



ROTOGRO

ASX Release

28 November 2019

## RotoGro Signs Non-Binding Term Sheet with Rotary Garden Systems SDN BHD for Operations in Thailand

### Highlights

- Non-binding term sheet signed with Rotary Garden Systems SDN BHD for commercial operations in Thailand
- Non-binding term Sheet includes:
  - Sale of RotoGro's patented and proprietary technology
  - Growing management contract for cultivation operations
  - Net profit share from the cultivation operations
- Discussions underway to progress a definitive binding agreement

Roto-Gro International Limited (“ASX:RGI”, “RotoGro” or the “Company”) is pleased to announce it has signed a non-binding term sheet (the “Term Sheet”) with Rotary Garden Systems SDN BHD (“RGS”) for the business operated by its wholly owned subsidiary Cannagenix SDN BHD (“Cannagenix”) in Thailand.

The Term Sheet provides for technology sales, growing management services and a net profit share from the proposed commercial operations of Cannagenix at Suan Sunandha Rajabhat University (“SSRU”) in Bangkok, Thailand (the “Agreement”). The company will progress discussions towards a definitive agreement and will update the market accordingly under the company's continuous disclosure requirements.

### The Cannagenix / SSRU Memorandum of Cooperation

At a well-publicised signing ceremony on November 24, 2019, Cannagenix entered into a Memorandum of Cooperation with Suan Sunandha Rajabhat University for the development of a state-of-the-art commercial cannabis cultivation facility at SSRU's Faculty of Allied Health Sciences. This commercial operation is licensed by the Government of Thailand for SSRU to establish cannabis

#### Registered and Business Office

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#### Directors

Michael Carli (Non-Executive Chairman)  
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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cultivation and extraction facilities to cultivate, process, sell, and export lawful cannabis for commercial medicinal purposes.

### The RotoGro / RGS Agreement

The proposed agreement between the Company and RGS provides for the sale of RotoGro's patented and proprietary technology, including its Rotational Hydroponic Garden Systems, a fertigation system and iGrow software. In addition, the Agreement provides for a growing management contract for the cultivation operations and a net profit share of 20% to RotoGro from the cultivation operations.



(Left to Right) Terayos Chitsena (Director Cannagenix Thailand), Shaik Rizal Sulaiman (Director Cannagenix Malaysia), Datuk Latif bin Ahmad (Chairman, Cannagenix Malaysia), Prof Dr Thavatchai Kamoltham (Dean Faculty of Allied Sciences, SSRU), Keith Vaz (MD, Cannagenix Malaysia) and Dato Jaafar Mohamad (Shareholder, Cannagenix Malaysia)

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RotoGro's CEO, Mr. Adam Clode, states, "We are excited to sign the Term Sheet with RGS for its wholly owned Cannagenix subsidiary in Thailand. The team at RGS are very knowledgeable in the lawful cannabis space and have developed strong relationships with governments and universities across several countries in South East Asia. Having worked with RGS personnel over the past twelve months, we are excited to move towards our first commercial state-of-the-art facility in Asia which will become a strong catalyst for the Company's further growth in the region. With funding from RGS for the Thailand venture supported by SSRU's extensive research into cannabis health sciences, we look forward to formalising the Agreement and moving forward with the development of the Cannagenix facility."

--ENDS--

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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 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. The Company has also entered into a Share Purchase Agreement to acquire 51% of the issued and outstanding shares in the capital stock of Medical Compassion Canni Farms Inc. which is a late stage Health Canada cannabis cultivation and processing license applicant.

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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