

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Roots Sustainable Agricultural Technologies Ltd

ARBN

619 754 540 – A Company Registered in Israel

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | <ol style="list-style-type: none">1. Listed Options2. Listed Options3. Unlisted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ol style="list-style-type: none">1. Up to 42,518,809 Listed Options2. 3,000,000 Listed Options3. 602,500 Unlisted Options (subject to vesting conditions) |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <ol style="list-style-type: none">1. Exercisable at \$0.12 on or before the date which is 3 years from the date of issue2. Exercisable at \$0.12 on or before the date which is 3 years from the date of issue3. Exercisable at \$0.01 on or before the date which is 5 years from the date of issue |

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<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<ol style="list-style-type: none"> 1. Quotation of Options sought. CDIs issued upon exercise of the Options will rank equally with existing CDIs on issue. 2. Quotation of Options sought. CDIs issued upon exercise of the Options will rank equally with existing CDIs on issue. 3. No – CDIs issued upon vesting and exercise of the Options will rank equally with existing CDIs on issue
<p>5 Issue price or consideration</p>	<ol style="list-style-type: none"> 1. \$0.04 per Option 2. Nil 3. Nil
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ol style="list-style-type: none"> 1. Option Entitlement Issue to raise funds to pursue the Company's RZTO opportunities. Funds raised will be used for Installation & Engineering costs, Sales Marketing, Business Development and General & Administration, Expenses of the Offer and Working Capital costs in accordance with the Prospectus lodged with ASIC and ASX on 17 June 2019. 2. Options issued to Lead Manager Everblu Capital Pty Ltd as consideration for Lead Manager Services provided in connection with the Option Entitlement Issue in accordance with a mandate. The issue of the Options was approved by shareholders at the AGM on 23 May 2019 (refer to Notice of Meeting lodged with ASX on 18 April 2019) 3. Unlisted Options issued to employees of the Company under the Company's Employee Share Option Plan to motivate and reward their work and service to the Company

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6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	23 May 2019
6c	Number of +securities issued without security holder approval under rule 7.1	nil
6d	Number of +securities issued with security holder approval under rule 7.1A	nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	3,000,000 Listed Options (exercisable at \$0.12 on or before the date which is 3 years from the date of issue) <i>Approved by shareholders at the Annual General Meeting held 23 May 2019</i>
6f	Number of +securities issued under an exception in rule 7.2	<ol style="list-style-type: none"> Up to 42,518,809 Listed Options (exercisable at \$0.12 on or before the date which is 3 years from the date of issue) <i>(Exception 1 – Pro rata issue)</i> 602,500 Unlisted Options (exercisable at \$0.01 on or before the date which is 5 years from the date of issue) <i>(Exception 9 – Issue under Employee Incentive Scheme)</i>
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A

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6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1 11,238,659 7.1A 8,389,242	
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix	On or around 25 July 2019	
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	Number	+Class
		66,278,964	CDIs
		45,518,809	Listed Options (ASX: ROOO)

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	
	18,758,654	CDIs (<i>subject to escrow until 6 December 2019</i>)
	1,655,000	Options exercisable at \$0.01 cents each expiring 30 November 2022 (<i>Subject to vesting conditions</i>)
	602,500	Options exercisable at \$0.01 cents each expiring 17 June 2024 (<i>Subject to vesting conditions</i>)
	1,935,484	Options exercisable at \$0.14 each expiring 19 August 2020
	5,933,333	Performance Rights (<i>Subject to Performance Milestones</i>) (<i>subject to escrow until 6 December 2019</i>)
	648,000	Replacement Convertible Notes
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	There is currently no dividend policy for the Company

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 option for every 2 CDIs held on the Record Date

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14	+Class of +securities to which the offer relates	Listed Options exercisable at \$0.12 on or before the date which is 3 years from the date of issue (ASX: ROOO)
15	+Record date to determine entitlements	21 June 2019
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Rounded up
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	All countries except Australia, New Zealand and Israel
19	Closing date for receipt of acceptances or renunciations	19 July 2019
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	Everblu Capital Pty Ltd
23	Fee or commission payable to the broker to the issue	<ol style="list-style-type: none"> 1. 3,000,000 Options (exercisable at \$0.12 on or before the date which is 3 years from the date of issue) 2. \$15,000 Engagement Fee 3. 6% of the gross proceeds of the Shortfall Offer
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A

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26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	25 June 2019
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	17 June 2019
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Issue date	25 July 2019

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ☒ ⁺Securities described in Part 1

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

⁺ See chapter 19 for defined terms.

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Tick to indicate you are providing the information or documents

- 35 ☒ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders – To be advised when issued
- 36 ☒ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories – To be advised when issued
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought	N/A	
39	+Class of +securities for which quotation is sought	N/A	
40	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	N/A	
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	N/A	
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	Number	+Class

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Company secretary

Date: 17 June 2019

Print name: Sarah Smith

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	63,966,667
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	1,650,000 Collateral CDIs issued 19 February 2019 (ratified by shareholders on 23 May 2019) 1,752,500 CDIs issued 4 April 2019 (ratified by shareholders on 23 May 2019) 220,000 CDIs issued 4 April 2019 (ratified by shareholders on 23 May 2019) 66,666 CDIs issued on 4 April 2019 (Exception 4 to Listing Rule 7.2) 15,221,430 CDIs issued 23 May 2019 (approved by shareholders on 23 May 2019) 1,015,152 CDIs issued 3 June 2019 (approved by shareholders on 23 May 2019)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	83,892,415

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>

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Multiply “A” by 0.15	12,583,862
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>200,000 Performance Rights issued 19 June 2018</p> <p>68,279 CDIs issued 4 April 2019</p> <p>1,076,924 CDIs issued 7 May 2019</p>
“C”	1,345,203
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	12,583,862
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	1,345,203
Total [“A” x 0.15] – “C”	<p>11,238,659</p> <p><i>Note: this is the remaining placement capacity under rule 7.1</i></p>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	83,892,415
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	8,389,241
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	Nil

⁺ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	8,389,241
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	8,389,241 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.