## **ASX and MEDIA RELEASE**



15 June 2020

# Secures third Root Zone Temperature Optimization (RZTO) order in Israel from existing customer

- ~A\$17,000 order from existing customer HYDRO GROW to cool nutrient in hydroponics third order from the one customer
- Existing installed RZTO systems saved the crops under severe heat waves while neighbors lost entire crops
- The system is based on ground source heat exchange cooling of the nutrient and a circulation pump significant energy savings compared with air cooling
- Significant potential for ROO in the global hydroponic sector to address warming effects due to climate change

**Roots Sustainable Agricultural Technologies Limited (ASX: ROO, Roots** or **Company)** is pleased to report that it has secured a third order for the Company's proprietary Root Zone Temperature Optimisation (RZTO) technology for immediate installation at a leading hydroponic vegetables grower, HYDRO GROW Farm, located at Bnei Atarot, Israel.

This third order is valued at ~A\$17,000 and the three consecutive orders reflect the fact that HYDRO GROW is reaping the commercial benefits from deploying RZTO with enhanced production security and low operating expenses.

HYDRO GROW is a respected and long-standing supplier of fresh vegetables to Israel's hospitality sector including to some of the country's premier restaurants. Demand for HYDRO GROW's produce is now ramping up as Israel's restaurants re-open with COVID-19 restrictions being eased.

Roots' team is expected to install the third RZTO system rapidly to allow the full production of the crops and protect them from the heat waves as Israel enters the Summer period.

**HYDRO GROW's Alon Simsitz commented**: "This will be our third RZTO installation, and given the success and clear commercial benefits that we witnessed from the first two systems, we have decided to increase our coverage across our farms especially as Summer approaches and product demand picks up. This third deployment is for a greenhouse setting that produces our entire assortment of leafy green vegetables such as pac choi, various lettuce types, basil and other aromatic herbs."

**Roots Chairman and CEO, Mr. Boaz Wachtel, said:** "The order provides further validation of the clear commercial benefits that our RZTO technology delivers to farmers with increased revenue streams and cost savings given shorter growing cycles and low energy inputs, compared with air cooling and heating options currently in the market. RZTO also enhances food security for countries seeking to rely on local production and reduce imports from other countries.

"We are also pleased to see our business development activities ramping up as COVID-19 restrictions ease in many markets and live orders we had in train prior to the pandemic look set to now be converted to binding sales."



#### -ENDS-

#### About Roots Sustainable Agricultural Technologies Ltd

Israeli-based, Roots Sustainable Agricultural Technologies Ltd. is developing and commercialising disruptive, modular, cuttingedge technologies to address critical problems faced by agriculture today, including plant climate management and the shortage of water for irrigation. Roots has developed proprietary know-how and patents to optimise performance, and reduce energy consumption to bring maximum benefit to farmers through their two-in-one root zone heating and cooling technology and off the grid irrigation by condensation technology. Roots is a graduate company of the Office of the Israeli Chief Scientist Technological Incubator program. More information <u>www.Rootssat.com</u>

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