
ROOTS SUSTAINABLE AGRICULTURAL TECHNOLOGIES LTD
ARBN 619 754 540

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 2:30pm (WST)
DATE: 23 May 2019
PLACE: Suite 2, Level 1
1 Altona Street
WEST PERTH WA 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders or holders of CDIs are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00pm (AWST) on 17 May 2019

BUSINESS OF THE MEETING

AGENDA

ORDINARY BUSINESS

1. FINANCIAL STATEMENTS AND REPORTS

Review and discussion of the audited annual financial report of the Company for the financial year ended 31 December 2018 together with the declaration of the directors, the director's report and the auditor's report.

2. RESOLUTION 1 – APPOINTMENT OF AUDITORS

To consider and, if thought fit, to pass, with or without amendment, the following resolution:

“RESOLVED, that BDO – Ziv Haft be, and hereby is, appointed as the independent auditors of the Company for the year 2019 and for an additional period until the next annual general meeting.”

The affirmative vote of at least a majority of the voting power represented at the Meeting, in person or by proxy and voting thereon, is required to adopt this Resolution.

3. RESOLUTION 2 – INCREASE IN AUTHORISED SHARE CAPITAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“To increase the authorised share capital of the Company from One Million New Israeli Shekels (NIS1,000,000), divided into One Hundred Million (100,000,000) Ordinary Shares, par value NIS 0.01 per share to Five Million New Israeli Shekels (NIS5,000,000), divided into Five Hundred Million (500,000,000) Ordinary Shares, par value NIS 0.01 per share, and amend Article 4 of the Company's Amended and Restated Articles of Association accordingly, all in accordance with the terms and conditions set out in the Explanatory Statement.”

4. RESOLUTION 3 – ISSUE OF SHORTFALL OPTIONS TO MR BOAZ WATCHEL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,250,000 Options to Mr Boaz Wachtel (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Boaz Wachtel (and his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 4 – ISSUE OF SHORTFALL OPTIONS TO DR SHARON DEVIR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,250,000 Options to Dr Sharon Devir (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Dr Sharon Devir (and his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. RESOLUTION 5 – ISSUE OF SHORTFALL OPTIONS TO MR ADAM BLUMENTHAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 6,250,000 Options to Mr Adam Blumenthal (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Adam Blumenthal (and his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 6 – ISSUE OF SHORTFALL OPTIONS TO MS DAFNA SHALEV-FLAMM

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 625,000 Options to Ms Dafna Shalev-Flamm (or her nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Ms Dafna Shalev Flamm (and her nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 7 – ISSUE OF SHORTFALL OPTIONS TO MR GRAEME SMITH

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 150,000 Options to Mr Graeme Smith (or his nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Mr Graeme Smith (and his nominee) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 8 – ISSUE OF OPTIONS TO EVERBLU CAPITAL PTY LTD

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 3,000,000 Options to Everblu Capital Pty Ltd (or its nominee) on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement: The Company will disregard any votes cast in favour of the Resolution by or on behalf of Everblu Capital Pty Ltd (and its nominees) or any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. RESOLUTION 9 – RATIFICATION OF ISSUE OF COLLATERAL CDIS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,650,000 CDIs to CST Capital as trustee for The CST Investment Fund on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

11. RESOLUTION 10 – RATIFICATION OF ISSUE OF TRANCHE 1 OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,935,484 Options to CST Capital as trustee for The CST Investment Fund exercisable at \$0.14 per Option and on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those

persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

12. RESOLUTION 11 – RATIFICATION OF ISSUE OF TRANCHE 1 NOTES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 900,000 Notes on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

13. RESOLUTION 12 – ISSUE OF REPLACEMENT NOTES AND CDIS PURSUANT TO CONVERTIBLE SECURITIES AGREEMENT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue the Replacement Notes and CDIs pursuant to the Convertible Securities Agreement to CST Capital as trustee for The CST Investment Fund on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

14. RESOLUTION 13 – PLACEMENT – CDIS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of CDIs, when multiplied by the issue price, will raise up to \$2,000,000 on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person

who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

15. RESOLUTION 14 – RATIFICATION OF ISSUE OF CDIS TO STOCKS DIGITAL IN CONSIDERATION FOR SERVICES PROVIDED

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 1,368,125 CDIs on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

16. RESOLUTION 15 – RATIFICATION OF ISSUE OF CDIS TO MIRADOR CORPORATE IN CONSIDERATION FOR SERVICES PROVIDED

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 196,875 CDIs on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

17. RESOLUTION 16 – RATIFICATION OF ISSUE OF CDIS TO MPG LLC IN CONSIDERATION FOR SERVICES PROVIDED

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 187,500 CDIs on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

18. RESOLUTION 17 – RATIFICATION OF ISSUE CDIS TO KELLY PARTNERS IN CONSIDERATION FOR SERVICES PROVIDED

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 220,000 CDIs on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who participated in the issue or any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

19. RESOLUTION 18 – ELECTION OF EXTERNAL DIRECTOR – MS DAFNA SHALEV-FLAMM

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Part Six - chapter one - paragraph V (External Director) of the Israeli Companies Law - 1999, ASX Listing Rule 14.4 and for all other purposes, Ms Dafna Shalev-Flamm, a proposed External Director appointed on 29 May 2018, being eligible, is elected as an External Director for a three-year term commencing on the date of this Annual General Meeting."

Voting Exclusion:

The vote required for the ratification of Resolution 18 is the affirmative vote of the holders of a majority of the voting power represented at the Meeting in person or by proxy and voting thereon (excluding abstentions).

In addition, the approval of Resolution 17 requires that either of the following two voting requirements be met as part of the approval by an ordinary majority of shares present and voting thereon:

- (a) approval by a majority of the votes of shareholders who are not controlling shareholders and who do not have a personal interest in the approval of the proposal (excluding a personal interest that did not result from the shareholder's relationship with the controlling shareholder) that are voted at the Meeting, excluding abstentions; or
- (b) the total number of shares held by non-controlling shareholders or anyone on their behalf who do not have a personal interest in the proposal (as described in the previous bullet-point) that voted against the proposal does not exceed two percent (2%) of the aggregate voting rights in the Company.

20. RESOLUTION 19 – RATIFICATION OF ELECTION OF EXTERNAL DIRECTOR – GRAEME SMITH

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Part Six - chapter one - paragraph V (External Director) of the Israeli Companies Law - 1999, ASX Listing Rule 14.4 and for all other purposes, to approve and ratify the election of Graeme Smith, appointed as a proposed External Director on August 31, 2017, as an External Director for a three-year term commencing on the date of the Company's previous Annual General Meeting held on 28 May 2018."

Voting Exclusion:

The vote required for the ratification of Resolution 19 is the affirmative vote of the holders of a majority of the voting power represented at the Meeting in person or by proxy and voting thereon (excluding abstentions).

In addition, the approval of Resolution 18 requires that either of the following two voting requirements be met as part of the approval by an ordinary majority of shares present and voting thereon:

- (a) approval by a majority of the votes of shareholders who are not controlling shareholders and who do not have a personal interest in the approval of the proposal (excluding a personal interest that did not result from the shareholder's relationship with the controlling shareholder) that are voted at the Meeting, excluding abstentions; or
- (b) the total number of shares held by non-controlling shareholders or anyone on their behalf who do not have a personal interest in the proposal (as described in the previous bullet-point) that voted against the proposal does not exceed two percent (2%) of the aggregate voting rights in the Company.

21. RESOLUTION 20 - ELECTION OF DIRECTOR – ADAM BLUMENTHAL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 35(a) of the Articles, ASX Listing Rule 14.4 and for all other purposes, Adam Blumenthal, a Director who was appointed as an additional Director on 9 November 2017, retires by rotation, and being eligible, is re-elected as a Director."

22. RESOLUTION 21 - ELECTION OF DIRECTOR – SHARON DEVIR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 35(a) of the Articles and for all other purposes, Sharon Devir, a Director, retires, and being eligible, is re-elected as a Director."

23. RESOLUTION 22 - ELECTION OF DIRECTOR – BOAZ WACHTEL

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of clause 35(a) of the Articles and for all other purposes, Boaz Wachtel, a Director, retires, and being eligible, is re-elected as a Director."

24. RESOLUTION 23 – APPROVAL OF 10% PLACEMENT CAPACITY

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons). However, the Company will not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 16 April 2019

By order of the Board

A handwritten signature in dark ink, appearing to read 'Sharon Devir', is positioned above the printed name and title.

Sharon Devir
Executive Chairman

Voting in person – Shareholders

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy – Shareholders

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that changes to the Corporations Act made in 2011 mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting by holders of CDIs

Holders of CDIs are entitled to attend the General Meeting, provided that they cannot vote at the meeting, and if they wish to vote they must direct CDN, the holder of legal title of the CDIs, how to vote in advance of the meeting pursuant to the instructions set out in the accompanying voting instruction form. If you are a holder of CDIs, please sign and date the enclosed voting instruction form and return it in accordance with the instructions on your voting instruction form.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6559 1792.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders and holders of CDIs in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Meeting will include review and discussion of the annual financial report of the Company for the financial year ended 31 December 2018 together with the declaration of the directors, the directors' report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.rootssat.com.

2. RESOLUTION 1 – APPOINTMENT OF AUDITORS

Under the Companies Law and the Company's Articles, the shareholders of the Company are authorised to appoint the Company's independent auditors. Under the Articles, the Board, or the Company's audit committee if such power is delegated to it by the Board, is authorized to determine the independent auditors' remuneration.

At the Meeting, shareholders will be asked to approve the re-appointment of BDO - Ziv Haft, certified public accountants in Israel, as the Company's auditors for the year ending 31 December 2019 and for an additional period until the next annual general meeting. BDO – Ziv Haft has no relationship with the Company or with any affiliate of the Company except to provide audit services.

The annual fees to the Company's independent auditors, as approved by the Board, shall be US\$30,000.

The Company's audit committee and the Board of Directors recommend a vote FOR approval of this resolution.

3. RESOLUTION 2 – INCREASE IN AUTHORISED SHARE CAPITAL

Article 4 of the Company's Articles provides that the authorised share capital of the Company is 1,000,000 New Israeli Shekels (**NIS**) divided into 100,000,000 Ordinary Shares, par value NIS 0.01 per share.

Clause 5(a) of the Articles provides that the Company must not increase its authorised share capital without the approval of its ordinary security holders.

Resolution 2 seeks Shareholder approval to increase the authorised share capital of the Company by Four Million New Israeli Shekels (NIS 4,000,000), divided into Four Hundred Million (400,000,000) Ordinary Shares, par value NIS 0.01 per share, to Five Million New Israeli Shekels (NIS 5,000,000), divided into Five Hundred Million (500,000,000) Ordinary Shares, par value NIS 0.01 per share.

Resolution 2 also seeks Shareholder approval for the Company to amend Article 4 of the Company's Amended and Restated Articles of Association. If Shareholders approve the increase in authorised share capital, Article 4 of the Articles will be amended to read as follows:

Authorized Share Capital

The authorized share capital of the Company is Five Million New Israeli Shekels (NIS 5,000,000), divided into Five Hundred Million (500,000,000) Ordinary Shares, par value NIS 0.01 per share.

4. RESOLUTIONS 3 TO 7 – ISSUE OF SHORTFALL OPTIONS TO RELATED PARTIES

As announced to ASX on 20 February 2019, the Company intends to undertake a non-renounceable entitlement issue of one Option for every two CDIs held by eligible CDI Holders at an issue price of \$0.04 per Option to raise up to approximately \$1,279,333 (**Entitlement Offer**).

The Company is undertaking the Entitlement Offer to raise funds to expand its RZTO marketing and sales in the jurisdictions opened last year. Following excellent results from recent pilot studies conducted in two locations with different infrastructures whereby Roots' technology was used to cool and heat the roots of Cannabis plants thus increasing the yields, the Company believes these positive results will allow it to enter the lucrative market of Cannabis growers. The Company is also seeking the additional funds to expand its Cannabis growers marketing and sales activity in the US.

Directors, Mr Boaz Watchel, Dr Sharon Devir, Mr Adam Blumenthal, Ms Dafna Shalev-Flamm and Mr Graeme Smith would like the opportunity to participate in the shortfall under the entitlement offer (**Shortfall Offer**).

Accordingly, the Company seeks Shareholder approval for the issue of up to:

- (a) 1,250,000 Options to Mr Wachtel (Resolution 3);
- (b) 1,250,000 Options to Dr Devir (Resolution 4); and
- (c) 6,250,000 Options to Mr Blumenthal (Resolution 5);
- (d) 625,000 Options to Ms Shalev-Flamm (Resolution 6); and
- (e) 150,000 Options to Mr Smith (Resolution 7).

4.1 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The participation by the Directors in the Shortfall Offer (**Shortfall Participation**) will result in the issue of Options which constitutes giving a financial benefit and Mr Blumenthal, Mr Wachtel, Dr Devir, Ms Shalev-Flamm and Mr Smith are related parties of the Company by virtue of being Directors.

The Directors (other than Mr Wachtel who has a material personal interest in Resolution 3) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 3 because the Options will be issued to Mr Wachtel on the same terms as Options issued to non-related party participants in the Shortfall Offer and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Dr Devir who has a material personal interest in Resolution 4) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 4 because the Options will be issued to Dr Devir on the same terms as Options issued to non-related party participants in the Shortfall Offer and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Mr Blumenthal who has a material personal interest in Resolution 5) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 5 because the Options will be issued to Mr Blumenthal on the same terms as Options issued to non-related party participants in the Shortfall Offer and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Ms Shalev-Flamm who has a material personal interest Resolution 6) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 6 because the Options will be issued to Ms Shalev-Flamm on the same terms as Options issued to non-related party participants in the Shortfall Offer and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Mr Smith who has a material personal interest in Resolution 7) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 7 because the Options will be issued to Mr Smith on the same terms as Options issued to non-related party participants in the Shortfall Offer and as such the giving of the financial benefit is on arm's length terms.

4.2 AASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires Shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Shortfall Participation involves the issue of Options to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

4.3 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Shortfall Participation:

- (a) the Options will be issued to Mr Boaz Wachtel, Dr Sharon Devir, Mr Adam Blumenthal, Ms Shalev-Flamm and Mr Graeme Smith (or their nominees), who are related parties of the Company by virtue of being Directors;

- (b) the maximum number of Options to be issued is;
 - (i) up to 1,250,000 Options to Mr Wachtel (Resolution 3);
 - (ii) up to 1,250,000 Options to Dr Devir (Resolution 4);
 - (iii) up to 6,250,000 Options to Mr Blumenthal (Resolution 5);
 - (iv) up to 625,000 Options to Mrs Shalev-Flamm (Resolution 6); and
 - (v) up to 150,000 Options to Mr Smith (Resolution 7).
- (c) the Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the issue price will be \$0.04 per Option, being the same as all other Options issued under the Shortfall Offer;
- (e) the Options will be issued on the terms set out in Schedule 1; and
- (f) the funds raised will be used for the same purposes as all other funds raised under the Entitlement Offer, being to commercialise the Company's RZTO opportunities, and for working capital.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Shortfall Participation as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Options to the Directors (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

The current interests of each Director in CDIs, Options and Performance Rights is set out below.

Director	CDIs	Options	Performance Rights	% interest (undiluted)¹
Sharon Devir	2,959,564	430,490	2,000,000	4.50%
Boaz Wachtel	4,798,777	850,510	1,500,000	7.31%
Adam Blumenthal	1,271,299	Nil	1,783,333	1.94%
Graeme Smith	Nil	Nil	Nil	0%
Dafna Shalev-Flamm	Nil	Nil	Nil	0%

Note:

1. Based on 65,616,667 CDIs currently on issue as at 3 April 2019.

Each of the Directors' entitlement to Options under the Entitlement Offer, maximum amount of Options to be issued to each due to their Shortfall Participation and maximum resulting interest in the Company on a fully-diluted basis is set out below.

Director	Option Entitlement	Maximum Shortfall Participation (Options)	Maximum interest diluted) ¹	% (fully-
Sharon Devir	1,479,782	1,250,000	8.21% ²	
Boaz Wachtel	2,399,389	1,250,000	10.62% ³	
Adam Blumenthal	635,650	6,250,000	8.99% ⁴	
Graeme Smith	Nil	150,000	0.13% ⁵	
Dafna Shalev-Flamm	Nil	625,000	0.56% ⁶	

Notes:

1. Based on 65,616,667 CDIs currently on issue as at 3 April 2019, 39,398,818 Options being exercised (consisting of 3,590,484 Options currently on issue, 32,808,334 Options to be issued pursuant to the Entitlement Offer and 3,000,000 Options being issued pursuant to Resolution 7) and 6,133,333 Performance Rights converting. Meaning a total diluted capital structure of 111,148,818 CDIs.
2. Based on fully diluted CDI-holding of 9,119,836.
3. Based on fully diluted CDI-holding of 11,798,676.
4. Based on fully diluted CDI-holding of 9,990,282.
5. Based on fully diluted CDI-holding of 150,000.
6. Based on fully diluted CDI-holding of 625,000.

5. RESOLUTION 8 – ISSUE OF OPTIONS TO EVERBLU CAPITAL PTY LTD

As detailed in Section 4 above, the Company intends to undertake the Entitlement Offer.

The Company has appointed EverBlu Capital Pty Ltd (ACN 612 793 683) (**EverBlu Capital**) as lead manager to the Entitlement Offer.

The Company has agreed to pay EverBlu Capital a lead manager fee of \$15,000 and subject to shareholder approval being obtained, issue EverBlu Capital 3,000,000 Options (**Lead Manager Options**).

Accordingly, Resolution 8 seeks Shareholder approval for the purposes of ASX Listing Rule 10.11 in respect of the issue of the Lead Manager Options.

5.1 Chapter 2E of the Corporations Act and ASX Listing Rule 10.11

A summary of Chapter 2E of the Corporations Act and ASX Listing Rule 10.11 is set out in Sections 4.1 and 4.2 above respectively.

The Directors (other than Mr Blumenthal who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Lead Manager

Options because the agreement to issue the Lead Manager Options has been reached on arm's length terms.

It might be argued (but it is neither conceded nor, indeed, is it thought by the Board to be the case) that EverBlu Capital is a related party of the Company, by virtue of being controlled by Mr Adam Blumenthal. Accordingly, for the avoidance of any doubt, and for the purpose of transparency and best practice corporate governance, the Company is seeking Shareholder approval for the purposes of ASX Listing Rule 10.11 in respect of the issue of the Lead Manager Options.

5.2 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the issue of the Lead Manager Options:

- (a) the Lead Manager Options will be issued to EverBlu Capital (or its nominee);
- (b) a total of 3,000,000 Lead Manager Options will be issued;
- (c) the Lead Manager Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the Options will be issued in consideration for lead manager services provided by EverBlu Capital in connection with the Entitlement Offer;
- (e) the Lead Manager Options will be issued on the terms set out in Schedule 1, being the same terms as the Options issued under the Entitlement Offer; and
- (f) as the Lead Manager Options will be issued for nil cash consideration, no funds will be raised.

Approval pursuant to ASX Listing Rule 7.1 is not required for the issue of the Lead Manager Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Lead Manager Options will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

6. BACKGROUND TO RESOLUTIONS 9 TO 12

As announced on 8 February 2019, the Company has entered into a convertible securities agreement with CST Capital as trustee for The CST Investment Fund (**Investor**), whereby the Company has agreed to issue the Investor convertible notes (**Notes**) to raise up to AU\$1.62 million in two tranches, the first in an amount of AU\$0.81 million and the second in an amount of up to AU\$0.81 subject to the Investor's prior consent (**Convertible Securities Agreement**).

CST Capital LLC is an alternative investment portfolio vehicle with a focus on exchange traded commodity and financial futures and off-exchange derivative contracts. CST Capital is based in the Greater New York area and manages in excess of \$100 million in investments. Roots has engaged CST on an arm's length basis to provide funding.

In accordance with the terms of the Convertible Securities Agreement, the Company has issued to the Investor:

- (a) 1,650,000 CDIs on 19 February 2019 in consideration for the Investor entering into the Convertible Securities Agreement (**Collateral CDIs**);
- (b) 1,935,484 options on 19 February 2019 (**Tranche 1 Options**); and
- (c) an initial tranche of 900,000 Notes on 19 February 2019 to raise up to AU\$0.810 million (**Tranche 1 Notes**).

Resolutions 9, 10 and 11 seek Shareholder ratification for the issue of the Collateral CDIs, the Tranche 1 Options and the Tranche 1 Notes.

In accordance with the terms of the Convertible Securities Agreement, the Company has convened this meeting of Shareholders to seek approval for the issue of replacement convertible securities to the Investor (**Replacement Notes**), on the basis that the Replacement Notes will be on the same terms as the outstanding Tranche 1 Notes, but that the Replacement Notes will not be subject to the maximum CDI number, being 5,809,516 CDIs, and will have a maturity date of 19 February 2020.

The Replacement Notes will be convertible at the lower of:

- (a) 130% of the 5-day VWAP prior to the issuance of the Tranche 1 Notes, being 11.61 cents (**Fixed Conversion Price**); and
- (b) if converted more than 65 days following the date of issue, the lower of the Fixed Conversion Price and 90% of the lowest daily VWAP during the 15 trading days preceding the conversion date (**Variable Conversion Price**).

Resolution 12 seeks Shareholder approval for the issue of the Replacement Notes together with any CDIs that may be issued on conversion of the Replacement Notes.

The Convertible Securities Agreement provides that failure to obtain Shareholder approval for the issue of the Replacement Notes is an event of default. Accordingly, if the Company fails to obtain Shareholder approval for the issue of the Replacement Notes, the Investor may pursue a range of rights, including declaring, by notice to the Company, 120% of the aggregate total amount payable by the Company to the Investor (including the aggregate total of the face values of the outstanding Tranche 1 Notes) to be immediately due and payable by the Company to the Investor.

Refer to the ASX announcement released on 8 February 2019 for further details of the Convertible Securities Agreement.

Set out below is a pro-forma capital structure table based on Resolutions 9, 10 11 and 12 being approved.

CDIs

CDIs	Number
CDIs on issue prior to the issue of the CDIs the subject of Resolution 9	63,966,667
CDIs to be ratified pursuant to Resolution 9	1,650,000

CDIs to be issued upon conversion of Replacement Notes the subject of Resolution 10 ¹	12,857,143
Total	78,473,810

Note:

1. Assumes a conversion price of \$0.07. Refer to Section 10.3 for further conversion price examples.

Options

Options	Number
Options on issue prior to the issue of the Tranche 1 Options the subject to Resolution 10	1,655,000
Tranche 1 Options to be ratified pursuant to Resolution 10	1,935,484
Total	3,590,484

Notes

Notes	Number
Notes on issue prior to the issue of the Notes the subject of Resolution 11	0
Notes to be ratified pursuant to Resolution 10	900,000
Replacement Notes to be issued pursuant to Resolution 12	900,000
Total following issue of Replacement Notes	900,000

No Performance Rights are proposed to be issued or ratified pursuant to Resolutions 9, 10, 11 or 12.

7. RESOLUTION 9 – RATIFICATION OF ISSUE OF COLLATERAL CDIS

7.1 General

In accordance with the terms of the Convertible Securities Agreement, the Company issued the Investor 1,650,000 CDIs on 19 February 2019.

Where at any time the Company is required to issue CDIs to the Investor under the Convertible Securities Agreement, the Investor may, by written notice to the Company, elect to partially or wholly satisfy the Company's obligation to issue the relevant CDIs to the Investor by reducing the Collateral CDI holding number by the corresponding number of CDIs. If the Investor does so, then:

- (a) its Collateral CDI holding number will be reduced by that number of CDIs specified in the Investor's notice; and
- (b) the Company's obligation to issue CDIs to the Investor will be satisfied to the same extent.

Resolution 9 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Collateral CDIs.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12-month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

7.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 9:

- (a) 1,650,000 CDIs were issued;
- (b) the Collateral CDIs were issued for nil cash consideration, as an advance on account of future conversion of the Note or the Replacement Note into CDIs, in consideration of the Investor entering into the Convertible Securities Agreement;
- (c) the CDIs were issued on the same terms and conditions as the Company's existing CDIs;
- (d) the CDIs were issued to the Investor (or its nominees). None of these subscribers are related parties of the Company; and
- (e) no funds will be raised from the issue.

8. RESOLUTION 10 – RATIFICATION OF PRIOR ISSUE OF TRANCHE 1 OPTIONS

8.1 General

Resolution 10 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Tranche 1 Options on 19 February 2019.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 7.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

8.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 10:

- (a) 1,935,484 Options were issued;
- (b) the Options were issued for nil cash consideration in accordance with the terms of the Convertible Securities Agreement;
- (c) the Options will be exercisable at \$0.14 per Option and otherwise issued on the terms and conditions set out in Schedule 2;
- (d) the Options were issued to the Investor (or its nominee), who is not a related party of the Company; and
- (e) no funds were raised from this issue as the Options were issued in accordance with the terms of the Convertible Securities Agreement.

9. RESOLUTION 11 – RATIFICATION OF ISSUE OF TRANCHE 1 NOTES

9.1 General

Resolution 11 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Tranche 1 Notes on 19 February 2019. Due to an administrative oversight, the Company did not include the issue of the Tranche 1 Notes in its Appendix 3B dated 20 February 2019 and, instead, lodged an Appendix 3B for the issue of the Tranche 1 Notes on 12 April 2019.

A summary of ASX Listing Rules 7.1 and 7.4 is set out in Section 7.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

9.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 11:

- (a) 900,000 Tranche 1 Notes were issued, each with a face value of AU\$1.00 per Tranche 1 Note;
- (b) the Tranche 1 Notes were issued to raise AU\$0.810 million, being an issue price of \$0.90 per Tranche 1 Note;
- (c) the Tranche 1 Notes were issued on the terms and conditions set out in Schedule 3;
- (d) the Tranche 1 Notes were issued to the Investor (or its nominee), who is not a related party of the Company;
- (e) the maximum number of CDIs that could be issued if the Tranche 1 Notes were converted is 5,809,516. However, the Tranche 1 Notes will be replaced by the Replacement Notes the subject of Resolution 12; and

- (f) the Company intends to use the funds raised under the Convertible Securities Agreement to fast track the commercialisation of the Company's RZTO opportunities, and for ongoing working capital.

10. RESOLUTION 12 – ISSUE OF REPLACEMENT NOTES AND CDIS PURSUANT TO CONVERTIBLE SECURITIES AGREEMENT

10.1 General

Resolution 11 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of the Replacement Notes, together with any CDIs issued on conversion of the Replacement Notes.

A summary of ASX Listing Rule 7.1 is set out in Section 7.1 above.

The effect of Resolution 12 will be to allow the Company to issue the CDIs on conversion of the Replacement Notes during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

10.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 12:

- (a) the maximum number of Replacement Notes to be issued is 900,000 and the number of CDIs which may be issued on conversion of the Replacement Notes is detailed in Section 10.3 below;
- (b) the Replacement Notes will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Replacement Notes will occur on one date;
- (c) the Replacement Notes will be issued for nil cash consideration in replacement of the existing Tranche 1 Notes;
- (d) the Replacement Notes will be issued to the Investor (or its nominee), who is not a related party of the Company;
- (e) the Replacement Notes will be issued on the terms and conditions set out in Schedule 3;
- (f) any CDIs issued on conversion of the Replacement Notes will be issued on the same the terms and conditions as the Company's existing CDIs; and
- (g) the Company intends to use the funds raised under the Convertible Securities Agreement to fast track the commercialisation of the Company's RZTO opportunities, and for ongoing working capital.

10.3 Dilution

Set out below is a worked example of the number of CDIs that may be issued under Resolution 12 based on assumed Conversion Prices of \$0.07, \$0.08, \$0.09, \$0.10 and \$0.11.

Assumed Conversion Price	Maximum number of CDIs which the Company could issue (rounded up to the nearest whole number) pursuant to Resolution 11	Current CDIs on issue as at the date of this Notice	Increase in the number of CDIs on issue assuming the Company issued the maximum amount pursuant to Resolution 11	Dilution effect on existing Shareholders
\$0.07	12,857,143	65,616,667	78,473,810	16.38%
\$0.08	11,250,000	65,616,667	76,866,667	14.64%
\$0.09	10,000,000	65,616,667	75,616,667	13.22%
\$0.10	9,000,000	65,616,667	74,616,667	12.06%
\$0.11	8,181,818	65,616,667	73,798,485	11.10%

The Company notes that the above workings are an example only and the actual Conversion Price may differ. This will result in the maximum number of CDIs to be issued and the dilution percentage to also differ.

11. RESOLUTION 13 – PLACEMENT – CDIS

11.1 General

Resolution 13 seeks Shareholder approval for the issue of up to that number of CDIs, when multiplied by the issue price, will raise up to \$2,000,000 (**Placement**).

The Company has engaged the services of EverBlu Capital, to manage the Placement. The Company will pay EverBlu Capital a fee of 6% (exclusive of GST) on the amount raised under the Placement. Adam Blumenthal, a Director, shareholder of EverBlu Capital. The Directors, other than Adam Blumenthal, who do not have a material personal interest in EverBlu Capital consider the engagement to be on arm's length terms as the fee charged is comparable to unrelated licensed securities dealers.

A summary of ASX Listing Rule 7.1 is set out in Section 7.1 above.

The effect of Resolution 13 will be to allow the Company to issue the CDIs pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

11.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of CDIs to be issued is up to that number of CDIs which, when multiplied by the issue price, equals \$2,000,000;
- (b) the CDIs will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the CDIs will occur on the same date;
- (c) the issue price will be not less than 80% of the volume weighted average price for CDIs calculated over the 5 days on which sales in the CDIs are recorded before the day on which the issue is made or, if there is a

prospectus, over the last 5 days on which sales in the securities were recorded before the date the prospectus is signed;

- (d) the Directors will determine to whom the CDIs will be issued but these persons will not be related parties of the Company;
- (e) the CDIs issued will be on the same terms and conditions as the Company's existing CDIs; and
- (f) the Company intends to use the funds raised from the Placement towards for the same purposes as all other funds raised under the Entitlement Offer, being to commercialise the Company's RZTO opportunities, and for working capital.

12. RESOLUTION 14 – RATIFICATION OF ISSUE OF CDIS TO STOCKS DIGITAL IN CONSIDERATION FOR SERVICES PROVIDED

12.1 General

On 4 April 2019, the Company issued 1,368,125 CDIs in consideration for investor relations and marketing services provided by S3 Consortium Pty Ltd trading as Stocks Digital (**Stocks Digital**).

Resolution 14 seeks ratification pursuant to ASX Listing Rule 7.4 for the issue of those CDIs (**Ratification**).

A summary of ASX Listing Rule 7.1 and ASX Listing Rule 7.4 is set out in Section 7.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

12.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 14:

- (a) 1,368,125 CDIs were issued;
- (b) the CDIs were issued for nil cash consideration in satisfaction of investor relations and marketing services provided by Stocks Digital;
- (c) the CDIs were issued to Stocks Digital, which is not a related party of the Company;
- (d) the CDIs issued were all CDIs in the capital of the Company issued on the same terms and conditions as the Company's existing CDIs; and
- (e) no funds were raised from the issue of the CDIs as the CDIs were issued in consideration for investor relations and marketing services.

13. RESOLUTION 15 – RATIFICATION OF ISSUE OF CDIS TO MIRADOR CORPORATE IN CONSIDERATION FOR SERVICES PROVIDED

13.1 General

On 4 April 2019, the Company issued 196,875 CDIs to Mirador Corporate Pty Ltd (**Mirador Corporate**) in accordance with a mandate for company secretarial services provided by Mirador Corporate.

Resolution 15 seeks ratification pursuant to ASX Listing Rule 7.4 for the issue of those CDIs (**Ratification**).

A summary of ASX Listing Rule 7.1 and ASX Listing Rule 7.4 is set out in Section 7.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

13.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 15:

- (a) 196,875 CDIs were issued;
- (b) the CDIs were issued for nil cash consideration in satisfaction of company secretarial services provided by Mirador Corporate;
- (c) the CDIs were issued to Mirador Corporate, which is not a related party of the Company;
- (d) the CDIs issued were all CDIs in the capital of the Company issued on the same terms and conditions as the Company's existing CDIs; and
- (e) no funds were raised from the issue of the CDIs as the CDIs were issued in consideration for company secretarial services.

14. RESOLUTION 16 – RATIFICATION OF ISSUE OF CDIS TO MPG LLC IN CONSIDERATION FOR SERVICES PROVIDED

14.1 General

On 4 April 2019, the Company issued 187,500 CDIs in consideration for introduction and facilitation services provided by Marijuana Policy Group LLC (**MPG**), to progress the commercialisation of the Company's technologies.

Resolution 16 seeks ratification pursuant to ASX Listing Rule 7.4 for the issue of those CDIs (**Ratification**).

A summary of ASX Listing Rule 7.1 and ASX Listing Rule 7.4 is set out in Section 7.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

14.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 16:

- (a) 187,500 CDIs were issued;
- (b) the CDIs were issued for nil cash consideration in satisfaction of introduction and facilitation services provided by MPG LLC;
- (c) the CDIs were issued to MPG LLC, which is not a related party of the Company;
- (d) the CDIs issued were all CDIs in the capital of the Company issued on the same terms and conditions as the Company's existing CDIs; and
- (e) no funds were raised from the issue of the CDIs as the CDIs were issued in consideration for introduction and facilitation services.

15. RESOLUTION 17 – RATIFICATION OF ISSUE OF CDIS TO KELLY PARTNERS IN CONSIDERATION FOR SERVICES PROVIDED

15.1 General

On 4 April 2019, the Company issued 220,000 CDIs in consideration for consulting services provided by Kelly Partners (Government, Incentive and Innovation) Pty Ltd (**Kelly Partners**) under a Consultancy Services Agreement. The consulting services were performed by Mr Dave Sharma, former Australian Ambassador to Israel, who was engaged to assist the Company with the development of international contracts and clients, and to increase awareness of the Company's innovative technology in agronomy around the world (refer to ASX announcement lodged 27 February 2018).

Resolution 17 seeks ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares (**Ratification**).

A summary of ASX Listing Rule 7.1 and ASX Listing Rule 7.4 is set out in Section 7.1 above.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

15.2 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 17:

- (a) 220,000 CDIs were issued;
- (b) the CDIs were issued for nil cash consideration in satisfaction of consulting services provided by Kelly Partners;
- (c) the CDIs were issued to Kelly Partners, which is not a related party of the Company;
- (d) the CDIs issued were all CDIs in the capital of the Company issued on the same terms and conditions as the Company's existing CDIs; and

- (e) no funds were raised from the issue of the CDIs as the CDIs were issued in consideration for consulting services.

16. RESOLUTIONS 18 AND 19 – ELECTION OF EXTERNAL DIRECTORS – DAFNA SHALEV-FLAMM AND GRAEME SMITH

16.1 General

Under the Israeli Companies Law – 1999 (**Companies Law**), companies incorporated under the laws of the State of Israel that are “public companies,” including companies with shares listed on the ASX, are generally required to appoint at least two external directors (aka outside directors) who meet the qualification requirements set forth in the Companies Law. The Companies Law requires that if following a vacancy of an external director there are less than two serving external directors on the board of directors of the Company, the appointment of a replacement external director must be approved by Shareholders at the first possible general meeting following such vacancy.

A person may not be appointed as an external director of a Company which does not have a controlling shareholder or any shareholder holding 25% or more of voting rights in the Company, if the person has any affiliation to the chairman of the board of directors, the general manager (chief executive officer), any shareholder holding 5% or more of the company's shares or voting rights or the senior financial officer as of the date of the person's appointment.

The term affiliation includes:

- (a) an employment relationship;
- (b) a business or professional relationship maintained on a regular basis;
- (c) control; and
- (d) service as an office holder.

A person may not serve as an external director if that person or that person's relative, partner, employer, a person to whom such person is subordinate (directly or indirectly) or any entity under the person's control has a business or professional relationship with any entity that has an affiliation with the Company, even if such relationship is intermittent (excluding insignificant relationships). Additionally, any person who has received compensation intermittently (excluding insignificant relationships) other than compensation permitted under the Companies Law may not continue to serve as an external director.

No person can serve as an external director if the person's position or other affairs create, or may create, a conflict of interest with the person's responsibilities as a director or may otherwise interfere with the person's ability to serve as a director or if such a person is an employee of the Israeli Securities Authority or of an Israeli stock exchange. If at the time an external director is appointed all current members of the board of directors, who are not controlling shareholders or relatives of controlling shareholders, are of the same gender, then the external director to be appointed must be of the other gender. In addition, a person who is a director of a company may not be elected as an external director of another company if, at that time, a director of the other company is acting as an external director of the first company.

The Companies Law provides that an external director must meet certain professional qualifications or have financial and accounting expertise and that

at least one external director must have financial and accounting expertise. The determination of whether a director possesses financial and accounting expertise is made by the board of directors. A director with financial and accounting expertise is a director who by virtue of his or her education, professional experience and skill, has a high level of proficiency in and understanding of business accounting matters and financial statements so that he or she is able to fully understand our financial statements and initiate debate regarding the manner in which the financial information is presented.

The regulations promulgated under the Companies Law define an external director with requisite professional qualifications as a director who satisfies one of the following requirements:

- (a) the director holds an academic degree in either economics, business administration, accounting, law or public administration;
- (b) the director either holds an academic degree in any other field or has completed another form of higher education in the company's primary field of business or in an area which is relevant to his or her office as an external director in the company; or
- (c) the director has at least five years of experience serving in any one of the following, or at least five years of cumulative experience serving in two or more of the following capacities:
 - (i) a senior business management position in a company with a substantial scope of business;
 - (ii) a senior position in the company's primary field of business; or
 - (i) a senior position in public administration.

Under Israeli law, external directors are elected by a majority vote at a shareholders' meeting, provided that either:

- (a) the majority of the shares that are voted at the meeting in favor of the election of the external director, excluding abstentions, include at least a majority of the votes of shareholders who are not controlling shareholders and do not have a personal interest in the appointment (excluding a personal interest that did not result from the shareholder's relationship with the controlling shareholder); or
- (b) the total number of shares held by non-controlling shareholders or any one on their behalf that are voted against the election of the external director does not exceed two percent (2%) of the aggregate voting rights in the company.

Under Israeli law, the initial term of an external director of an Israeli public company is three years. The external director may be re-elected, subject to certain circumstances and conditions, for up to two additional terms of three years each, and thereafter, subject to conditions set out in the regulations promulgated under the Companies Law, to further three-year terms.

An external director may be removed by the same special majority of the shareholders required for his or her election, if he or she ceases to meet the statutory qualifications for appointment or if he or she violates his or her fiduciary duty to the company. An external director may also be removed by order of an Israeli court if the court finds that the external director is permanently unable to

exercise his or her office, has ceased to meet the statutory qualifications for his or her appointment, has violated his or her fiduciary duty to the company, or has been convicted by a court outside Israel of certain offenses detailed in the Companies Law.

An external director is entitled to compensation and reimbursement of expenses in accordance with regulations promulgated under the Companies Law and is prohibited from receiving any other compensation, directly or indirectly, in connection with serving as a director except for certain exculpation, indemnification and insurance provided by the company, as specifically allowed by the Companies Law.

16.2 Election of Dafna Shalev-Flamm

(a) Background

On May 29, 2018 the board of directors filled a vacancy in the Board following the resignation of Ms Tal Misch Vered, who has had to resign due to other boards commitments, and elected Ms Dafna Shalev-Flamm as an external director of the Company, the Chairperson of the Audit Committee and the Chairperson of the Compensation Committee, which appointment became effective immediately, and designated her to serve and hold office as an external director for a term of three years commencing as of the date of the Company's general meeting of shareholders approving her appointment as an external director. Under the Companies Law the external directors are required to serve on our Audit Committee and Compensation Committee, and at least one external director is required to serve on each other committee of our Board that is authorised to exercise the powers of the Board. If her election is ratified at the Meeting, Ms Shalev-Flamm will continue to serve as the Chairperson of the Company's Audit Committee and as the Chairperson of our Compensation Committee.

The Company has received a statement from Ms Shalev-Flamm in which she declares that she meets all of the requirements applicable to external directors as set forth in the Companies Law.

The Board has determined that Ms Shalev-Flamm possesses requisite financial and accounting expertise, as required under the Companies Law. The Board has also determined that Ms Shalev-Flamm satisfies the independent director requirements under the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*. The Board has furthermore determined that Ms Shalev-Flamm qualifies as an "expert" external director for purposes of the Companies Law regulations that govern external director compensation.

Under Israel's Companies Regulations, if the compensation paid to an external director is within the range set forth in the regulations, the compensation of such directors is exempted from being approved by the general meeting of shareholders. The compensation of Ms Shalev-Flamm which was approved by the Board of Directors of the Company is within the range set forth in the regulations.

Pursuant to ASX Listing Rule 14.4, any Director so appointed holds office only until the next following annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in

determining the Directors who are to retire by rotation (if any) at that meeting.

Ms Dafna Shalev-Flamm, having been appointed by other Directors on 29 May 2018:

- (a) will retire in accordance ASX Listing Rule 14.4 and being eligible, seeks election from Shareholders; and
- (b) seeks approval of Shareholders for her appointment as an external director for a term of three years commencing on the date of this Annual Shareholders Meeting, under Part Six - chapter one - paragraph V (External Director) of the Israeli Companies Law - 1999.

(b) Qualifications and other material directorships

Dafna Shalev-Flamm is a Certified Public Accountant in Israel. Since 1995, Ms Shalev-Flamm has served as Chief Financial Officer and consultant to approximately 15 investment companies including Destiny Group with holdings in real estate, hi-tech, finance, and human resources. Part of Destiny Group, Giron Development & Building Ltd. is a publicly traded company specializing in real estate.

Since 2019, Ms Shalev-Flamm has been serving on the board of directors of Tiv Taam Holdings Group. Tiv Taam operates in three main areas: retail, production and import/export of food products. Tiv Taam Holdings is one of Israel's largest food companies and is a publicly traded company listed on the Tel Aviv Stock Exchange (TASE).

Between 2009-2018, Ms Shalev-Flamm was a director of Plasjon industries Ltd and a director of MTL computers and software services Ltd.

She has served on the boards of directors of Poliram since 2004-2010 and 2013-2016 and started her career in the accounting department of Africa Israel Investments Ltd. and in the tax department of the accounting firm Ernst &Young.

Ms Shalev-Flamm holds a BA degree in accounting & finance and an MA of Business Administration from Ben- Gurion university.

(c) Independence

Dafna Shalev-Flamm has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect her capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity and its security holders generally.

(d) Board recommendation

The Board supports the ratification and re-election of Ms Dafna Shalev-Flamm and recommends that Shareholders vote in favour of Resolution 17.

16.3 Election of Graeme Smith

(a) Background

On 31 August 2017 the shareholders of the Company elected Mr. Graeme Smith as an external director of the Company, a member of

the Audit Committee and a member of the Compensation Committee, effective upon the admission of the Company to the Official List of ASX and designated him to serve and hold office as an external director for a term of three years. Under the Companies Law the external directors are required to serve on our Audit Committee and Compensation Committee, and at least one external director is required to serve on each other committee of our Board that is authorised to exercise the powers of the Board. If his election is ratified at the Meeting, Mr. Smith will continue to serve as a member of the Company's Audit Committee and as a member of the Company's Compensation Committee.

The Company has received a statement from Mr. Smith in which he declares that he meets all of the requirements applicable to external directors as set forth in the Companies Law.

The Board has determined that Mr. Smith satisfies the independent director requirements under the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*. The Board has furthermore determined that Mr. Smith qualifies as an "expert" external director for purposes of the Companies Law regulations that govern external director compensation.

Under Israel's Companies Regulations, if the compensation paid to an external director is within the range set forth in the regulations, the compensation of such directors is exempted from being approved by the general meeting of shareholders. The compensation of Mr. Smith which was approved by the Board of Directors of the Company is within the range set forth in the regulations.

Due to a technical error this resolution was not brought for shareholders' approval in the first Annual General Meeting of the Company following his appointment, held on 28 May 2018. Mr. Graeme Smith, having been appointed by the shareholders on 31 August 2017, seeks ratification of Shareholders for his appointment as an external director for a term of three years commencing on 28 May 2018 (being the date of the first Annual General Meeting following his appointment), under Part Six - chapter one - paragraph V (External Director) of the Israeli Companies Law - 1999.

(b) Qualifications and other material directorships

Mr Smith is a Melbourne-based, world agriculture and horticulture expert, consultant and lecturer. Mr Smith is a Certified Practicing Agriculturist (CPAG), from the Australian Institute Agricultural Science and Technology. Graeme Smith Consulting has (beginning with Hydroponic Designs Pty Ltd), delivered over 40 protected cropping projects around Australia since 1995. These projects have largely delivered modern greenhouse food production systems ranging from 400m² to 160,000m² in poly tunnels through to modern glasshouses. Most of Mr Smith's food production projects involved full return on, system design, costings, project management, as well as commissioning and ongoing crop advisory services.

(c) Independence

Graeme Smith has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on

issues before the board and to act in the best interest of the entity and its security holders generally.

(d) **Board recommendation**

The Board supports the ratification of election of Mr. Smith and recommends that Shareholders vote in favour of Resolution 18.

17. RESOLUTION 20 – ELECTION OF DIRECTOR – ADAM BLUMENTHAL

17.1 General

Clause 35(a) of the Articles provides that the Directors shall be elected at each annual general meeting and shall serve in office until the close of the next annual general meeting at which one or more Directors are elected, unless their office becomes vacant earlier in accordance with the provisions of the Articles.

ASX Listing Rule 14.4 provides that, other than a managing director, a director of an entity must not hold office (without re-election) past the third AGM following the director's appointment or 3 years, whichever is the longer. However, where there is more than one managing director, only one is entitled not to be subject to re-election.

17.2 Election of Adam Blumenthal

Adam Blumenthal, who has served as a Director since 2017, retires and seeks re-election.

(a) **Qualifications and other material directorships**

Mr Blumenthal has 10 years' experience in investment banking and corporate finance. He has deep exposure to Australian and international markets, having provided capital raising and financing solutions to an extensive number of unlisted and listed companies. Mr Blumenthal has played a lead role in advising and supporting multiple organisations across a broad spectrum of industries. Using his experience and extensive network of international contacts to provide corporate advisory and capital markets input, he has successfully brought to market several companies and is actively involved in mining, cyber security, agricultural technology, medicinal cannabis, pharmaceutical and information technology sectors.

Mr Blumenthal is a shareholder and Chairman of EverBlu Capital.

Other current directorships: Creso Pharma Limited.

(b) **Independence**

If elected the Board does not consider that Mr Blumenthal will be an independent director.

(c) **Board recommendation**

The Board supports the re-election of Mr Blumenthal and recommends that Shareholder vote in favour of Resolution 20.

18. RESOLUTIONS 21 AND 22 – ELECTION OF DIRECTORS – BOAZ WACHTEL AND SHARON DEVIR

18.1 General

Clause 35(a) of the Articles provides that the Directors shall be elected at each annual general meeting and shall serve in office until the close of the next annual general meeting at which one or more Directors are elected, unless their office becomes vacant earlier in accordance with the provisions of the Articles.

The Company is not aware of any reason why any of the nominees, if elected, should not be able to serve as a director.

Each of Mr. Boaz Wachtel and Mr. Sharon Devir has attested to the Board of Directors and to the Company that he meets all the requirements in connection with the election of directors under the Israeli Companies Law, per the statement substantially in the form attached hereto as Schedule 5.

18.2 Election of Boaz Wachtel

Boaz Wachtel, who has served as a Director since 2009, retires and seeks re-election.

(a) Qualifications and other material directorships

Mr. Wachtel, 60, is the Co-Founder and Executive Director of Roots. Mr. Wachtel is the inventor of irrigation by condensation (NASA Tech Brief magazine- Technologies of the Month) and root zone heating and cooling - ROOTS's core technologies. He has published 25 publications focussing on water and he is a frequent lecturer on agricultural technology, Middle East water issues and sustainability. He is a former assistant army attaché to the Israeli Embassy in Washington DC and has lectured at the UN conflict resolution conference. Mr Wachtel holds a Masters in Management and Marketing from the University of Maryland.

Other current directorships: Creso Pharma Limited.

(b) Independence

If elected the Board does not consider that Mr Wachtel will be an independent director.

(c) Board recommendation

The Board supports the election of Mr Wachtel and recommends that Shareholders vote in favour of Resolution 21.

18.3 Election of Sharon Devir

Sharon Devir, who has served as a Director since 2009, retires and seeks re-election.

(a) Qualifications and other material directorships

Dr Devir, 60, is a Co-Founder and Chief Executive Officer of Roots. He previously cofounded Salicrop, an abiotic stress seed treatment technology as well as Rimonim, an Agri-Tech fund. Dr Devir was the former Chief Executive Officer of NGT, a technology incubator which

sold a company Flourinex to Colgate for US\$100 million. He was also the Former Chief Scientific Officer of AFIMILK dairy management systems and he has lectured at The Hebrew University, Israel on behalf of the Agriculture Faculty. Dr Devir's achievements led to being awarded the "Man of the Year" award by Israeli TV Channel 2 and the Daily "Yediot Acharonot" newspaper for his Unique Social Contribution.

Other current directorships: Salicrop, SkyX, Rimonim Agro Management.

(b) **Independence**

If elected the Board does not consider that Dr Devir will be an independent director.

(c) **Board recommendation**

The Board supports the election of Mr Devir and recommends that Shareholders vote in favour of Resolution 22.

19. RESOLUTION 23 – APPROVAL OF 10% PLACEMENT CAPACITY

19.1 General

ASX Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek shareholder approval by special resolution passed at an annual general meeting to have the capacity to issue up to that number of Equity Securities (as defined below) equal to 10% of its issued capital (**10% Placement Capacity**) without using that company's existing 15% annual placement capacity granted under ASX Listing Rule 7.1.

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

The Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$6,299,200 (based on the number of CDIs on issue and the closing price of CDIs on the ASX on 28 March 2019).

An Equity Security is a share, a unit in a trust, a right to a share or unit in a trust or option, an option over an issued or unissued security, a convertible security, or, any security that ASX decides to classify as an equity security.

Any Equity Securities issued under the 10% Placement Capacity must be in the same class as an existing class of quoted Equity Securities.

As at the date of this Notice, the Company currently has one class of quoted Equity Securities on issue, being the Shares (ASX Code: ROO).

If Shareholders approve Resolution 23, the number of Equity Securities the Company may issue under the 10% Placement Capacity will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

Resolution 23 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 23 for it to be passed.

19.2 Technical information required by ASX Listing Rule 7.1A

Pursuant to and in accordance with ASX Listing Rule 7.3A, the information below is provided in relation to this Resolution 23:

(a) Minimum Price

The minimum price at which the Equity Securities may be issued is 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in Section 18.2(a)(i) the date on which the Equity Securities are issued.

(b) Date of Issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of this Meeting; and
- (ii) the date of approval by Shareholders of any transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking) (after which date, an approval under Listing Rule 7.1A ceases to be valid),

(10% Placement Capacity Period).

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 23 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in ASX Listing Rule 7.1A(2), on the basis of the market price of CDIs and the number of Equity Securities on issue as at 28 March 2019.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic

dilution where there are changes in the issue price of Shares issued under the 10% Placement Capacity.

Number of Shares on Issue	Dilution			
	Issue Price (per Share)	\$0.048 50% decrease in Issue Price	\$0.096 Issue Price	\$0.14 50% increase in Issue Price
65,616,667	Shares issued - 10% voting dilution	6,561,667 CDIs	6,561,667 CDIs	6,561,667 CDIs
	Funds raised	\$314,960	\$629,920	\$918,633
98,425,000	Shares issued - 10% voting dilution	9,842,500 CDIs	9,842,500 CDIs	9,842,500 CDIs
	Funds raised	\$472,440	\$944,880	\$1,377,950
131,273,334	Shares issued - 10% voting dilution	13,127,333 CDIs	13,127,333 CDIs	13,127,333 CDIs
	Funds raised	\$630,112	\$1,260,224	\$1,837,826

Notes:

- The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.
- The table above uses the following assumptions:
 - There are currently 65,616,667 Shares on issue.
 - The issue price set out above is the closing price of the CDIs on the ASX on 28 March 2019.
 - The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
 - The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in ASX Listing Rule 7.2 or with approval under ASX Listing Rule 7.1.
 - The issue of Equity Securities under the 10% Placement Capacity consists only of CDIs. It is assumed that no Options are exercised into CDIs before the date of issue of the Equity Securities.
 - The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
 - This table does not set out any dilution pursuant to approvals under ASX Listing Rule 7.1.
 - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's CDIs may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the CDIs may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Purpose of Issue under 10% Placement Capacity**

The Company may issue Equity Securities under the 10% Placement Capacity for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments consistent with the Company's business strategy, including expenses associated with such an acquisition, to satisfy its commitments under its current sales and distribution agreements, to review and pursue new investment opportunities that may arise, and for general working capital.
- (ii) as non-cash consideration for the acquisition of new resources, assets and investments, excluding previously announced acquisitions, for corporate advisory and capital raising services in relation to funds raised and potential acquisitions, in such circumstances the Company will provide a valuation of the non-cash consideration as required by listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(e) **Allocation policy under the 10% Placement Capacity**

The recipients of the Equity Securities to be issued under the 10% Placement Capacity have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 10% Placement Capacity, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the recipients under the 10% Placement Capacity will be vendors of the new resources, assets or investments.

(f) **Previous approval under ASX Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to ASX Listing Rule 7.1A at its annual general meeting held on 28 May 2018 (**Previous Approval**).

The Company has not issued any Equity Securities pursuant to the Previous Approval.

During the 12 month period preceding the date of the Meeting, being on and from 23 May 2018, the Company otherwise issued a total of 3,622,500 CDIs and 1,935,484 Options which represents approximately 7.77% of the total diluted number of Equity Securities on issue in the Company on 23 May 2018, which was 71,555,000.

Further details of the issues of Equity Securities by the Company during the 12-month period preceding the date of the Meeting are set out in Schedule 4.

19.3 Voting Exclusion

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under ASX Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 23.

GLOSSARY

\$ means Australian dollars.

10% Placement Capacity has the meaning given in Section 19.1.

Articles means the Company's Amended and Restated Articles of Association.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

CDI Holder means a holder of CDIs.

CDIs means CHESS Depositary Interests issued by CDN, where each CDI represents a beneficial interest in one Share.

CDN means CHESS Depositary Nominees Pty Ltd (ABN 75 071 346 506) (AFSL 254514), in its capacity as depositary of the CDIs under the ASX Settlement Operating Rules.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Chair means the chair of the Meeting.

Companies Law means the Companies Law 5759-1999 (Israel).

Company means Roots Sustainable Agricultural Technologies (ARBN 619 754 540).

Constitution means the Company's constitution.

Convertible Securities Agreement has the meaning given to that term in Section 6.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- (a) is not included in the S&P/ASX 300 Index; and
- (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of annual general meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share with the terms and conditions set out in Schedule 1.

Optionholder means a holder of an Option.

Ordinary Securities has the meaning set out in the ASX Listing Rules.

Proxy Form means the proxy form accompanying the Notice.

Replacement Notes has the meaning given to that term in Section 6.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

RZTO means root zone temperature optimisation.

Section means a section of the Explanatory Statement.

Variable A means "A" as set out in the formula in ASX Listing Rule 7.1A(2).

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF THE OPTIONS

(a) **Entitlement**

Each Option entitles the holder (**Optionholder**) to subscribe for one fully paid ordinary share (**Share**) in the capital of Roots Sustainable Agricultural Technologies Ltd (**Company**) upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.12. (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is three (3) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 business days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must no later than 20 business days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Adjustment for rights issue**

In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, an Option does not confer the right to a change in Exercise Price.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2 – TERMS OF CONDITIONS OF THE TRANCHE 1 OPTIONS

(a) **Nature of Options**

- (i) Each Option will grant the holder of that Option the right but not the obligation to be issued by the Company one Share at \$0.14 per Option (the **Options Exercise Price**).
- (ii) Each Option will be exercisable by the Option holder complying with its obligations as set out in this Schedule, at any time after the time of its grant and prior to 19 August 2020 (the **Options Expiration Date**), after which time it will lapse.

(b) **Exercise of Options**

- (i) Without limiting the generality of, and subject to, the other provisions of the Convertible Securities Agreement, an Option holder may exercise any of its Options at any time prior to their expiration, by delivery of:
 - (A) a copy, whether facsimile or otherwise, of a duly executed Option exercise form (the **Exercise Form**), to the Company during normal business hours on any Business Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder);
 - (B) a copy, whether facsimile or otherwise, of any exercise form required by the share registrar; and
 - (C) payment of an amount equal to the Options Exercise Price multiplied by the number of Shares in respect of which the Options are being exercised at the time by wire transfer to the account specified by the Company from time to time or by bank draft delivered to the Company during normal business hours on any Business Day at the Company's principal executive offices (or such other office or agency of the Company as it may designate by notice to the Option holder).
- (ii) As soon as reasonably practicable, but in any event no later than two (2) Business Days after receipt of a duly completed Exercise Form and the payment of the Exercise Price for each Option being exercised, the Company must cause its securities registrar to:
 - (A) issue and deliver the Shares in respect of which the Options are so exercised by the Option holder; and
 - (B) provide to the Option holder holding statements evidencing that such Shares have been recorded on the Share register.

(c) **Bonus Issues**

If prior to an exercise of an Option, but after the issue of the Option, the Company makes an issue of Shares by way of capitalisation of profits or out of its reserves (other than pursuant to a dividend reinvestment plan), pursuant to an offer of such Shares to at least all the holders of Shares resident in Australia, then on exercise of the Option, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the holder of the

Option would have received if the Option had been exercised before the date on which entitlements to the issue were calculated.

(d) **Rights Issues**

If prior to an exercise of an Option, but after the issue of the Option, any offer or invitation is made by the Company to at least all the holders of Shares resident in Australia for the subscription for cash with respect to Shares, options or other securities of the Company on a pro rata basis relative to those holders' shareholding at the time of the offer, the Options Exercise Price will be reduced as specified in the Listing Rules in relation to pro-rata issues (except bonus issues).

(e) **Reconstruction of Capital**

In the event of a consolidation, subdivision or similar reconstruction of the issued capital of the Company, and subject to such changes as are necessary to comply with the Listing Rules applying to a reconstruction of capital at the time of the reconstruction:

- (i) the number of the Shares to which each Option holder is entitled on exercise of the outstanding Options will be reduced or increased in the same proportion as, and the nature of the Shares will be modified to the same extent that, the issued capital of the Company is consolidated, subdivided or reconstructed (subject to the same provisions with respect to rounding of entitlements as sanctioned by the meeting of shareholders approving the consolidation, subdivision or reconstruction); and
- (ii) an appropriate adjustment will be made to the Options Exercise Price of the outstanding Options, with the intent that the total amount payable on exercise of the Options will not alter.

(f) **Cumulative Adjustments**

Full effect will be given to the provisions of clauses (c) to (e), as and when occasions of their application arise and in such manner that the effects of the successive applications of them are cumulative, the intention being that the adjustments they progressively effect will be such as to reflect, in relation to the Shares issuable on exercise of the Options outstanding, the adjustments which on the occasions in question are progressively effected in relation to Shares already on issue.

(g) **Notice of Adjustments**

Whenever the number of Shares over which an Option is exercisable, or the Options Exercise Price, is adjusted, the Company must give notice of the adjustment to all the Option holders, within one (1) Business Day.

(h) **Rights Prior to Exercise**

Prior to its exercise, an Option does not confer a right on the Option holder to participate in a new issue of securities by the Company.

(i) **Redemption**

The Options will not be redeemable by the Company.

(j) **Assignability and Transferability**

The Options will be freely assignable and transferable, subject to the provisions of Chapter 6D of the Corporations Act and the applicable Law.

SCHEDULE 3 – TERMS AND CONDITIONS OF TRANCHE 1 NOTES AND REPLACEMENT NOTES

Financing	AU\$0.810 million upon closing	
	Tranche 1 Notes	Replacement Notes
Subscription Price:	Each Note will be subscribed at 90% of Face Value	Each Note will be subscribed at 90% of Face Value
Maturity of Notes:	3 months after issue	12 months after Tranche 1 issue, being 19 February 2020
Maximum CDI Number and Replacement Notes:	The maximum number of new CDIs that the Company may or is required to issue on conversion of the Tranche 1 Notes, without the Company first obtaining shareholder approval to the issue, is 9,395,000, less the number of collateral CDIs, and less the Tranche 1 Options.	The Company is required to seek shareholder approval for the issue of Replacement Notes, to replace the Notes issued in the first tranche and which are not subject to this restriction within 60 days of the Tranche 1 issue. If the Company obtains shareholder approval, then the Company must issue replacement Notes to the investor (on a one for one basis) on the same terms as the Tranche 1 Notes, except that they will not be subject to the Maximum CDI Number and will have the Maturity Date set out above.
Interest:	Interest free	Interest free
Convertibility:	<p>Conversion Price (b) (below) will not be available for 65 days from issuance of the applicable Notes.</p> <p>Other than with the prior written consent of the Company, in any calendar month, the Investor may not convert more than one third of the Notes issued on a purchase date at the Variable Conversion Price.</p>	
Conversion Price:	<p>The lower of:</p> <p>(a) 130% of the 5-day VWAP prior to the issuance of the applicable tranche (Fixed Conversion Price) (this fixed Conversion Price will be entitled to customary anti-dilution protections) and</p> <p>(b) if more than 65 days following the date of issue, the lower of the Fixed Conversion Price and 90% of the lowest daily VWAP during the 15 trading days preceding the</p>	

	conversion date (Variable Conversion Price).
Events of Default:	Standard Events of Default.
Fee:	3% of the aggregate Face Value of each Tranche.
Early redemption:	The Company may at any time prior to the maturity date redeem up to 75% of outstanding Notes by giving notice to the Investor stating it wishes to do so. After the Company gives a redemption notice, the Investor may give a conversion notice for up to 50% of the redemption amount. On or before 20 business days after the notice, the Company must pay the Investor 110% of the amount outstanding (less the Face Value of any Notes the subject of an existing conversion notice).
Options:	Upon issuance of a Tranche, the Investor will receive a number of options equal to the face value multiplied by 0.2 divided by closing VWAP prior to issuance. The options will be exercisable for 18 months and have an exercise price equal to 160% of the 5-day VWAP prior to the issuance of the options.

SCHEDULE 4 – ISSUE OF EQUITY SECURITIES SINCE 23 MAY 2018

Date	Quantity	Class	Recipients	Issue price and discount to Market Price (if applicable)	Form of consideration
Issue – 19 June 2018 Appendix 3B – 19 June 2018	200,000	Performance Rights	David Sharma	Nil	Non-cash Consideration: Nil, issued to consultant Current value ³ = \$19,200
Issue – 19 February 2019 Appendix 3B – 20 February 2019	1,650,000	CDIs ¹	CST Capital as trustee for The CST Investments Fund	Nil	Non-cash Consideration: Nil, issued pursuant to Convertible Securities Agreement Current value ³ = \$158,400
Issue – 19 February 2019 Appendix 3B – 20 February 2019	1,935,484	Unquoted Options ²	CST Capital as trustee for The CST Investments Fund	Nil	Non-cash Consideration: Nil, issued pursuant to Convertible Securities Agreement Current value ³ = \$79,385
Issue – 19 February 2019 Appendix 3B – 12 April 2019	900,000	Tranche 1 Notes ⁵	CST Capital as trustee for The CST Investments Fund	Face Value of \$1.00	Cash Amount raised: \$810,000 Amount spent: \$270,000 Use of funds: Funds used to progress commercialisation of the Company's RZTO opportunities Amount remaining: \$540,000 Proposed use of remaining funds: As above – to fast track commercialisation of the Company's RZTO opportunities, and for working capital. ⁴
4 April 2019	1,368,125	CDIs ¹	Stocks Digital	Nil	Non-cash Consideration: Nil, for investor relations and marketing services provided to the Company Current value ³ = \$131,340
4 April 2019	196,875	CDIs ¹	Mirador Corporate	Nil	Non-cash Consideration: Nil, for company secretarial services provided to the Company Current value ³ = \$18,900
4 April 2019	187,500	CDIs ¹	MPG LLC	Nil	Non-cash Consideration: Nil, for introduction and facilitation services provided to the Company Current value ³ = \$18,000
4 April 2019	220,000	CDIs ¹	Kelly Partners	Nil	Non-cash

					Consideration: Nil, for consulting services provided to the Company Current value ³ = \$21,120
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Notes:

1. CDIs over fully paid ordinary shares in the capital of the Company, ASX Code: ROO (terms are set out in the Articles).
2. Unquoted Options, exercisable at \$0.14 each, on or before 11 August 2020. The full terms and conditions are disclosed in this notice of annual general meeting.
3. In respect of quoted Equity Securities the value is based on the closing price of the Shares (\$0.096) as the context requires on the ASX on 28 March 2019. In respect of unquoted Equity Securities the value of Options is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).
4. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.
5. Issued on the terms and conditions set out in Schedule 3 to this Notice of Annual General Meeting.

SCHEDULE 5 - FORM OF STATEMENT OF A CANDIDATE TO SERVE AS A DIRECTOR

The undersigned, _____, hereby declares to Roots Sustainable Agricultural Technologies Ltd. (the "Company"), effective as of _____, as follows:

I am making this statement as required under Section 224B of the Israeli Companies Law, 5759-1999 (the "Israeli Companies Law"). Such provision requires that I make the statements set forth below prior to, and as a condition to, the submission of my election as a director of the Company to the approval of the Company's shareholders.

I possess the necessary qualifications and skills and have the ability to dedicate the appropriate time for the purpose of performing my service as a director in the Company, taking into account, among other things, the Company's special needs and its size.

My qualifications were presented to the Company. In addition, attached hereto is a biographical summary, which includes a description of my academic degrees, as well as previous experience relevant for the evaluation of my suitability to serve as a director.

I am not restricted from serving as a director of the Company under any items set forth in Sections 226¹, 226A² or 227³ of the Israeli Companies Law, which include, among other things, restrictions relating to the appointment of a minor, a person who is legally incompetent, a person who was declared bankrupt, a person who has prior convictions or anyone whom the administrative enforcement committee of the Israel Securities Law 5728-1968 (the "Israel Securities Law") prohibits from serving as a director.

I am aware that this statement shall be presented at the Annual General Meeting of Shareholders of the Company in which my election shall be considered, and that pursuant to Section 241 of the Israeli Companies Law it shall be kept in the Company's registered office and shall be available for review by any person.

Should a concern arise of which I will be aware and/or that will be brought to my attention, pursuant to which I will no longer fulfill one or more of the requirements and/or the declarations set forth above, I shall notify the Company immediately, in accordance with Section 227A of the Israeli Companies Law.

IN WITNESS WHEREOF, the undersigned has signed this statement as of the date set forth above.

[Name]

[Date]

¹As of the date hereof, Section 226 of the Israeli Companies Law generally provides that a candidate shall not be appointed as a director of a public company (i) if the person was convicted of an offense not listed below but the court determined that due to its nature, severity or circumstances, he/she is not fit to serve as a director of a public company for a period that the court determined which shall not exceed five years from judgment or (ii) if he/she has been convicted of one or more offences specified below, unless five years have elapsed from the date the convicting judgment was granted or if the court has ruled, at the time of the conviction or thereafter, that he/she is not prevented from serving as a director of a public company:

(1) offenses under Sections 290-297 (bribery), 392 (theft by an officer), 415 (obtaining a benefit by fraud), 418-420 (forgery), 422-428 (fraudulent solicitation, false registration in the records of a legal entity, manager and employee offences in respect of a legal entity, concealment of information and misleading publication by a senior officer of a legal entity, fraud and breach of trust in a legal entity, fraudulent concealment, blackmail using force, blackmail using threats) of the Israel Penal Law 5737-1997; and offences under sections 52C, 52D (use of inside information), 53(a) (offering shares to the public other than by way of a prospectus, publication of a misleading detail in the prospectus or in the legal opinion attached thereto, failure to comply with the duty to submit immediate and period reports) and 54 (fraud in securities) of the Israel Securities Law;

(2) conviction by a court outside of the State of Israel of an offense of bribery, fraud, offenses of directors/managers in a corporate body or exploiting inside information.

² As of the date hereof, Section 226A of the Israeli Companies Law provides that if the administrative enforcement committee of the Israel Securities Authority has imposed on a person enforcement measures that prohibited him/her from holding office as director of a public company, that person shall not be appointed as a director of a public company in which he/she is prohibited to serve as a director according to this measure.

³ As of the date hereof, Section 227 of the Israeli Companies Law provides that a candidate shall not be appointed as a director of a company if he/she is a minor, legally incompetent, was declared bankrupt and not discharged, and with respect to a corporate body – in case of its voluntary dissolution or if a court order for its dissolution was granted.