



December 7th, 2018

RotoGro Market Update November 2018

Roto-Gro International Limited (“**ASX:RGI**”, “**RotoGro**” or the “**Company**”) is pleased to provide the following operational update.

Operational Overview

Growing trials with Freshero Pty Ltd (“**Freshero**”) commenced on November 1, 2018 at the Company’s dedicated research and development grow rooms in Caledon, Ontario Canada. The initial trials have focused on leafy greens, with trials for fruiting varieties expected to commence early 2019. RotoGro’s botanist and Freshero’s agronomist continue to collaborate on crop yields, economics and other related data. The growing trials will be expanded and replicated at Freshero’s nominated research facility in New South Wales, Australia, with the first machines for this facility expected to be delivered in Q1 2019.

The RotoGro and Gibio Inc. (“**Gibio**”) collaboration is progressing well with the delivery of the latest RotoGro 8’ Organic Rotational Hydroponic Garden System (“**RotoGro 8’ Organic System**”) to take place early December. The 8’ unit has been undergoing design enhancements to facilitate the removal of the growing drum, the automated harvesting and washing of crops, replanting, and the reinstallation of the growing drum for the subsequent cultivation cycles. Once the soil feed and nutrient paste injection systems are completed and the working space requirements for automated harvesting have been designed, the final design inputs will be captured in the Gibio building design. Gibio’s first facility is expected to be comprised of 420 RotoGro 8’ Organic Systems which will accommodate the harvesting of 30 RotoGro 8’ Organic Systems per day, producing 36,000 heads of Cos (Romaine) Lettuce every day, 365 days per year.

RotoGro’s wholly-owned subsidiary, Global Fertigation Solutions, Inc. (“**GFS**”), was an exhibitor at the November MJBiz Conference held in Las Vegas, Nevada at the Las Vegas Convention Centre. The MJBiz Conference was attended by over 27,000 industry professionals and hosted more than 1,000 exhibitors. The conference provided the Company and GFS with extraordinary

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opportunities for networking and new business generation. GFS's fertigation business is progressing well, servicing existing clients and generating new sales orders.

Production and Sales Pipeline

The Company continues to work with new and existing clients providing design and fit-out solutions for lawful cannabis and perishable food growing facilities. These services are being delivered in Australia and Canada where the Company works with listed and unlisted lawful cannabis license aspirants. The Company's services are being offered in connection with the aspiring licensees' facility designs and their license applications.

Manufacturing for the order from Miracle Valley Medical Alternatives M.V.M.A. Ltd. ("**Miracle Valley**") is progressing well although Miracle Valley has encountered numerous delays relating to the construction of its facility. The first 48 RotoGro Hydroponic Garden Systems are ready for delivery and the Company awaits Miracle Valley's confirmation of the dispatch date. It is anticipated these units will be delivered in December 2018 for installation of Miracle Valley's first two rooms in January 2019. The initial installation may operate from the reservoir design until the balance of the Miracle Valley facility can be completed to accommodate its GFS Fertigation System.

Strategic Partnerships and Complimentary Acquisitions

The Company has agreed (subject to shareholder approval) to acquire all of the issued and outstanding shares in the capital stock of Roto-Gro Inc., the company which owns all of the issued share capital in various operating companies which own the intellectual property (including patents, patents-pending and trademarks) for the RotoGro Hydroponic Garden Systems, the proprietary iGrow® growing management software, the manufacturing equipment and parts inventories, and the leasehold interest in the manufacturing facility located in Caledon, Ontario, Canada. The purchase will give RotoGro ownership and control of the exclusive rights to all orders and growing ownership opportunities in perishable foods, pharmaceuticals, nutraceuticals and all other growing purposes; such rights are in addition to the rights pertaining

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to lawful cannabis which RotoGro acquired from Roto-Gro Technologies Inc. prior to RotoGro's IPO in 2017.

The Company has also entered into a definitive share purchase agreement with Valens GroWorks Corp. (subject to shareholder approval) to acquire all of the issued and outstanding shares in the capital stock of Supra THC Services Inc. (the **"Supra Agreement"**). Supra THC Services Inc. operates its business pursuant to a Dealer's License issued by Health Canada under the Narcotic Control Regulations of the *Controlled Drugs and Substances Act* (Canada) (the **"Dealer's License"**). The Company has engaged Cannabis Compliance Inc. (a preeminent Canadian cannabis compliance firm) to assist the Company with conversion and amendments to the Dealer's Licence to permit processing and cultivation methods at a new 44,000 sqft lawful cannabis facility located in close proximity to the Company's existing research, development and manufacturing facility in Caledon, Ontario Canada.

RotoGro continues its focus on expanding into industry synergistic opportunities; exploring strategic partnerships and complimentary acquisitions in related markets which include, perishable food (produce) partnerships, lawful cannabis license ownership, growing management services, industry leading nutrients, emerging tissue culture (micropropagation) expertise and other supporting faculties of hydroponic growing.

The Company continues to search and evaluate nutrient businesses for acquisition to meet the Company's ongoing growing management service needs which arise after the order, delivery and setup of customer operations utilizing RotoGro Systems. The Company has determined that there is a valuable revenue stream in offering nutrients in support of the Company's licensed iGrow™ software management system.

Design Services, Research & Development

The Company has ordered the laboratory equipment required for the testing, scientific analysis and study of different plants and strains for both lawful cannabis and perishable foods at its

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research and development facility located in Caledon, Ontario Canada. Installation of cabinetry and flumes is complete with benchtops and laboratory equipment to be installed once delivered.

RotoGro continues growing trials for both perishable foods (produce) and lawful cannabis at its state-of-the-art grow rooms; focussing on harnessing efficiencies of various light sources, nutrient compositions, height control of crops and planting density within the RotoGro System.

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For more information please contact

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About Roto-Gro International Limited

Roto-Gro International Limited ("RotoGro") is an Australian-based company with global operations focused on the cultivation of lawful cannabis and perishable food (produce) which take advantage of its licensed, proprietary, patented, and patents-pending technology in the stackable rotary hydroponic garden space. RotoGro holds worldwide exclusive licenses for lawful medicinal and recreational cannabis markets and has agreed, subject to shareholder approval, to acquire the technology for all other purposes including pharmaceuticals, nutraceuticals and perishable foods.

The Company has collaborated with Gibio Inc. and Freshero Pty Ltd. These ventures leverage RotoGro's patented rotational hydroponic garden systems, crop management fertigation hardware and proprietary software systems to produce greater yields and lower operating costs. In addition, the Company has entered into a Share Purchase Agreement to acquire all the issued and outstanding shares in the capital stock of Supra THC Services Inc. which holds a Dealer's License issued by Health Canada for lawful cannabis.

RotoGro's wholly-owned subsidiary, Global Fertigation Solutions Inc. ("GFS"), provides a patent-pending specialized business line for water treatment and nutrient management in the viticulture, perishable

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foods and lawful cannabis space. GFS has successfully provided design solutions, installations and ongoing service contracts for more than twelve (12) licensed lawful cannabis facilities in the State of Nevada, USA and is embarking on expanding this offering globally.

The Company continues its focus on expanding into industry synergistic opportunities; exploring strategic partnerships and complimentary acquisitions in related markets which include, perishable food (produce) partnerships, lawful cannabis license ownership, growing management services, industry leading nutrients, emerging tissue culture (micropropagation) expertise and other supporting faculties of hydroponic growing.

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