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CROPLOGIC TO RELOCATE HEAD OFFICE TO AUSTRALIA WITH REVITALISED CORPORATE STRUCTURE TO CAPTURE NEW REVENUE STREAMS

Highlights:

- Head office to move from New Zealand to key revenue target market in Australia
- Commercialisation strategy revisited to take greater advantage of partnerships and direct sales opportunities
- Refocus of the research and development strategy to maximise shareholder benefit from CropLogic's professional network and potential Government grants and rebates
- Corporate structure streamlined to more easily capture commercialisation opportunities

CropLogic Limited (ASX: CLI) is pleased to announce today that it has revisited its corporate and commercialisation strategy resulting in the application of a revised value adding approach.

Commercialisation strategy

CropLogic's main focus in the lead up to and after the ASX listing was a market strategy that centres on growth through acquisitions. This has been a successful strategy for CropLogic to date that has seen the Group establish 'beachheads' in the USA market and as announced on [3 April 2018](#), potentially now also Australia. However, having established these Beachheads and considering the positive market reaction to the CropLogic service amongst growers and potential partners, CropLogic now plans to diversify its commercialisation strategy. Acquisitions will continue to be under consideration, but an equal or greater focus will now be given to commercialisation via direct sales and / or partnerships.

The focus on key revenue target markets will continue to be in the lucrative agricultural markets in the USA and Australia.



Refocus of the Research and Development Strategy

The Research and Development component of the Group's in-house team will also be reduced. To date CropLogic has had a focus on conducting research and development with in-house teams and those teams have primarily been located in New Zealand.

CropLogic will continue to research and develop cutting edge technology but will now endeavor to do so with greater emphasis on partnering with research institutions, industry bodies and agricultural commercial enterprises around the world. By partnering with these groups and their knowledge, CropLogic sees this as having a multiplier effect on the Group's core technical expertise whilst also having the potential to shorten the time period between Research and Development to revenue generation.

CropLogic has a long and successful history of working closely with some of the most respected agricultural institutes and some of the largest agricultural enterprises around the world. CropLogic intends to use this knowledge and expertise in working with these organisations to accelerate and value add to its current Research and Development Programs.

A greater focus will also be given, where possible to undertaking this research and development in countries and regions that are key revenue targets for the Group, such as Australia and the USA and also countries and regions that offer research and development incentives, such as the Research and Development Grant available in Australia.

This refocus of the Research and Development Strategy, will see the in house technical team reduced and relocated. As a result of this change, CropLogic will be able to support all revenue generating technologies whilst allowing it to maximise shareholder return on future Research and Development.

Value Adding Corporate Restructure

Following the resignation of the Managing Director (as announced on [26 April 2018](#)) the corporate structure of the Group has been reviewed to see how it can best be structured to add value.

Appointment of Chief Executive Officer – James Cooper-Jones

Given the change in size and nature of the Company's overall operations, it has been decided to make the role of Managing Director redundant and to appoint a Chief Executive Officer. The Board believes that by separating the Chief Executive role from that of a Director of the Company it allows the Chief Executive to focus on the commercial success of the Company and execution of this new revised strategy.

The Board has resolved to appoint James Cooper-Jones as Chief Executive Officer. James was previously the Chief Financial Officer and Company Secretary.



Appointment of Company Secretary – Susan Hunter of Hunter Corporate

It has been resolved to appoint Susan Hunter from Hunter Corporate as Company Secretary of CropLogic Limited.

Ms. Hunter has 20 year's experience in accounting and Company Secretarial roles at Big 4 accounting firms including PwC and Ernst and Young, corporate listed entities and a corporate advisory firm. This has seen Ms. Hunter have exposure to and gain experience in a broad range of transactions, fund raisings and ASX, ASIC and share registry matters. This experience will complement CropLogic's current Executive and Board skill sets well.

Appointment of Chief Financial Officer – Daniel Bramich of Bourke Group

It has been resolved to appoint Daniel Bramich from Bourke Group as Chief Financial Officer.

Bourke Group is an award winning Financial Services business focused on the Small to Medium Enterprise Market with operations deep in the Australia food bowl of regional Victoria, Melbourne and internationally. Bourke Group currently provides end to end financial services for 19 Companies in the middle market, with turnovers ranging from \$5m - \$100m. This includes Companies with operations in Australia, New Zealand and the USA with many of these Companies core business being in Agriculture or Agricultural services.

Daniel Bramich has 9 years Australian and international experience in Taxation and Advisory, Corporate Strategy and Management and hands on Business Directorships across multiple companies and disciplines. This has included previously being the Manager in charge of launching an offshore business with 60 employees, and most recently, the Managing Director of a start-up company operating across three Australian states and achieving turnover of \$7.3m within two years of commencing operation.

Intent to move head office to key revenue target market Australia

Australia has long been a stated key revenue target region for CropLogic Limited. Upon review and considering the growth and interest from that Country it has been decided to move the head office of the Company to Australia. A final location is yet to be decided but of particularly focus is being given to key agricultural regions in the eastern states of the Australia, such as a Riverina in NSW, Sunraysia / Mallee regions of Victoria / NSW, the North West Slopes of Northern NSW and Northern Tasmania.

A relocation of the head office to regional Australia will allow greater ease of access to CropLogic executives and staff to key revenue partners and potential clients. It will also where appropriate make available certain grants and rebates such as the Research and Development Grant.

In commenting on the corporate restructure and refocus of the CropLogic business, Chairperson, Mrs. Edwardes said:



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“Every business from time to time needs to be looked closely at how it can best deliver on providing shareholder value. These changes and the corporate restructure announced today will see Head Office and technical staff reduced from 13 to 5. It is through this refocus and reinvigoration that the business can align its Executive and Management team on the main game of delivering business opportunities and revenue from the key focused markets in Australia and the US.”

About CropLogic

CropLogic is an award winning New Zealand agronomy services company listed on the Australian Securities Exchange (ASX) and currently servicing approximately 60,000 acres or 30% of the potato market in Washington State, USA.

CropLogic offers large scale crop growers agronomic expertise based upon scientific research and delivered with cutting edge technology – science, agronomy and technology interwoven into an expert system for decision support.

CropLogic builds upon 30 years of scientific research by The New Zealand Institute of Plant and Food Research, an internationally-recognised Crown Research Institute. The CropLogic analytical platform gathers crop data via in-field sensors coupled with satellite communications, before processing this with proprietary scientific models to predict outcomes and optimise field productivity. Skilled agronomists help present this information to the grower and assist them in their critical decision-making process.

The CropLogic system has been developed with the benefit of over 500 field trials throughout Australia, China, New Zealand, and the United States of America. In 2017 the system was commercially launched into Washington State, USA.

For more information please visit: <http://www.croplogic.com/>

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