

28<sup>th</sup> October 2019

## Hemp Trial Farm Commences Biomass Shipments

### Highlights

- **Hemp Trial Farm makes first Biomass Shipment under A\$15 million contract**
- **Harvest timeline remains on track**
- **Harvest methodology – swathing, field drying, combining – proving successful**

CropLogic Limited (ASX: CLI) (**CropLogic** or **Company**), award-winning global agronomy, farm management and agtech company, advises that shipments have commenced under the supply agreement announced on [6 August 2019](#).

The supply agreement provides that CropLogic's wholly owned subsidiary, LogicalCropping LLC, will supply biomass in weekly shipments. Payment in US\$ will follow each delivery. Provided these deliveries are completed the total supply agreement value is US\$10,500,000 (A\$15.4 million).



*Figure 1: Combine harvester on field Aries with the Sisters in the background*



'The commencement of shipping of biomass is a significant milestone in the hemp trial farm', said CropLogic CEO James Cooper-Jones, 'this milestone caps off a seed to sale story for the hemp trial farm and speaks volumes to CropLogic's agronomy, farm management and agtech expertise.'

*Figure 2: Image showing the consistency of Biomass directly from the Combine. Management and buyers have been pleased with the consistency of material from the combine, potentially eliminating the need for brushing.*

## Harvest timeline remains on track

The harvest timeline remains on track. There remains an element of ‘dialling in’ of machinery and processes to the extent that would be commonly expected for a project such as the trial farm, however this notwithstanding the harvest is progressing well.

The methodology of swathing (sometimes called windrowing in Australia and New Zealand), field drying and then combining biomass has to date been successful (see Figure 1). Investors may remember a process of brushing after combining had been considered. However, management and buyers have been pleased with the consistency of biomass material from the combine (see Figure 2), potentially eliminating or at least reducing the need for brushing. This not only reduces the cost of brushing but also streamlines the harvesting process both this season and in any eventual expansion.



Figure 3: Supersacks of biomass stored in shedding ready for tagging.



Figure 4: Biomass being weighed and tagged.

The harvest progress is such that the Company’s warehousing procedure is now being implemented. This includes bagging the biomass into supersacks (sometimes called Bulka Bags in Australia and New Zealand) (see Figure 3), weighing and tagging and then storing for sale.

### The eight stages of hemp farming

LogicalCropping’s farm plan consists of eight stages, based on the needs of the farm and plants.

These various stages of the farm plan are (with indicative timeline):

- |                                    |                  |
|------------------------------------|------------------|
| ✓ Pre-planting                     | <b>Completed</b> |
| ✓ Planting                         | <b>Completed</b> |
| ✓ Growth, Maintenance & Management | <b>Underway</b>  |
| ✓ Flowering                        | <b>Commenced</b> |
| ✓ Compliance Testing               | <b>Completed</b> |
| ✓ Harvest                          | <b>Underway</b>  |
| ✓ Processing/Sale                  | <b>Underway</b>  |
| • Post-harvest                     | Nov – Dec        |



Figure 5: Biomass tagged and ready for sale.

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### **About CropLogic**

CropLogic is an award-winning global agricultural technology company listed on the Australian Securities Exchange (ASX). After launching its product into Washington State, USA in 2017, CropLogic is currently servicing a significant portion of horticultural growers in this region, with a market share as high as 30% in some crops. Following significant growth (2017-2018) in Washington State and Northern Oregon, in 2018, CropLogic expanded into the Idaho market. CropLogic offers growers of irrigated crops with digital agricultural technology expertise based upon scientific research and delivered with cutting edge technology – science, agronomy and technology interwoven into an expert system for decision support. For more information, please visit: <http://www.croplogic.com/>

Comments on nature of Trial Farm: The LogicalCropping Hemp Trial Farm is a trial farm and one of the stated aims is to trial farming and cropping methodologies that will assist with the cropping of hemp at scale. As such, methodologies employed may differ or be adapted from time to time and from the ones outlined in this announcement.

Conversions from US\$ to A\$ have been rounded down to US\$1:A\$0.68