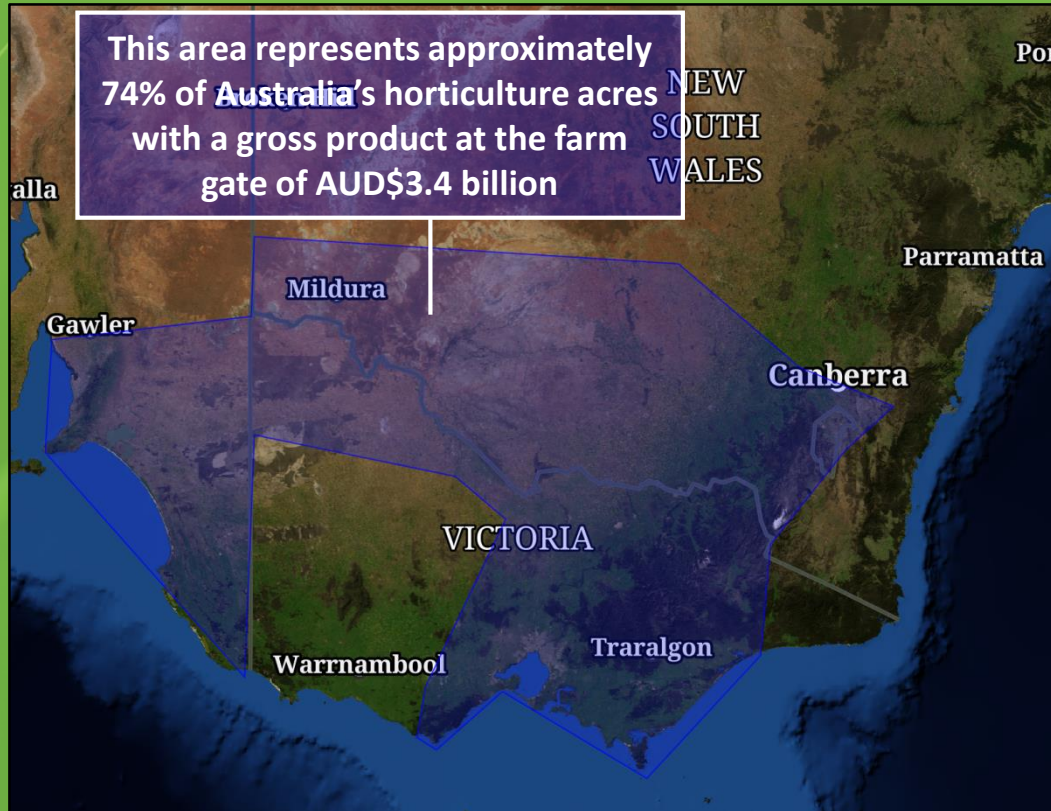
- Considering the success of **CropLogic Realtime** in Washington State, CropLogic can see growth into other US states

- Neighbouring 'stepping out' regions presents best reference-ability to current areas of operation

- Opportunities in the wider 52 states, particularly the Midwest, are within CropLogic's USA scope
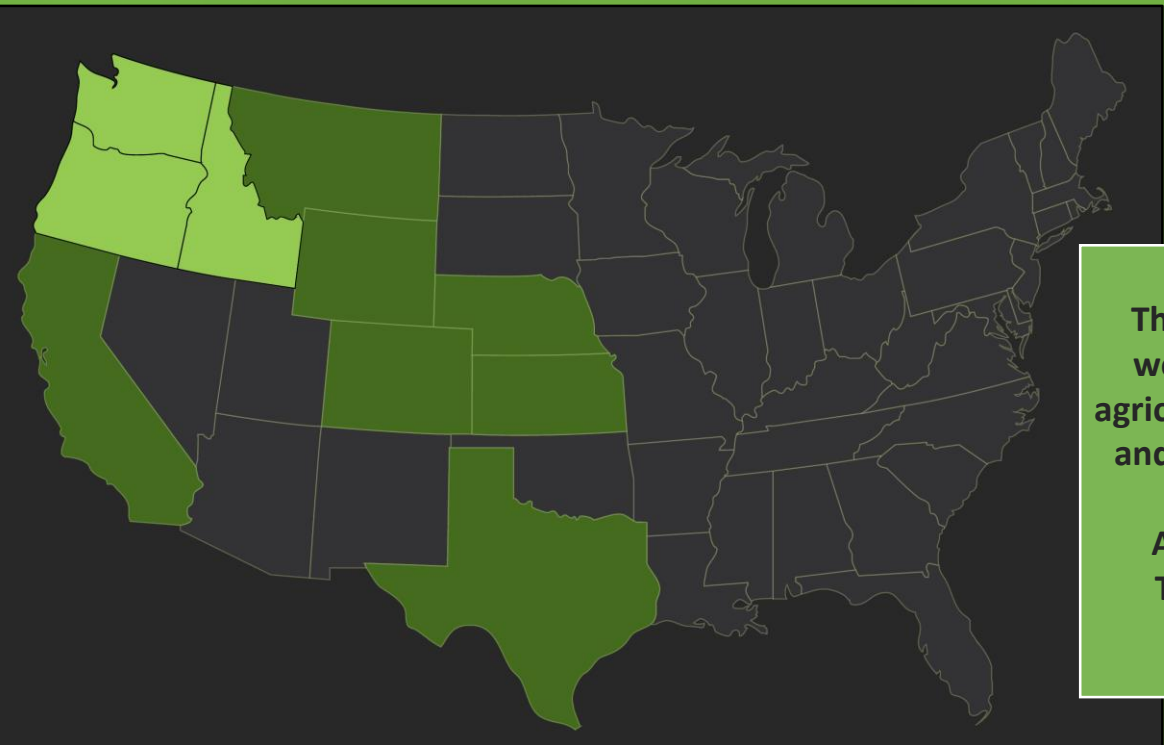


The USA is the worlds largest agricultural market and often a 'first mover' in Agricultural Technology adoption.

# Future Growth - Australia

This area represents approximately 74% of Australia's horticulture acres with a gross product at the farm gate of AUD$3.4 billion

- **CropLogic sees tremendous potential for CropLogic Realtime in the Australian agricultural industry**
- **Approach to market: reoccurring revenue subscription model via direct sales, partnership and distributors**

- CropLogic intends to launch **CropLogic Realtime** in Australia this year

- Building on 'ground truthing' and knowledge provided from its Washington State area of operations targeting similar crop types in Australia might prove 'lowest hanging fruit'

- Key Crop Targets - High Value Horticulture Crops such as:
  - Vegetables: Including, Potatoes, Onions, Carrots
  - Tree Stocks: Including, Nuts, Stone Fruit, Apple/Pears, Citrus, Avocadoes
  - Viticulture: Wine and Table Grapes

# Underlying trends driving demand for digital AgTech such as CropLogic Realtime

❖ **Planet must produce more food in the next four decades than all farmers in history have harvested over the past 'The 8,000 years.'** National Geographic

❖ **Farmers will have to produce 70% more food by 2050 to meet the needs of the world's expected 9-billion-strong population.** UN-FAO

*Currently and likely into the future water will play a part in meeting this demand*

❖ **Currently 70% of the worlds Fresh Water is used in Agriculture – to produce 40% of the world's food. Representing a three fold increase in 50 years.** World Bank

*However the world's fresh water resources are finite - and so there needs to be another catalyst for yield growth*

❖ **For agriculture to respond to future challenges, innovation will not only need to improve the efficiency with which inputs are turned into outputs, but also conserve scarce natural resources and reduce waste.** OECD

❖ **Economic modelling conducted through the P2D Project indicated that digital technologies for agriculture could unlock $20.3 billion in gross value for agriculture production in Australia alone.** Project 2 Decision project, Australian Federal Government and all 15 Australian Research Development Corporations joint project

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# Appendix 1:
# R&D to Commercialisation 1 of 4

**CropLogic GrowerView – Mobile App (iOS & Android)**
As a mobile application, GrowerView has been built to provide critical data in an easily digestible format to support growers and agronomists while in the field.
The platform supports customisable threshold (maximum & minimum) alerts for soil moisture.
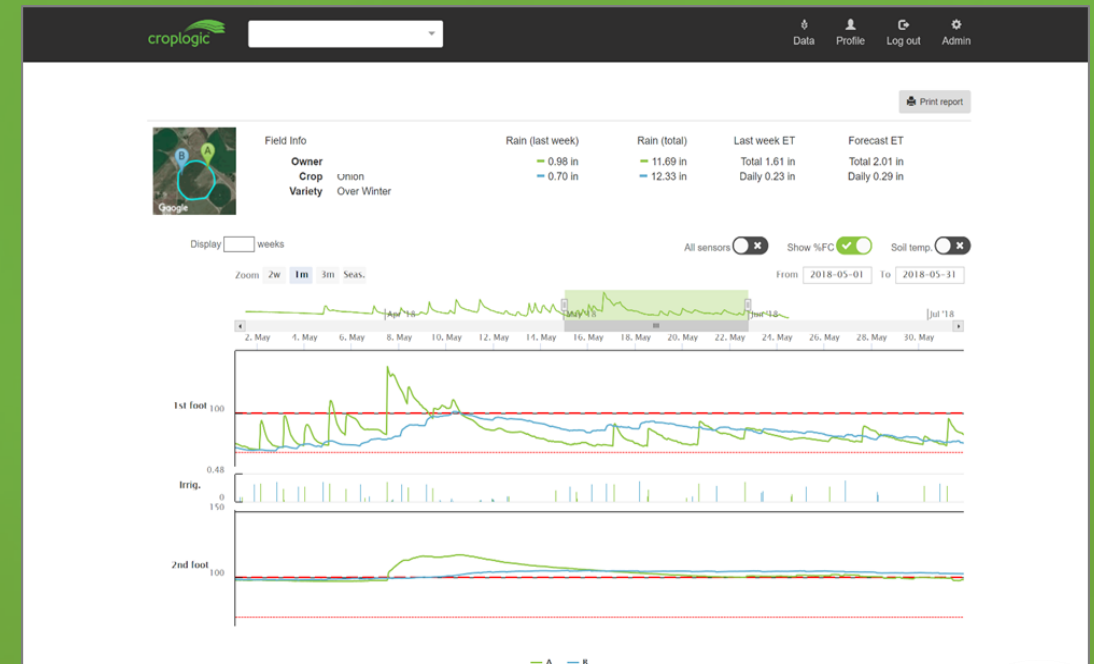
**CropLogic GrowerView**
CropLogic GrowerView is a suite of software packages that provide growers, agronomist and farm managers with easy access to their real time soil moisture data. These were launched in the USA this season to a great response.

**CropLogic GrowerView – Desktop App**
This detailed desktop view allows the grower or agronomist a number of toggle options to view % Field Capacity or Real Value for moisture readings, Soil Temperatures or individual A or B probe only readings.

# Appendix 2:
# R&D to Commercialisation 2 of 4

**CropLogic Aerial Imagery**
Each year CropLogic Aerial Imagery flies an area around the size of Bangladesh.
CropLogic uses infrared and near infrared imagery to detect areas of plant stress in its early stages.

Previously CropLogic has received a loan from Callaghan Innovation to research and develop technologies related to algorithms and know-how regarding the (automatic) identification or detection of yield affecting regions from near-infrared images of cropping fields.

Elements of this technology have been used and increased CropLogic Aerial Imagery's capability this season.

At the peak of the season, on a weekly basis, there is 28,000 acres under active management (44 miles2; 113km2). These clients are distributed across Washington State, Idaho and Oregon. Flights are flown out of Pasco Airport, Washington State.

Through a R&D loan from NZ Gov. owned Callaghan Innovation CropLogic has been able to increase it's imagery offering this season.



Callaghan Innovation is a New Zealand government agency of about 300 researchers, engineers, scientists, technologists, designers, entrepreneurs, advisors and administrators who's aim it is to progress New Zealand innovation.

CropLogic will look to build similar partnership relationships in the USA and Australia as it has with Callaghan Innovation.
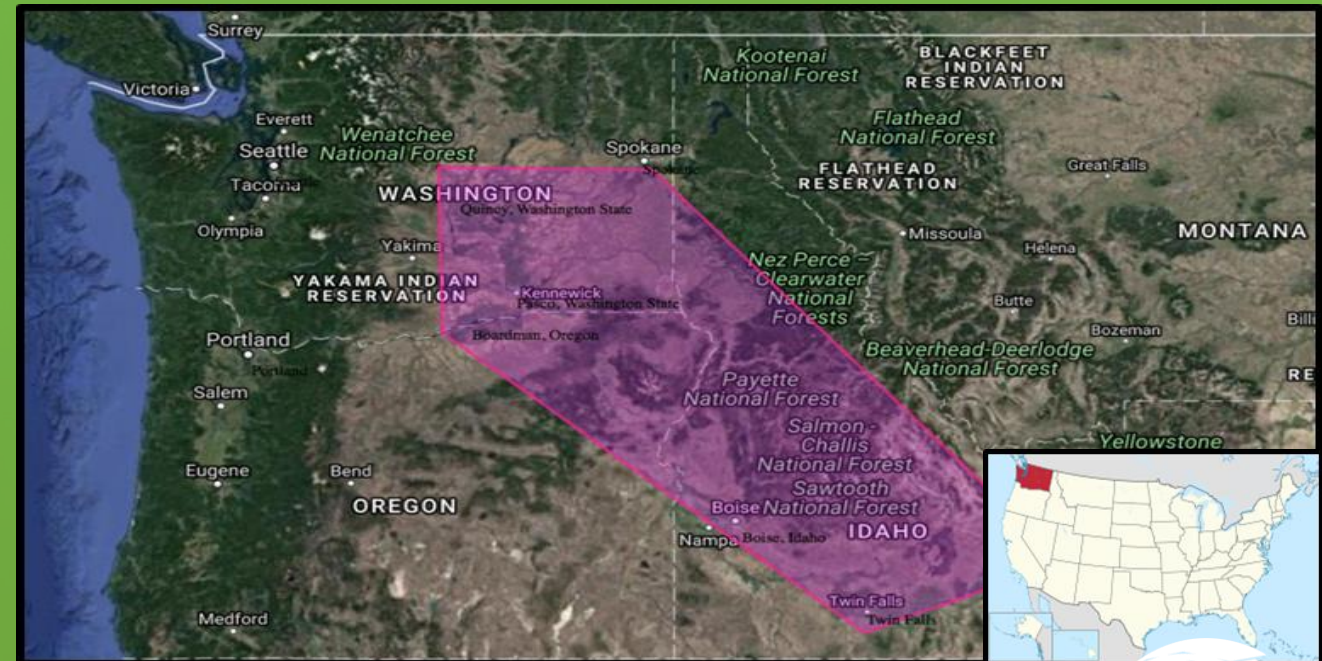
# Appendix 3:
# R&D to Commercialisation 3 of 4



Plant & Food Research (PFR) is a New Zealand government owned research centre. With over 900 people based at sites across New Zealand, as well as in the USA and Australia, key to PFR growth of plant industry through the successful application and commercialisation of research-based innovation.

CropLogic will look to build similar partnership relationships in the USA and Australia as it has with Callaghan Innovation.

## CropLogic Predict

Between 2010 and 2017 CropLogic acquired from Plant and Food Research Limited (PFR) licences to various predictive modelling methodology and intellectual property.

This includes models for potatoes, cotton, soy, wheat and maize (corn).

CropLogic has an ongoing research and co-operation agreement with Plant and Food, that provides CropLogic with a first right of refusal to predictive modelling methodology for other crop types and any enhancements to the predictive modelling to the above crop types. CropLogic also has access to PFR scientists in some circumstances for further development of these models.

# Appendix 4:
# Research & Development into the future

CropLogic is committed to continue to commercialise world class digital technology on the agricultural world stage.
In this CropLogic sees the importance of commercialisation expertise, practical regional agronomy / agricultural skills and where possible input from world class research institutes and industry participants (such as processors).

**Within digital agricultural technology CropLogic has three core products and areas of interests:**

| Area of Interest | Current CropLogic Product Offering | Potential Future Development |
|---|---|---|
| Core Area 1: Digital technology – remote sensory | CropLogic Realtime | CropLogic will continue to look for partnerships around the globe, but particularly in its key growth regions to continue to develop these technologies with leading agronomists / agriculturalists, research institutes and industry participants (such as processors). |
| Core Area 2: Detection of plant stress using imagery and AI | CropLogic Aerial Imagery | |
| Core Area 3: Predictive Modelling – Yield prediction technology | CropLogic Predict | CropLogic will look to undertake this R&D where possible in jurisdictions that provide incentives to do so, such as Australia where 41.5c in the dollar R&D rebate is available. |