



ROTOGRO

ASX Release

24 March 2020

## RotoGro Implements COVID-19 Operational Plan

### Highlights

- RotoGro implements operational plan for COVID-19 pandemic
- Immediate reduction of 12 employees to unpaid leave whilst retaining essential personnel
- Essential personnel ensure continuity of CanniFarms, Sales Pipeline & Freshero initiatives
- Employees educated on how to recognise the symptoms of a COVID-19 infection
- Executive Management Team initiate cost saving and austerity measures to ensure business continuity through COVID-19 disruption
- Board of Directors, Executive Management team, and remaining essential employees agree to salary reductions and fee deferrals

### COVID-19 Pandemic

Roto-Gro World Wide (Canada) Inc., a wholly-owned subsidiary of Roto-Gro International Limited (“ASX:RGI”, “RotoGro” or the “Company”), has implemented an operational plan in reaction to the ongoing COVID-19 pandemic.

The COVID-19 pandemic is evolving hourly. At present, the province of Ontario, Canada, home to RotoGro’s facility, is in a state of emergency, and it is likely that most Canadian provinces will follow suit. Extreme “social distancing” measures have taken hold nation-wide, and this has already caused extraordinary consequences to businesses in almost every sector, including RotoGro’s.

The radical impact of the COVID-19 pandemic has caused RotoGro to take swift steps to implement protocols and systems which make our employees’ and our customers’ health and safety a priority.

### COVID-19 Operational Plan

In reaction to the financial realities of the COVID-19 pandemic, RotoGro has implemented an operational plan which includes the immediate reduction of our workforce to essential personnel only. In this regard, the Company has suspended the employment of 12 employees to unpaid leave and will

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Michael Di Tommaso (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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continue to review this on a rolling two-week period, based on national and international health guidelines, and the state of the economy.

The Board of Directors, the Executive Management team, and our remaining employees have also agreed to salary reductions and fee deferments. RotoGro's CEO, Mr. Adam Clode agreed to both a 66% salary reduction and deferment of salary payments during CY2019 as the Company works towards driving shareholder value and sustained revenue.

The Executive Management Team have initiated cost saving measures around purchase orders, third party costs, and leasehold improvements. These will remain in place during this time of economic uncertainty and will be reviewed as the COVID-19 pandemic unfolds. These initiatives and remaining essential personnel ensure the Company's ability to continue pursuit and execution of CanniFarms, the Sales Pipeline & Freshero projects.

In RotoGro's day-to-day operations, all essential employees have been educated on how to recognise the symptoms of a COVID-19 infection and to leave the RotoGro facility if they are symptomatic. The Company has also ordered equipment to sanitise the facility on a regular basis.

RotoGro's CEO, Adam Clode, states, "These are unprecedented times globally. Each and every company and individual must be socially responsible to diminish any possibility of worsening this pandemic. We have put in place critical operational measures to assist in this process and will continue to closely monitor the situation. We remain steadfast in our pursuit of the Company's first lawful cannabis facility at CanniFarms and continue to work closely with our perishable food partners for the development of our first commercial urban vertical farming facility. We are doing everything possible to implement austerity measures whilst continuing to drive business outcomes in these challenging times. The Company will continue to keep the market informed of progress and are doing everything possible to resume business as usual in line with global markets and government directives."

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This announcement is authorised for release to the market by the Board of Directors of Roto-Gro International Limited.

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

The Company has collaborated with Gibio Inc. and Freshero Pty Ltd for perishable foods. 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 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 specialised 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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