

ASX APPENDIX 4D
RESULTS FOR ANNOUNCEMENT TO THE MARKET FOR THE SIX MONTHS ENDED
30 SEPTEMBER 2020

The following information should be read in conjunction with the Interim Report of CropLogic Limited for the half-year ended 30 September 2020 and the attached auditors' review

The Appendix 4D is prepared in accordance with ASX Listing Rule 4.2A.

1 Reporting periods

Reporting period: Half-year from 1 April 2020 to 30 September 2020.

Previous corresponding period: Half-year from 1 April 2019 to 30 September 2019.

2 Results for announcement to the market

		%	\$A
Revenue and other income	down	99.89%	2,185
Profit from ordinary activities after tax attributable to members	up	109%	247,588
Profit for the period attributable to members	up	109%	247,588

The comprehensive income/(loss) for the Group amounts to \$362,393 (30 September 2019: (\$2,851,420)).

3 Net tangible asset backing

	Reporting period (0.21)	Previous period 1.02
Net tangible (liabilities)/assets per ordinary security (cents)		

4 Controlled entities

Details of entities over which control has been gained or lost during the period.

	Principal activity	Place of incorporation & operation	Proportion of ownership interest and voting power held by the Group	
			30 September 2020	30 September 2019
Parent Entity				
CropLogic Limited	Holding company	New Zealand	100%	100%
Name of Controlled Entity				
Indigo Systems Limited	Telemetry	New Zealand	100%	100%
CropLogic USA LLC*	Holding company	United States	0%	100%
ProAg CropLogic LLC*	Agronomy services	United States	0%	100%
CropLogic Australia PTY LTD	Agtech Services	Australia	100%	100%
Lincoln Agriculture PTY LTD*	Holding company	Australia	0%	100%
CLPA Holding Company*	Holding company	United States	0%	100%
LogicalCropping LLC*	CBD producing Industrial Hemp	United States	0%	100%

*these companies were deregistered during the period.

5 Loss of control over entities

Name of Entity	Principal activity	Date of loss of control	Ownership %
CropLogic USA LLC*	Holding company	Apr-20	0%
ProAg CropLogic LLC*	Agronomy services	Apr-20	0%
Lincoln Agriculture PTY LTD*	Holding company	Apr-20	0%
CLPA Holding Company*	Holding company	Apr-20	0%
LogicalCropping LLC*	CBD producing Industrial Hemp	Apr-20	0%

6 Details of associates and joint venture entities

Not applicable

7 Dividends or distributions

No dividends were paid or declared during the period.

8 Independent review report

Refer to the independent review report within the attached interim financial statements for the half year ended 30 September 2020.

9 Compliance statement

This report should be read in conjunction with the attached interim financial statements for the half year ended 30 September 2020.

On behalf of the directors



Peter Gray

Non-executive Director

Date: 30 November 2021

Place: Perth, Western Australia

CropLogic Limited

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 30 September 2020

	Note	Unaudited 30-Sep-20 \$	Unaudited 30-Sep-19 \$
Revenue	3	2,185	2,078,202
Total Revenue		2,185	2,078,202
Operational expenses		(137,913)	(1,509,347)
General & administrative expenses		(54,040)	(1,790,124)
Depreciation & amortisation		-	(638,475)
Other income		438,769	3,798
Other gains/(losses)		(1,374)	-
Finance costs		(39)	(1,001,399)
Profit/(Loss) before tax		247,588	(2,857,345)
Taxation expense		-	-
Profit/(Loss) for the period		247,588	(2,857,345)
Items that may be reclassified to profit or loss			
Foreign exchange translation differences for foreign operations		114,805	5,925
Other comprehensive income for the period		114,805	5,925
Total comprehensive income/(loss) for the period		362,393	(2,851,420)
From continuing operations			
- Basic (cents per share)		0.032	(1.180)
- Diluted (cents per share)		0.032	(1.180)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

CropLogic Limited
Consolidated Statement of Financial Position
As at 30 September 2020

	Note	Unaudited 30-Sep-20 \$	Audited 31-Mar-20 \$
Equity			
Share capital	8	28,011,844	21,554,462
Accumulated losses		(29,800,124)	(30,047,712)
Reserves		73,163	(41,642)
Total Equity		(1,715,117)	(8,534,892)
Represented by:			
Current assets			
Cash & cash equivalents		42,557	182,849
Biological Assets	9	-	1,300,000
Total Current Assets		42,557	1,482,849
Current liabilities			
Trade & other payables		784,017	849,774
Borrowings	7	705,954	7,221,577
Other current liabilities		25,000	25,000
Income tax payable		242,703	255,895
Lease liabilities	6	-	820,761
Total Current Liabilities		1,757,674	9,173,007
Working Capital		(1,715,117)	(7,690,158)
Non Current Liabilities			
Lease liabilities	6	-	844,734
Total Non Current Liabilities		-	844,734
Net Assets		(1,715,117)	(8,534,892)

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

CropLogic Limited
Consolidated Statement of Changes in Equity
For the half-year ended 30 September 2020

	Issued capital	Other equity	Accumulated losses	Share based payment reserve	Foreign currency translation reserve	Total equity
	\$	\$	\$	\$	\$	\$
Balance at 1 April 2019	16,763,787	-	(13,004,426)	151,508	469,498	4,380,367
Loss for the period	-	-	(2,857,345)	-	-	(2,857,345)
Other comprehensive income for the period	-	-	-	-	5,925	5,925
Total comprehensive loss	-	-	(2,857,345)	-	5,925	(2,851,420)
Transactions with owners in their capacity as owners:						
Contributions of equity (net of transaction costs)	4,790,675	-	-	-	-	4,790,675
Performance rights	-	-	-	42,616	-	42,616
Share based payments	-	1,407,728	-	-	-	1,407,728
Employee share options forfeited	-	-	-	1,254,674	-	1,254,674
	4,790,675	1,407,728	-	1,297,290	-	7,495,693
Balance at 30 September 2019	21,554,462	1,407,728	(15,861,771)	1,448,798	475,423	9,024,640
Balance at 1 April 2020	21,554,462	-	(30,047,712)	1,588,876	(1,630,518)	(8,534,892)
Profit for the period	-	-	247,588	-	-	247,588
Other comprehensive income for the period	-	-	-	-	114,805	114,805
Total comprehensive income	-	-	247,588	-	114,805	362,393
Transactions with owners in their capacity as owners:						
Contributions of equity (net of transaction costs)	6,457,382	-	-	-	-	6,457,382
	6,457,382	-	-	-	-	6,457,382
Balance at 30 September 2020	28,011,844	-	(29,800,124)	1,588,876	(1,515,713)	(1,715,117)

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

CropLogic Limited
Consolidated Statement of Cash Flows
For the half-year ended 30 September 2020

	Note	Unaudited 30-Sep-20 \$	Unaudited 30-Sep-19 \$
Cash Flows from Operating Activities			
Cash receipts from customers		2,185	1,566,733
Cash paid to suppliers and employees		(228,560)	(8,821,470)
Other income		99,035	-
Interest income		-	3,798
Interest paid		(39)	(19,446)
Net Cash Flows used in Operating Activities	4	(127,379)	(7,270,385)
Cash Flows from Investing Activities			
Payments for property, plant and equipment and intangibles		-	(460,067)
Net Cash Flows used in Investing Activities		-	(460,067)
Cash Flows from Financing Activities			
Proceeds from issue of shares, net of costs		-	4,531,717
Repayment of lease liability		-	(220,808)
Proceeds from borrowings		-	4,765,036
Net Cash Flows from Financing Activities		-	9,075,945
Net (decrease)/increase in cash and cash equivalents		(127,379)	1,345,493
Effects of exchange rate changes on the balance of cash held in foreign currencies		(12,913)	(18,078)
Cash at the beginning of the year		182,849	474,694
Cash at the End of the Year		42,557	1,802,109

Notes to and forming part of the Financial Statements

1 General Information

These interim financial statements are for CropLogic Limited ("the Company" or "CropLogic") and its subsidiaries (together "the Group"). The Company is a limited liability company incorporated in New Zealand and listed entity on the Australian Securities Exchange. The registered office of the Company is DLA Piper New Zealand, Chartered Accountants House, Level 4, 20 Customhouse Quay, Wellington, 6011, New Zealand.

Statement of Accounting Policies

Basis of Preparation and Statement of Compliance

These are the interim financial statements for the Group for the six months ended 30 September 2020.

The unaudited interim financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with New Zealand Equivalent to International Accounting Standard 34 (NZ IAS 34) "Interim Financial Reporting" and International Accounting Standard IAS34 as applicable for profit oriented entities. Consequently these interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the audited financial statements for the year ended 31 March 2020 and any public announcements made by CropLogic during the interim reporting period.

The accounting principles recognised as appropriate for the measurement and reporting of the Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position on a historical cost basis are followed by the Group, unless otherwise stated in the Specific Accounting Policies. The information is presented in Australian dollars. All values are rounded to the nearest dollar.

The unaudited interim financial statements are prepared in Australian Dollars (\$) (the presentation currency).

Application of new and revised New Zealand Equivalents to International Financial Reporting Standards (NZ IFRSs)

The Group has adopted all of the mandatory new and revised Standards and Interpretations issued by the External Reporting Board (the XRB) that are relevant to their operations and effective for the current half year.

New and revised NZ IFRSs in issue but not yet effective

The XRB have issued a number of Standards, amendments, and interpretations which are not yet effective for financial statements. These new and revised NZ IFRSs are not expected to have a material impact on the Group in future reporting periods.

Notes to and forming part of the Financial Statements

Going concern

These financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business following the effectuation of the DOCA.

As disclosed in the interim financial statements, the Group incurred a profit of \$247,588 and had net cash outflows from operating activities of \$127,379 for the half-year ended 30 September 2020. As at that date, the Group had net current liabilities and net liabilities of \$1,715,117. The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to secure a new asset to recapitalise the Company, raise additional capital and managing its contractual and discretionary cash outflows in line with available funds to enable the Group to meet both its current and future obligations as disclosed in the financial report.

During the period the Company undertook a review and restructure of operations, as announced on 23 March 2020, including the dissolution of its wholly owned subsidiaries in the USA, announced on 3 April 2020,

On 22 July 2020, Craig Melhuish and Christine Johnston, Chartered Accountants, were appointed as joint and several Voluntary Administrators of CropLogic.

On 25 August 2020, the Company announced that it had entered into a Deed of Company Arrangement ("DOCA") presented by Nexia New Zealand which was ultimately executed on 15 September 2020.

The directors are satisfied that the going concern basis of preparation of the financial report is appropriate, on the basis of:

- Effectuation of the DOCA and subsequent capital raisings post effectuation; and
- Completed settlement agreement with Atlas in relation to various loan facilities.

The ability of the Company to secure a new asset and raise sufficient funds to enable it to successfully recapitalise represents a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Should the Group be unable to continue as a going concern it may be required to realise its asset and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial report of the Group does not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts and liabilities as and when they fall due.

Critical judgements in applying accounting policies

In preparing these financial statements, the Group has made estimates and assumptions concerning the future in order to determine certain balances at reporting date. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. All estimates in these financial statements are consistent with those from previous financial statements.

Significant Changes in the Current Reporting Period

Except for above, there were no significant changes in the half year ended 30 September 2020.

Notes to and forming part of the Financial Statements

2 Segment Information

The Chief Executive Officer and members of the executive team are the Group's chief operating decision makers. They have determined that based on the information they use for the purposes of allocating resources and assessing performance, the Group itself forms three segments. These segments are organised in geographical locations.

The segments of the Group are composed of the following:

- Australia
- New Zealand
- United States

Cessation of Operations

On 22 July 2020 the company entered Voluntary Administration. All operations in relation to Aerial Imagery, Hydroprobe, CropLogic RealTime, and Telemetry ceased during the previous year ending 31 March 2020.

Segment revenue and profit (loss)

	Revenue Half-year ended		Segment profit Half-year ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
	\$	\$	\$	\$
Australia	-	-	56,743	-
New Zealand	-	-	193,796	(2,893,124)
United States	2,185	2,078,202	(2,951)	35,779
Profit or (Loss) before tax and eliminations	<u>2,185</u>	<u>2,078,202</u>	<u>247,588</u>	<u>(2,857,345)</u>
Income tax expense (benefit)	-	-	-	-

The revenue above represents revenue generated from external customers. There were no intersegment sales during the half-year.

The following is an analysis of the Group's assets and liabilities by reportable operating segment:

	Assets		Liabilities	
	30 September 2020	31 March 2020	30 September 2020	31 March 2020
	\$	\$	\$	\$
Australia	42,219	54,798	-	(1,456,624)
New Zealand	338	12,251,273	(1,757,674)	(8,352,245)
United States	-	1,428,051	-	(13,806,708)
Intersegment Eliminations	-	(12,251,273)	-	13,597,836
Total Assets	<u>42,557</u>	<u>1,482,849</u>	<u>(1,757,674)</u>	<u>(10,017,741)</u>

3 Revenue

	Half-year ended	
	30 September 2020	30 September 2019
	\$	\$
Revenue from contracts with customers recognised at a point in time		
Sale of services	2,185	2,037,052
Sale of goods	-	41,150
	<u>2,185</u>	<u>2,078,202</u>

Notes to and forming part of the Financial Statements

4 Reconciliation of Cash Flows from Operations

	Half-year ended	
	30 September 2020	30 September 2019
	\$	\$
Profit/(Loss) for the period	247,588	(2,857,345)
(Less)/plus non cash items		
Depreciation & amortisation	-	638,475
Financial instruments at FVTPL	-	22,681
Net foreign exchange (gains)/losses	43,093	-
Share based payments	-	443,635
Finance costs	-	981,953
(Less)/plus changes in working capital		
Decrease/(increase) in trade & other receivables	-	(511,046)
Decrease/(increase) in biological assets	1,300,000	(5,197,036)
Decrease/(increase) in current tax receivable	-	(413)
Decrease/(increase) in stock & work in progress	-	(62,645)
Decrease/(increase) in other current assets	-	(512,286)
(Decrease)/increase in trade & other payables	(52,565)	(345,994)
(Decrease)/increase in other current liabilities	(1,665,495)	129,636
Net cash outflow from operating activities	(127,379)	(7,270,385)

5 Right-of-use Assets

The Group leases land and buildings for its offices and storage under agreements for two years. In some cases, the agreements have options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

	Half-year ended	
	30 September 2020	31 March 2020
	\$	\$
Right-of-use Assets:		
Leased buildings	-	1,944,669
Accumulated depreciation	-	(668,206)
Impairment	-	(1,276,463)
	-	-

6 Lease Liabilities

	Half-year ended	
	30 September 2020	31 March 2020
	\$	\$
Current lease liability	-	820,761
Non-current lease liability	-	844,734
	-	1,665,495
Opening Lease liability	1,665,495	
Disposal of Biological Assets	(1,300,000)	
Reversal of Lease liability to Income statement	(365,495)	
Closing Lease liability	-	

Notes to and forming part of the Financial Statements

7 Borrowings

	Half-year ended	
	30 September 2020	31 March 2020
Unsecured - at amortised cost	\$	\$
Loans from related parties	237,722	6,714,716
Loans from other entities	468,232	506,861
	<u>705,954</u>	<u>7,221,577</u>

8 Share Capital

	Half-year ended	
	30 September 2020	31 March 2020
Issued capital comprises	\$	\$
810,327,498 fully paid ordinary shares (31 March 2020: 416,605,449)	28,011,844	21,554,462
Fully paid ordinary shares	Number of shares	Number of shares
Opening balance	<u>416,605,449</u>	<u>296,602,740</u>
Fully paid ordinary shares issued at \$0.040	-	78,503,125
Fully paid ordinary shares issued at \$0.038	-	3,709,250
Fully paid ordinary shares issued at \$0.060	-	37,040,334
Fully paid ordinary shares issued at \$0.080	-	750,000
Fully paid ordinary shares issued at \$0.020	17,500,000	-
Fully paid ordinary shares issued at \$0.016	376,222,049	-
Closing balance	<u>810,327,498</u>	<u>416,605,449</u>

All shares rank equally with regard to the Group's residual assets. The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Group. The shares have no par value.

9 Biological Assets

	Half-year ended	
	30 September 2020	31 March 2020
	\$	\$
Opening balance	1,300,000	-
Additions during the year	-	3,591,171
Impairment	-	(2,291,171)
Disposal of Biological Asset	(1,300,000)	-
	<u>-</u>	<u>1,300,000</u>

Biological assets were released in settlement of the lease liability.

10 Contingent liabilities and contingent assets

The Group has no contingent liabilities as at 30 September 2020.

11 Events after the reporting period

The following subsequent events have arisen and/or occurred between 30 September 2020 and the date of this report that could have a significant impact on the operations of the Group, the results of those operations, and the state of affairs of the Group in future years.

On 15 September 2020, a Deed of Company Arrangement was executed with the Company's major shareholder, Atlas Capital Markets Limited. On 30 March 2021, the Deed terminated and control of the Company returned to the Directors. As a result of the DOCA, the only debt remaining in the Company is \$126,250. Atlas Capital Markets Limited has agreed not to call any of the debt.

The CropLogic Board has been reviewing suitable projects for the Company and its Shareholders. In August 2021 the Board began discussion with Rocktivity Mining Pty Ltd for the proposed acquisition of exploration assets in the Kimberley region. The Company is seeking reinstatement to the ASX on this basis.

Croplogic Limited entered a binding terms sheet agreement to acquire 100% of the issued capital in Rocktivity Mining Pty Ltd and an option to acquire all of the tenements held by Rocktivity Mining Pty Ltd as part of the re-admission of Croplogic Limited to the official list of the Australian Securities Exchange.

12 Commitments for expenditure

The Group has no capital commitments as at 30 September 2020 (31 March 2020: \$0).



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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE SHAREHOLDERS OF
CROPLOGIC LIMITED**

Report on the Interim Financial Statements

We have reviewed the accompanying interim condensed financial statements of CropLogic Limited (the "Company") and its controlled entities (the "Group"), which comprise the statement of financial position as at 30 September 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the six month period ended on that date, and a summary of significant accounting policies and selected explanatory notes. The Group comprises the Company and the entities it controlled at 30 September 2020, or from time to time during the period.

Director's Responsibility for the Financial Statements

The Directors are responsible on behalf of the Company for the preparation and fair presentation of these financial statements in accordance with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting ("NZ IAS 34") and International Accounting Standard 34 ("IAS 34") and for such internal controls as the Directors determine are necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with the New Zealand Standard on Review Engagements 2410 *Review of Financial Statements Performed by the Independent Auditor of the Entity* ("NZ SRE 2410"). NZ SRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared in all material respects, in accordance with NZ IAS 34 and IAS 34. As the auditors of the Company, NZ SRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial statements.

A review of the financial statements in accordance with NZ SRE 2410 is a limited assurance engagement. The auditors perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

We are independent of the Group. Our firm has not carried out any other services for the Group.

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Material Uncertainty Related to Going Concern

We draw attention to Note 1, which indicates that the Group had net cash outflows from operating activities of \$127,379 for the six month period ended 30 September 2020. As at that date, the Group had net current liabilities and net liabilities of \$1,715,117. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 30 September 2020 and the performance and cashflows for the six month period then ended in accordance with NZ IAS 34 and IAS 34.

Restriction on Distribution or Use

This report is made solely to the Company's shareholders, as a body. Our review work has been undertaken so that we might state to the Company's shareholders those matters which we are required to state to them in our review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders, as a body for our review procedures, for this report, or for the conclusion we have formed.



RSM AUSTRALIA PARTNERS



TUTU PHONG
Partner

Perth, WA
Dated: 30 November 2021