



ROTOGRO

ASX Release

03 October 2019

RotoGro Signs Memorandum of Understanding for Malaysian & Thailand Technology, Royalty and Growing Management Agreement

Highlights

- RotoGro enters into a Memorandum of Understanding with Rotary Garden Systems SDN BHD for its proposed cannabis cultivation projects in Malaysia and Thailand
- Rotary Garden Systems SDN BHD to fund the development and buildout of the proposed state-of-the-art lawful cannabis cultivation facility
- Formal negotiations for a Technology, Royalty and Growing Management Agreement to be completed within 30 days

Roto-Gro International Limited (“ASX:RGI”, “RotoGro” or the “Company”) is pleased to announce that it has executed a Memorandum of Understanding with Rotary Garden Systems SDN BHD (hereinafter referred to as “RGS”) to enter into formal negotiations for a Technology, Royalty and Growing Management Agreement (the “Agreement”) for state-of-the-art lawful cannabis cultivation facilities located in Malaysia and Thailand.

Overview: The Malaysian Cannabis Cultivation Project.

RotoGro and RGS (collectively, the “Parties”) intend to execute the Agreement, pursuant to which the Parties will endeavour to secure a license from the Malaysian and Thailand governments to cultivate, process, sell, and export lawful cannabis. RotoGro and RGS intend to acquire and build-out state-of-the-art lawful cannabis cultivation facilities outfitted with RotoGro’s patented Rotational Hydroponic Garden Systems and its supporting proprietary technology. The state-of-the-art facilities will be the first of their kind in Asia and development of these facilities is consistent with RotoGro’s efforts to gain a foothold in the Asian lawful cannabis cultivation market for the lawful sale and export of cannabis world-wide.

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Directors

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Michael Di Tommaso (Executive Director)
Michael Slater (Non-Executive Director)
Jamie Myers (Non-Executive Director)
Terry Gardiner (Non-Executive Director)

Chief Financial Officer

Melanie Leydin

Company Secretary

Melanie Leydin





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RGS will provide the capital expenditure deemed necessary by the Parties to fund the proposed new business venture, while RotoGro will sell RGS its patented and proprietary Rotational Hydroponic Garden Systems together with its operational expertise to manage the lawful cannabis cultivation facilities in Malaysia and Thailand. This venture is consistent with the Company's strategy to move from capital intensive projects to joint ventures with cultivation partners in the lawful cannabis space, sustaining technology sales and a clear path to operational revenue.

RotoGro's CEO, Mr. Adam Clode, states, "We are very excited with the prospect of gaining a foothold in the Asian lawful cannabis space. This exciting opportunity with RSG is the first step towards meeting this objective with a group familiar to the Company who are well-funded and have been among our top 10 shareholders for a significant period. RGS's understanding of the Malaysian and Thailand lawful cannabis marketplace, coupled with RotoGro's patented and proprietary technology, growing management expertise, and global lawful cannabis cultivation outlook, is a thrilling prospect. The Company is continuing its quest to provide sustained revenues from ownership and collaborations in the cultivation of lawful cannabis in order to drive shareholder value."

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For more information please contact

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About Roto-Gro International Limited

Roto-Gro International Limited is an Australian-based company with global operations focused on the cultivation of lawful cannabis and perishable food (produce) which take advantage of its

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proprietary, patented, and patents-pending technology in the stackable rotary hydroponic garden space.

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 foods and lawful cannabis space. GFS has successfully provided design solutions, installations and ongoing service contracts for 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 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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