

24 NOVEMBER 2021



OFFER OF FULLY-PAID ORDINARY SHARES IN DIT AGTECH LIMITED
AT \$0.40 PER SHARE TO RAISE A MAXIMUM OF \$3,000,000.
MINIMUM RETAIL INVESTMENT IS \$200 AND MAXIMUM IS \$10,000.
THIS CROWD-SOURCED FUNDING (CSF) OFFER DOCUMENT RELATES TO THE
OFFER OF FULLY-PAID ORDINARY SHARES IN DIT AGTECH LIMITED. THIS
OFFER IS MADE UNDER THE CSF REGIME IN PART 6D.3A OF THE
CORPORATIONS ACT 2001 (CORPORATIONS ACT).

ISSUER
DIT AGTECH LIMITED. (ACN 623 091 743)

INTERMEDIARY
BIRCHAL FINANCIAL SERVICES PTY LTD AFSL 502618

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Section 1

Risk Warning

Crowd-sourced funding is risky. Issuers using this facility include new or rapidly growing ventures. Investment in these types of ventures is speculative and carries high risks.

You may lose your entire investment, and you should be in a position to bear this risk without undue hardship.

Even if the company is successful, the value of your investment and any return on the investment could be reduced if the company issues more shares.

Your investment is unlikely to be liquid. This means you are unlikely to be able to sell your shares quickly or at all if you need the money or decide that this investment is not right for you.

Even though you have remedies for misleading statements in the offer document or misconduct by the company, you may have difficulty recovering your money.

There are rules for handling your money. However, if your money is handled inappropriately or the person operating the platform on which this offer is published becomes insolvent, you may have difficulty recovering your money.

Ask questions, read all information given carefully, and seek independent financial advice before committing yourself to any investment.



Section 2

Information about the company

We have to give things a go. If we don't, we don't go anywhere.

In a very conservative world, I'm a rarity - a regional entrepreneur. I love to spot opportunities and create something out of nothing. And there's a helluva lot of nothing in rural Australia.

I've started businesses a number of times. There's been some fantastic successes and some sobering failures. Out here you learn pretty quickly that things outside your control can bring you to your knees. But you get back up, keep going, because if you don't, you won't go anywhere.

Nearly 5 years ago I decided to create a product that removed the risks and put farmers more in control. I've done a lot of things in my career - mustering, finance, logistics, property, aviation - and everything I've done has been training me to do this.

Our business has navigated some very stormy waters of late during COVID but the core of our product offerings continues to bring immense value to our customers. We are in the privileged position to have more orders for our tech and innovation than we can supply, the opportunity to raise capital from the crowd allows us to build more of our dosing tech to meet these orders and continue to scale our business to make a meaningful impact on agriculture.

“ Now we're going somewhere. Even in the middle of nowhere.”

*Mark Peart, Founder**

Additionally the capital will assist us in a mission, I personally feel is important for generations to come, and that is to heal our planet from the effects of climate change by commercialising methane reducing additives fed via our delivery systems directly into the drinking water of livestock.

Over the last few years we have also come to realise that the opportunity for DIT is not just a financial one. We have the ability to change the way we grow livestock with the use of our technology platform by, using our hardware and software, we can supplement livestock at scale with methane reducing additives to help reduce GHG and allow farmers to capture carbon credits globally.

This opportunity goes to the core purpose of what we are doing which is to help “farmers better feed the world and enable them to produce more with less better.”

Now we're going somewhere. Even in the middle of nowhere.

Let your work speak.



Mark Peart
CEO & Founder



*Individual has provided consent to inclusion of this statement.



2.1 Company Details

THIS OFFER OF SHARES IS MADE BY DIT AGTECH LIMITED. ACN 623 091 743
(THE COMPANY).

COMPANY NAME DIT AgTech Limited (Formerly DIT Technologies LTD)

ACN 623 091 743

OFFER TYPE Crowd-Sourced Funding

OFFER DATE 24th November 2021

OFFER DETAILS Offer of fully paid shares in DIT AgTech Limited at \$0.40 per share to raise a maximum of \$3,000,000

REGISTERED OFFICE AND CONTACT DETAILS Unit 1B 7-9 Gardner Court,
Wilsonton QLD 4350

PRINCIPAL PLACE OF BUSINESS Unit 1B 7-9 Gardner Court,
Wilsonton QLD 4350

RELATED COMPANIES Direct Injection Systems Pty Ltd
Harrington Systems Electronic Pty Ltd
AGFin Pty Ltd

2.2 Our Scorecard

Since its establishment in 2016 DIT has bootstrapped its operations and growth; something which, as a company we are very proud of and goes to the very core of our company's ethos; doing more with less!

To date, the company has raised approximately \$1.5m of equity via two crowd funding offers from over 500 individual and sophisticated investors. These shareholders all saw the value in what we were achieving in the AgTech space.

More recently, DIT went to the market with a Convertible Note offering, to fully fund the business for the coming 24 months. To date we have raised \$2.4 million to fund the rollout of DIT equipment and technology to known customers.

One thing that has been challenging for DIT is to convey to potential investors, is the difference in DIT's revenue model vis-à-vis typical tech SaaS revenue models. Rather than being underpinned by 1,000s or even millions of customers with low value monthly subscriptions, with constant churn as their challenge; DIT's revenue model is founded on providing much needed and essential supplements to cattle by supplying the water dosing equipment and technology to farmers and charging for the supplements used, making for very "sticky" customers and what we call "Supplements as a Service".

DIT have now installed over 184 dosing units to current and proof of concept customers in Queensland and NT, dosing upwards of 72,000 head of cattle (depending on the climate), spread over 3 million hectares on 13 pastoral properties, as set out on the following pages.

The results are that cattle receive the correct dosage of supplements for their weight, increased production and productivity gains and lower cost than the alternatives, which is why DIT has a very large pipeline of customers waiting for installations.

Food production is a real and pressing problem, with the requirement to feed 9.8 billion people across the globe by 2050, and the Australian agricultural sector is at the forefront of this challenge. Moreover, the Australian cattle industry, being a prime source of nutrition for the world's population, will need to expand their production by up to 100% in the next 30 years to help meet this demand.¹ This trend is already being manifested in an increase demand for DIT's technology and supplementation products.

**THE CHALLENGE NOW FOR
DIT IS NOT THE DEMAND, BUT
RATHER THE NEED FOR
WORKING CAPITAL TO
EXECUTE ON THE CURRENT
OPPORTUNITY WHICH IS
BEFORE US.**



1. Source: <https://www.fao.org/3/i6583e/i6583e.pdf>

As outlined in the following table, with limited financial resources notwithstanding, DIT have been able to achieve significant on farm results across several properties throughout Northern Australia.

Current Clients	Size of Operation	DIT's Current Base	Potential Capacity	Comments
Paraway Pastoral Company	<ul style="list-style-type: none"> 220,000 Cattle 250,000 Sheep 4,481,370 Ha 	Across 2 stations, 25 dosers supplementing upwards of 40,000 cattle	Over 150,000 head of cattle and 150,000 sheep	First follower of DIT, our largest recurring revenue client in Northern Australia
Clean Agriculture and International Tourism C.A.I.T.	<ul style="list-style-type: none"> 65,000 Cattle on properties in the East Kimberley between Katherine and Kununurra 	Across 3 stations, 22 dosers supplementing upwards of 20,000 cattle	Over 45,000 head w infrastructure and potential to expand in time	First follower of DIT, in the East Kimberley region
AJM Pastoral	<ul style="list-style-type: none"> 100,000 head of Cattle 	2 uDOSEs supplementing 7,000 head of livestock	Over 50,000 head of cattle	Progressive grower who is moving fast to adopt DIT's technology
Proof of Concept Clients	Size of Operation	DIT's Current Base	Potential Capacity	Comments
Australian Agriculture Company (AACo)	<ul style="list-style-type: none"> 400,000 head of Cattle 	8 uDOSEs - proof of concept program at Brunette Downs supplementing 800 cows	Over 100,000 head at Brunette Downs alone and over 200,000 across the group	Potential to adopt quickly and scale at speed in 2022
Consolidated Pastoral Company (CPC)	<ul style="list-style-type: none"> 250,000 head of Cattle 	1 uDOSE on Newcastle Waters, supplementing 700 cows	Over 50,000 head of cattle	A successful Proof of Concept program may scale to 20,000 or more in FY22
AAMI	<ul style="list-style-type: none"> 60,000 head of Cattle 	12 uDOSEs to be installed on Legune supplementing 4,000 breeders	Over 25,000 head on Legune alone and in excess of 40,000 head across the group	Rapid mover who will scale to over 20,000 head within 6 months

*note potential capacity of each client has been calculated by DIT management having visited and inspected the clients properties and from industry experience in understanding livestock production systems and supplementary feeding methodologies.

DIT was among the first few companies to make an offer to the public under Australia's CSF regime, raising over \$1.5 million from two rounds of funding in 2019 and 2020 and have raised over \$4 million in total to October 2021. From this, we have achieved the following impressive results.

Strategic Focus	Strategic Objectives	Progress	Future
Manufacturing	Factories and warehouses commissioned across Australia to support the manufacturing requirements of the sales pipeline.	DIT has commissioned its major manufacturing facility in Townsville for Technology and Supplements. Micro Factories are currently commissioned in Katherine, Mt Isa and Murray Bridge SA along with the existing Toowoomba facility.	Commission micro factories in Perth and Camooweal during 2021-2022.
Sales To onboard customers within the next 2 years to achieve forecast revenue by feeding over 250,000 head of cattle in Australia.	Technology The deployment of dosing units and IoT devices across Australia switching livestock producers to water supplementation.	DIT currently has 184 Dosing units, 466 Cameras and 315 tank sensors connected to its uSEE platform. There is an additional 89 units currently on the production line being manufactured to add to our FSM.	To build out a sales pipeline for over 5400 dosers plus other IoT devices such as cameras and tank sensors which we will package within full service models to customers within sale of supplements.
	Supplements Providing high quality livestock supplements that can be deployed through the water dosing technology.	Currently supplying supplements to customers who have installed the dosing technology where we are delivering cost savings between 8c and 40c per head per day, all while increasing reproduction rates by up to 15%, and weight gains enabling farmers to sell more kgs of meat from less animals.	Continue to bring new supplement products to market and supply customers with solutions for feeding livestock to maximise production all while enhancing animal welfare and reducing emissions.
Strategic Partnerships	DIT are developing strategic partnerships across the whole ag value chain. The partnerships are designed to expand the value to the DIT customer.	DIT is currently offering a Full Service Model to customers in Northern Australia that includes delivery of supplements to the rumen.	Customer feedback has prompted DIT to investigate the addition of a subscription based network marketing model as another strategic path to sales.

Cont >>.

Strategic Focus	Strategic Objectives	Progress	Future
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Recurring Revenue	To build out recurring revenue models that create 'sticky' long term customers.	DIT has, to date, built out Full Service Models (FSM) in the Northern Australia beef sector whereby we provide all the tech and infrastructure installed FOC over huge expansions of land and the client pays by the litre used under longer term agreements. Currently 5 of the largest corporate Ag operators are customers on the FSM. Once the dosers are installed, they quickly generate recurring revenue streams.	To develop SaaS (supplements as a service) models across all sectors of the livestock industry in Australia, where our tech is free but the farmer enters into long term supply of supplements are regular intervals of delivery.
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Our People	To grow a diversified, supportive and adaptive DIT team of employees.	DIT currently has a team of 30 employees from 11 countries, covering a range of positions from sales, marketing, manufacturing, finance, research and commercial development.	As we expand the business in 2021, DIT is recruiting a number of graduates who have specialised in ag science and tech positions to drive our business in the marketplace. We are very proud to date of our multicultural and diverse employees who are passionate about making a change.
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Export	DIT intends to expand into major agricultural markets such as the US, South America & NZ.	Our whole focus as a business is to build out our revenue models in Australia first and then scale into overseas markets once established nationally - we are nailing our model in Australia before we scale it globally. We intend to raise further capital to fund this expansion.	Estimated for 2022 and beyond.
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Strategic Focus	Strategic Objectives	Progress	Future
Research & Development	Supplements: To produce a range of products that improve the welfare, environmental and growth requirements of livestock production.	DIT has commercialised a range of products to the market including the uPRO Range, uTETANY, and the uCALM Range.	DIT is currently developing products for dark cutter reduction in meat processing and supplements to assist in the reduction of methane emissions.
	DIT aims to expand its services to include the digital management of data being generated from IoT devices and offer customers facilitated analytical solutions to real farm issues.	At present, this is in the R&D phase. DIT is however warehousing data on livestock drinking patterns and nutritional metrics.	DIT is evaluating a partnership with Walk Over Weighing technology with a view to roll out remote weighing platforms across our current customers. The aim of this is to collect data eg. livestock weights to better manage nutritional requirements.
	Product Development: To innovate and bring to market new products that aim to increase, agricultural production, enhance animal welfare all while assisting to reduce emissions.	DIT is currently in the research and development stage for new supplement products looking to abate methane emissions and reduce stress on animals.	DIT will continue to build on results from these projects and continue to seek to solve real issues in the agricultural sector with the development of technology.

2.3 Capital Raise Objectives

Bringing on investment will enable DIT to scale up its operations and grow revenues from the immediate sales opportunities we have in Northern Australia to meet our FY22 revenue projections.

CAPITAL RAISED WILL ASSIST WITH

1

Building more dosing devices to meet increased customer demand & sales pipeline orders

2

Funding R&D for full commercial deployment of methane reducing technology to industry

2.4 Description of the Business

2.4.1 Overview – Technology for more economical, sustainable & ethical food production

DIT is an AgTech company innovating solutions to help farmers better feed the world. We are bringing smart, simple technology to agriculture to get the land working better for everyone.

Our mission is to enable farmers to do more with less.

To do this the world needs impact farming.

By 2050, with the global population expected to reach 9.8 billion, our food supplies will be under far greater stress. According to the World Economic Forum, demand will be 60% higher than it is today, but climate change, urbanisation, and soil degradation will have shrunk the availability of arable land. Add water shortages, pollution, and worsening inequality into the mix and the implications are stark.¹

AgTech can multiply the positive impact of sustainable farming:

- Helps farmers improve results in the harshest environments.
- Replaces old-school methods with more efficient, best practice management.
- Less harm farming, reducing methane, greenhouse gasses and soil erosion.
- Animal welfare improvement, both on the farm and in transport.
- And helps secure the food to feed our growing world.

IMPACT FOR FARMERS

Increasing productivity, our tech also saves time, money & labour.

We lighten the load. Big time.

IMPACT FOR NATURE

Animal welfare enhanced, environmental impact of grazing & greenhouse gases reduced.

This is less harm farming.

IMPACT FOR THE FUTURE

As the world grows & needs more food, DIT is keeping farming viable for the next generation of growers & consumers.



1. <https://www.weforum.org/agenda/2020/11/food-security-why-it-matters/>

DIT AgTech is in the business of solving real problems for farmers through building a technology platform based on our unique dosing technology. The 'uDOSE' enables the proportional dosing of nutrients such as phosphorus and protein to every animal in the herd through their drinking water. It is remotely connected to our uHUB software where a farmer can monitor and adjust the nutrient intake of their animals live from their smart phones.

The uDOSE is disrupting traditional drought feeding systems like lick blocks which is very labour intensive to put out, has a high degree of wastage and not all animals will get their required amount of nutrition on a daily basis. This technology is currently providing significant cost-savings for red meat producers in Northern Australia enabling them to get better production per animal, reducing the environmental impact of grazing and enhancing animal welfare.

DIT's core business is currently focused on cattle and sheep producers in Australia. Our technology provides a cheaper and more effective method of supplementing livestock proportionally through their drinking water – with our clients realising production increases of up to 15% and cost savings of up to 40%.

Currently the company generates revenue through rental or full-service model (FSM) of the uDOSE with recurring income from the sale of the associated supplements. Many of our larger scale producers and corporate customers are opting for the FSM where DIT supply both the technology and delivery logistics of year-round production feeding directly to the animal.

**THE GLOBAL POPULATION IS
PREDICTED TO BE OVER 9
BILLION BY 2050 - AND
FARMERS WILL NEED TO
INCREASE FOOD PRODUCTION
GLOBALLY BY 60% TO MEET
THIS DEMAND¹.**



1. <https://www.weforum.org/agenda/2020/11/food-security-why-it-matters/>



DIT AgTech offers a solution to farmers where they can consistently:

1. Increase production by improving average daily gains (ADG), body score, calving and weaning rates and overall condition of livestock.
2. Improve animal welfare practices and animal welfare during transport and stressful events
3. Reduce operating costs and improve productivity, increasing farmers output and profitability
4. Save valuable time and resources due to reduced labour requirements
5. Access live data remotely through its software and telemetry platform
6. Encourage and promote better utilization of pasture resulting in better vegetation management and environmental impact

OUR UNRELENTING ABILITY TO KEEP GOING IS OUR GREATEST ASSET AND THE KEY TO OUR SUCCESS. JUST LIKE A FARMER.

Beyond this core value proposition, DIT AgTech is set to expand this base technology platform by researching, developing, manufacturing, and delivering future innovation for Australian farmers.

- Advanced dosers for the **horticulture industry** that inject fertilisers into irrigation water to reduce fertiliser use, lessen crop water requirements and
- Advanced **telemetry solutions** to provide the ability for the connection of numerous IoT devices around a farm, collecting data and communicating it back to uHUB.
- The delivery of **methane reducing** supplements through the uDOSE technology to reduce emissions from grazing animals and give the opportunity for trading carbon credits.
- Expansion into the global marketplace specifically into major agriculture producing countries such as the US, South America, Canada and New Zealand.

In agriculture, as in life, there is an unwritten law that 'people deal with people'. Unlike some of our competitors, DIT have a 'boots on the ground' strategy, offering a personalised service based on face-to-face contact, trust and respect. Our team in rural Australia has an unrelenting passion and commitment to provide technology to drive innovation and productivity for our farmers.

Our Backstory

People don't realise what a huge threat food security is. The world's population keeps exploding, putting greater pressure on resources, the land, finances and farmers.

Agriculture is one of the last traditional industries. In a world that's rapidly changed, farming practices haven't. We felt it was time for technology to change the farmers world.

Being in an industry wary of anything new hasn't been easy. And building sophisticated hardware that works in the middle of nowhere is even tougher. Bill Gates and Steve Jobs didn't have to deal with drought, floods, insects, cockatoos and 40+ temperatures.

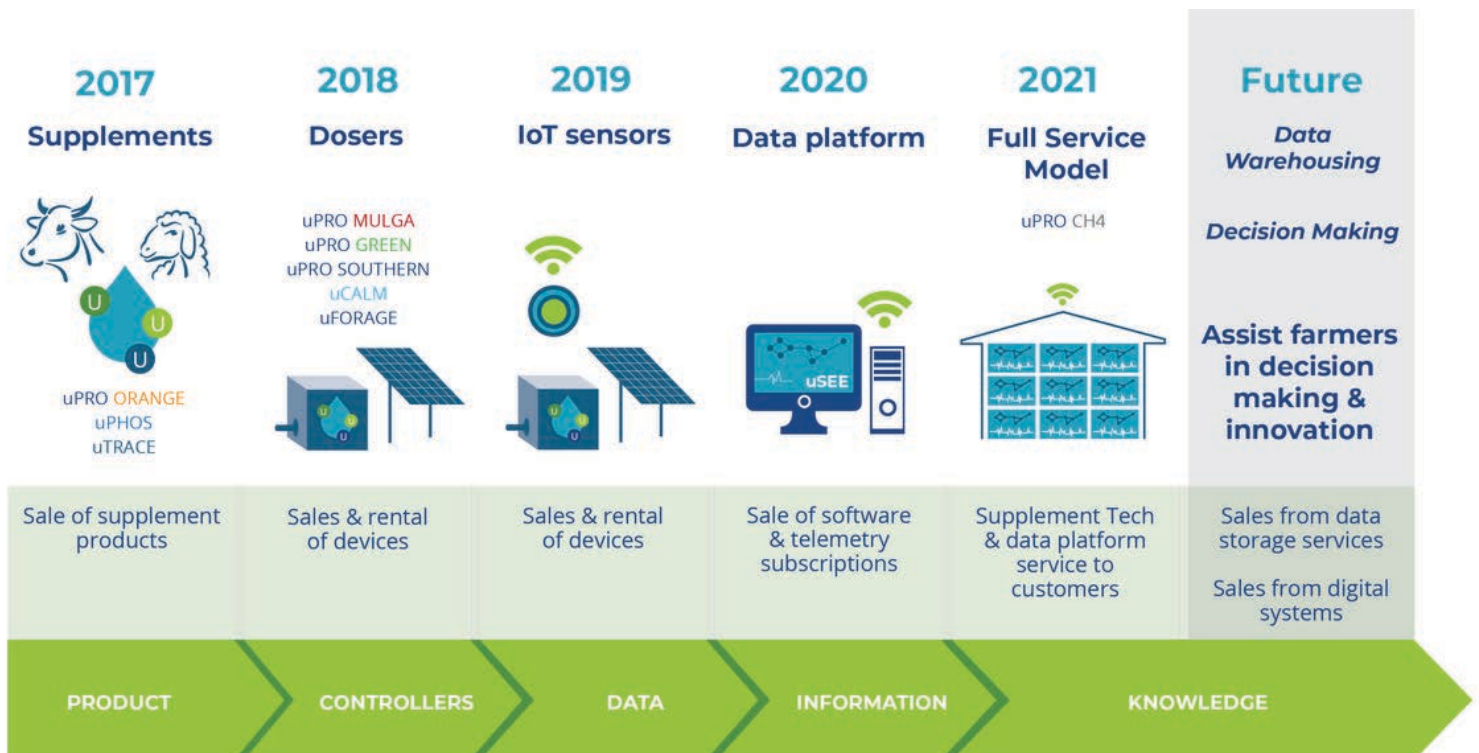
we understand the struggles of the land first-hand. It's been a grind, we've stuffed a few things up, but we're still here for the long-haul. The harder it is, the more we love it. Every day we learn, every day we solve real problems, every day we make life easier for people. Our unrelenting ability to keep going is our greatest asset and the key to our success.

Just like a farmer.



2.4.2 - Evolution of the business

Timeline of DIT's technology



2.4.3 - Corporate Structure

DIT AgTech Limited operates three wholly-owned subsidiaries.



*Production
Operations*



*Device
Rentals*



*Software
Data*

Supplements
& IoT Devices



IoT Devices



Data
Subscription



FARMER



2.4.4 - Key achievements to date

1. Expanding our tech production capability

DIT AgTech business growth has been supported by the acceleration of manufacturing capacity across Australia to realise efficiencies in the supply of products to customers. Production locations have been strategically selected to be in close proximity to our target markets and key suppliers.

2. Growing the team

In the past year DIT has employed an additional 15 staff, including:

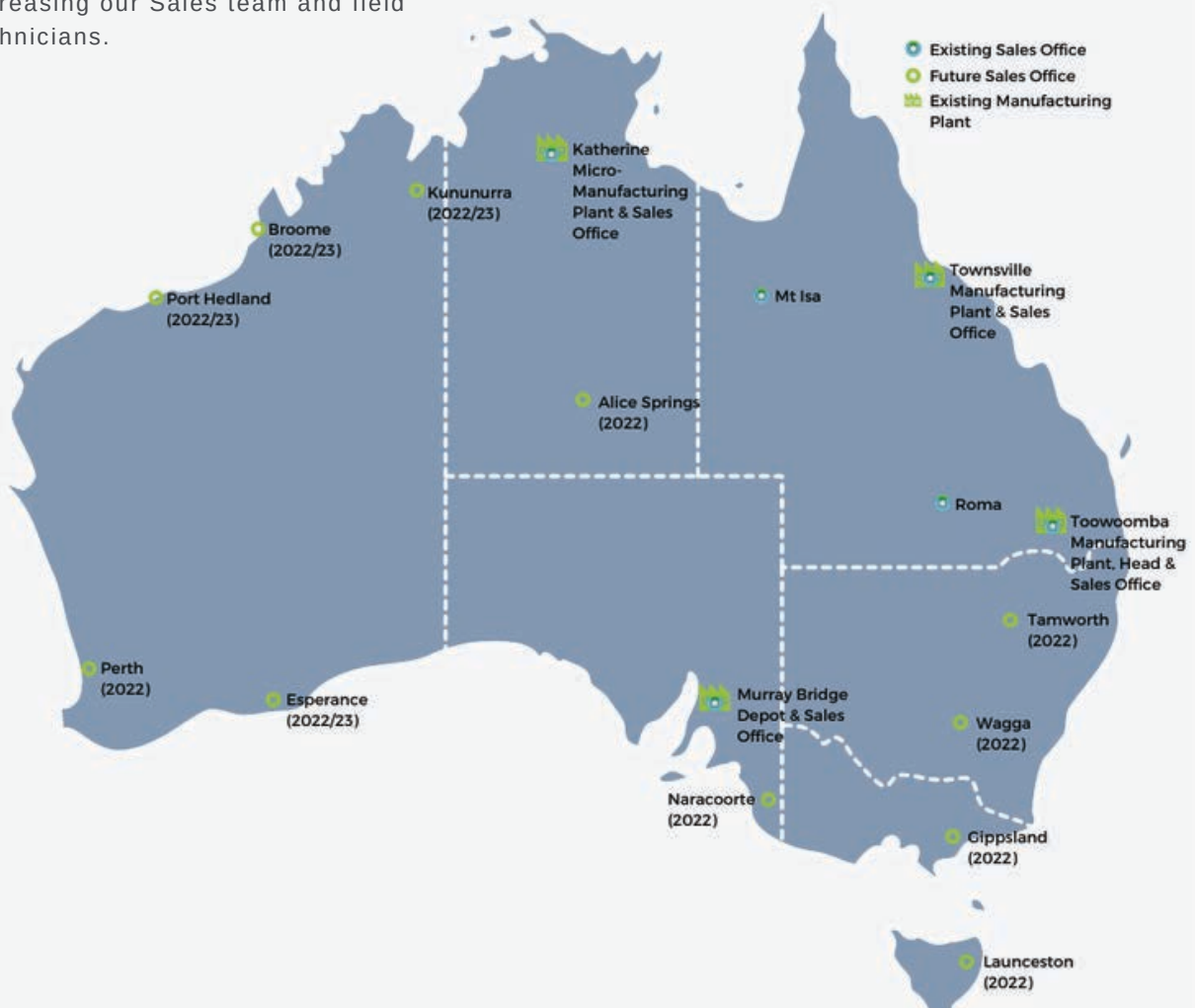
- Technical and Software Manager
- Full time R & D officer
- Two Software Developers
- A Financial Controller
- A Logistics and Warehouse Manager
- Expanding our Tech Support team
- Increasing our Sales team and field technicians.

3. Implementing new business models

DIT has been rolling out a full service model (FSM) across Northern Australia over the past 12 months. This strategy has resulted in DIT AgTech building out the largest technology platform ever across the extensive grazing regions of Australia to be able to manage production and welfare of livestock in real time.

4. Development of new remote monitoring IoT devices

Devices are now connected to low orbit satellites which has allowed us to reduce the build cost by 80%. This initiative will result in the mass production of water monitoring devices that can be integrated into our Full Service Models. This will enable DIT AgTech to increase the price per litre of the FSM by offering more value to the customer.



Testimonials

"We keep separate control and supplemented herds to monitor the impact and we are really happy to report our supplemented group has seen up to 16kg increases in weaning weights, with 25 – 30kg weight difference in the cows and heifers back in calf on average a month earlier than the control group. The supplemented herd also kept 70 per cent of their weight in drought times."



*Ben McGlynn, General Manager,
Paraway Pastoral**




"DIT easily saves us the time and cost of a full-time worker. Moving from our traditional dry-lick dosage to their water-based system three years ago has saved us serious labour, increased our calving percentages, and improved the look of our herd. They have managed to decrease our work and improve our results, which are getting better all the time."



*Marcus Curr, Owner,
Yelvertoft Station**

*Individual has provided consent to inclusion of this statement.

**LEAVING OLD-SCHOOL PRACTICES
BEHIND, OUR TECHNOLOGY HELPS
FARMERS DO MORE WITH LESS.
WE CAN INCREASE THEIR YIELDS
WITHOUT BURDENING ALREADY
STRETCHED LAND, WATER AND
FINANCES. SMARTER,
SUSTAINABLE AND SUCCESSFUL,
WE'RE TAKING FARMING IN A NEW
DIRECTION.**



“ I had never heard of the concept of water supplementation before, and neither had my father who has been a cattle grazier his whole life. We set up a small trial unit with Tom Feez on a paddock of maiden heifers to feed trace elements and phosphorus. The results were pretty impressive and we saw a 20% conception rate increase in the maiden heifers that were supplemented by DIT product compared to the maiden heifers in the control group.

On the back of this, we installed a full DIT system and we continue to see improved results. It is such a simple but brilliant concept and I can honestly say I think every cattle and sheep producer in Australia who has the ability to use water supplementation should seriously consider it”



*Tom Benton, Emmaville, NSW**

*Individual has provided consent to inclusion of this statement.

2.5 Industry Overview

Food security and sustainable production demands are pushing the agricultural industry to change. Technology is the key to driving efficiencies, production gains, enhance animal welfare and reduce the environmental footprint of the Australian Agricultural Industry.

2.5.1 Background to livestock production & nutrition in Australia

In Australia, cattle and sheep that graze on pasture require supplements to overcome the nutritional deficiencies of native Australian grasses, to not only increase survival and wellbeing but also to maximise production and profitability of primary producers. This is especially true during extended periods of drought that are common traits of Australian pastoral regions.

Traditional mineral supplementation involves regular distribution of a dry 'lick' which can be in block form or as a dry loose or wet lick . This distribution is labour intensive, regularly results in wasted product, and does not distribute nutrients equally amongst a herd. The traditional supplementing model for livestock in Australia can cost upwards of \$0.40c per animal per day.

When multiplied over several thousand head of cattle or sheep, this is an enormous cost to graziers.

Animals such as cattle, sheep and goats are part of a group of animals known as ruminants. Ruminants have four stomachs, the largest stomach being the rumen. The rumen contains a large population of gut microflora which is made up of bacteria, protozoa and fungi.

Minerals play a vital role in ruminant nutrition as they are required by ruminant microflora to break down and utilise pasture in the process of fermentation. Rumen fermentation is what enables cattle and sheep to turn grass into high value agricultural commodities such as meat, wool and milk.

THE IMPORTANCE OF UREA

Urea is a simple compound which contains nitrogen that can be used as an extremely effective and economical protein supplement for ruminant animals. Urea supplementation increases rumen activity by providing a non-protein source of nitrogen that can be used by rumen microflora for the synthesis of microbial protein. The increased available microbial protein results in an increase of desirable rumen microflora which in turn enhances the ruminant animals ability to consume and utilise more poor quality, dry pasture.

When these microbes die, they are digested by the ruminant as 'true protein'. Urea when fed to ruminant animals is therefore the most economic source of "crude protein" supplementation in livestock nutrition.

This process ultimately leads to an increase in livestock production which is especially relevant in Australia where ruminant animals are often found grazing on dry pastures of poor productive quality. In high concentrations however, urea is toxic and can result in animal fatalities. It is therefore critical that any urea supplementation is carefully administered and monitored to ensure the dosage of urea is correct and safe.



2.6 Solving Real Problems for Farmers

Cattle & sheep grazing on pasture require supplements to overcome the nutritional deficiencies of native Australian grasses, to not only increase survival & wellbeing but also to maximise production and profitability for farmers.

INDUSTRY STANDARD

Urea when fed to ruminant animals is the most economic source of “crude protein” supplementation in livestock nutrition.

PROBLEM: *In high concentrations, urea is toxic and can result in animal fatalities.*

DIT SOLUTION

DIT is a world leader in developing and incorporating the use of ‘urea phosphate’ in our formulations. This acts as an acidic stabiliser with additional nutritional benefits to livestock. The molecular structure of urea phosphate means that it cannot be broken down in the rumen in the same way as regular urea, rendering it a ‘slow release’ form of urea and therefore safer.

This unique property has been patented by DIT and is a key point of difference from competitors who use urea in their ration.

INDUSTRY STANDARD

The conventional method of supplementing livestock is in a dry form known as a ‘lick’. This form of supplementation is expensive, labour intensive and inaccurate.

PROBLEMS *with traditional supplementation methods:*

- *Unpalatable*
- *Incorrect dosage*
- *Logistically difficult*
- *Waste*

DIT SOLUTION

DIT uses the principles of proportional dosing.

Livestock drink water in proportion to their body weight, therefore by dosing a measured per litre rate of supplement, DIT can supplement a consistent dose rate across an entire mob of cattle or sheep. In addition, supplementing livestock drinking water eliminates any animal behaviour issues associated with lick that is palatable, ensuring that all livestock have access to the supplement.

BENEFIT:

- **correct dosage**
- **significant cost savings**
- **significant production gains**
- **safest proportional doser on the market in Australia**

***More kilos, more births, more certainty
= more bottom line***

***Less time, less costs, less emissions
= less headaches***



INDUSTRY STANDARD

Costs up to \$0.40 per head per day

Labour intensive & time consuming

- manual checking of water points
- physical distribution of 'lick' blocks across vast distances

Inaccurate & immeasurable

Visual 'on-farm' monitoring



Can reduce cost from \$0.40 to \$0.08 per head per day¹

Can increase Average Daily Gains (ADG) by up to 55%²
per day & reproduction rates by up to 15%³

Measurable & accurate

**This MEANS MORE - kg of beef, wool & dairy -
from LESS cattle, sheep & goats**

**SUPPLEMENTING LIVESTOCK LEADS TO
INCREASED PRODUCTIVITY**

¹ based on results from existing clients on pay-as-you-go model

² Independent trial data collected on farm at DAF Spyglass Research facility, North Qld

³ Trial data conducted on farm at Rocklands Station, Camooweal Qld


2.6.1 Competitive Landscape

DIT's primary and immediate competitors are dry lick and block manufacturers. These products are mass produced and have not evolved in over 30 years. They compete on price and selling volume.

In the sales of proportional dosing equipment, DIT competes with piston and water-powered systems such as the Dosatron® and Gator™ units. These units contain no electronic or software components and are therefore totally incompatible to feeding urea-based products as they provide no safety mechanisms that can prevent an overdose causing livestock deaths and losses.

Safety features of our dosing systems are described in more detail in Section 2.7.2.

The primary competitor in the remote monitoring of livestock assets is FarmBOT who also manufacture IoT devices to monitor water levels of tanks and dams. They do not currently sell remote camera equipment and/or flood cameras. It seems to us that their strategy is to roll out as many IoT devices as possible to build annuity streams from the data play. DIT believes our strength to defend our offering is due to our on-the-ground sales team, our complimentary product offerings of dosing and supplements, and our superior dashboard (uSEE).

Product Offering						
Livestock Nutritional Supplements	✓	✗	✗	✓	✓	✓
Precision Dosing Technology	✓	✗	✓	✗	✗	✗
IoT Devices	✓	✓	✗	✗	✗	✗
Data Platform	✓	✓	✗	✗	✗	✗

*Information sourced from competitors websites 8th November, 2021

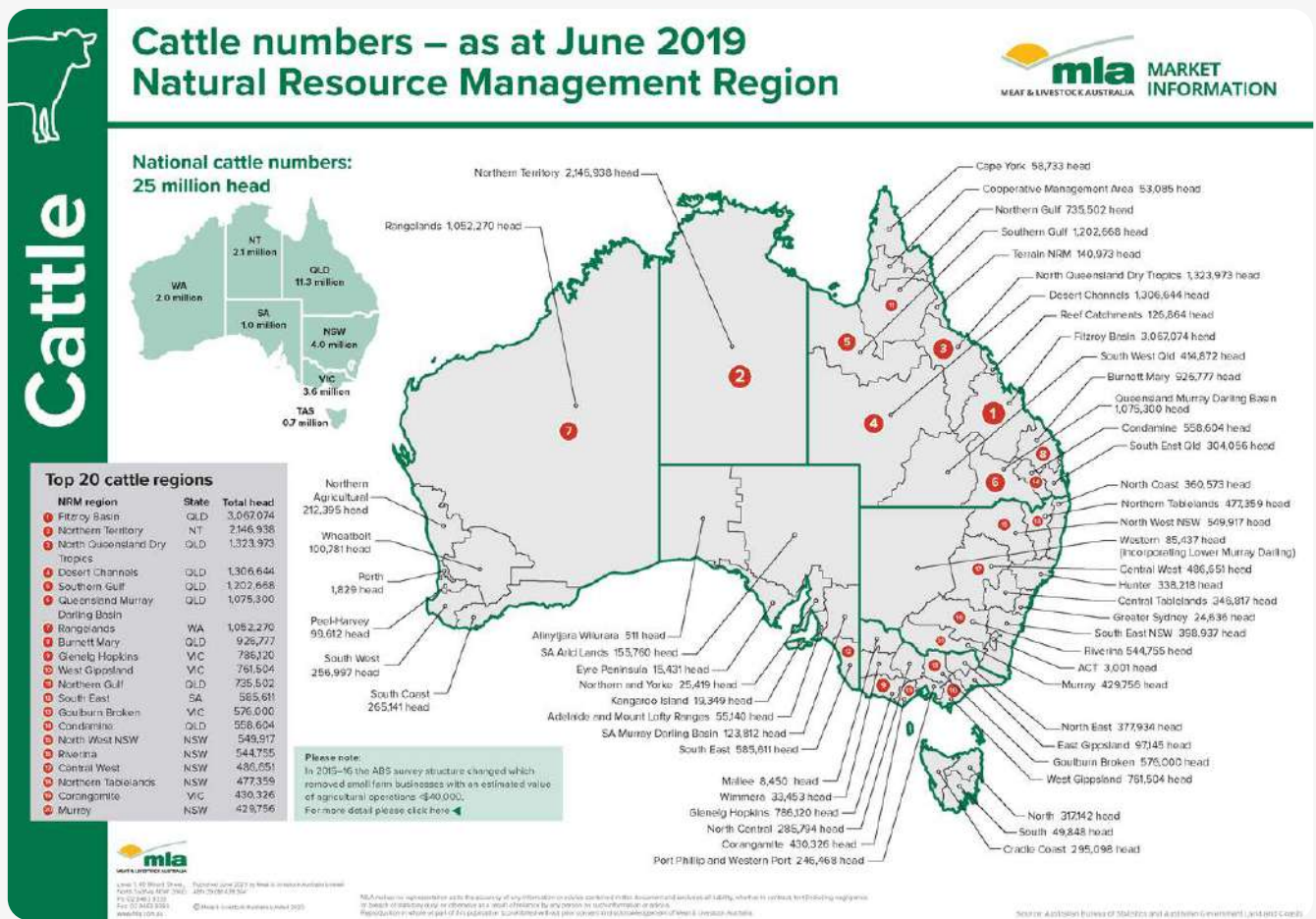
2.6.2 Red Meat Overview & Opportunity

The Australian red meat industry includes 26.4 million head of cattle and 70.6 million head of sheep. In Australia, grass-fed cattle and sheep account for approximately two-thirds of overall beef and sheep meat production.

Australia is the third largest beef exporter in the world and the largest exporter of sheepmeat in the world.

According to statistics published by ABS in May 2021, there is currently 21 million Beef cattle in Australia producing 465,000 tonne beef/year and 61.5 million sheep producing 50,000 tonne lamb and mutton /year.

As at June 2018, there were 41,000 agricultural businesses with cattle and 31,972 with sheep and lambs. Of the 394 million hectares of land operated by agricultural businesses in Australia, 341 million hectares

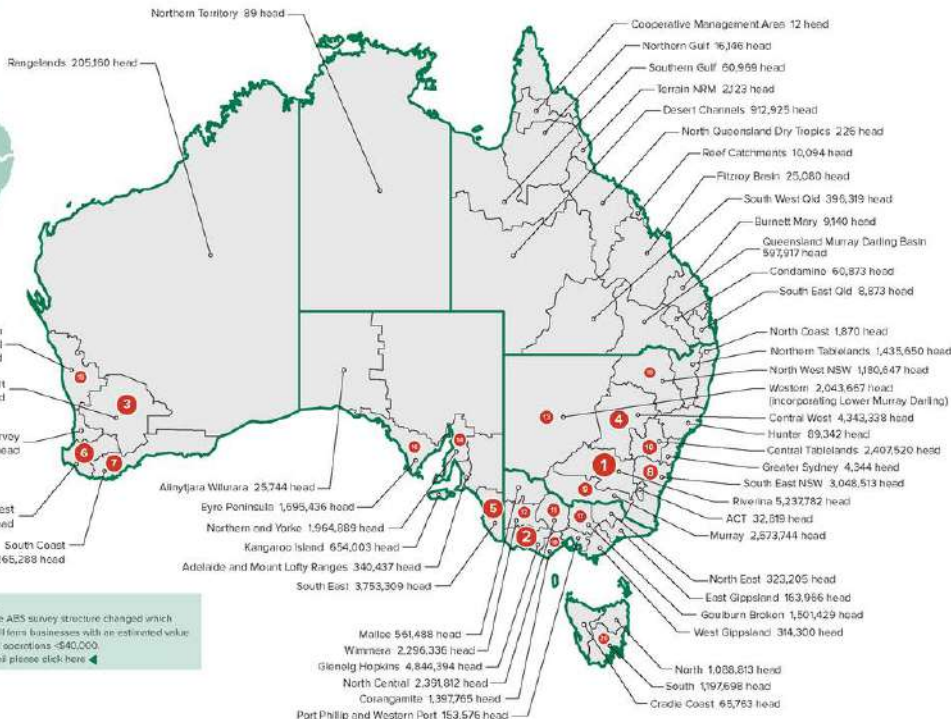




Sheep numbers – as at June 2019 Natural Resource Management Region



National sheep numbers:
66 million head



Top 20 sheep regions

NRM region	State	Total head
1 Riverina	NSW	5,237,782
2 Glenelg Hopkins	VIC	4,844,394
3 Wheatbelt	WA	4,553,747
4 Central West	NSW	4,343,328
5 South East	SA	3,753,309
6 South West	WA	3,702,604
7 South Coast	WA	3,265,288
8 South East NSW	NSW	3,048,513
9 Murray	NSW	2,573,744
10 Central Tablelands	NSW	2,407,520
11 North Central	VIC	2,398,519
12 Wimmera	VIC	2,296,336
13 Western	NSW	2,043,667
14 Northern and Yorke	SA	1,964,889
15 Northern Agricultural	WA	1,698,549
16 Eyre Peninsula	SA	1,695,436
17 Goulburn Broken	VIC	1,501,429
18 Northern Tablelands	NSW	1,435,650
19 Corangamite	VIC	1,367,766
20 South	TAS	1,197,698

Please note:
In 2015-16 the ABS survey structure changed which removed small farm businesses with an estimated value of agricultural operations <\$40,000.
For more detail please click here

(or 87%) was used for grazing. An estimated 65,000 agricultural businesses (or 74%) of all agricultural businesses, reported grazing land.

With large portions of Australian soils deficient in macro and micro elements, supplementation is required for growth, production and wellbeing. On average, beef cattle require 10kg of supplements per year to assist with protein production when fed through a water source. This is in comparison to the potential

60kg required when fed through traditional dry forms such as loose lick and lick blocks which illustrates the cost saving potential of DIT's products.

Opportunities also exist for DIT to sell into overseas markets, especially into the Americas. North America currently run 94 million cattle and 55 million sheep and there are over 300 million cattle and over 40 million sheep in South America¹. These markets alone offer huge growth potential and the ability to scale production for DIT.

2.6.3 Methane Emission Reduction

Methane emissions from ruminant livestock in Australia account for 14% of the total national greenhouse gas emissions and 70% of the emissions from the agricultural sector.

The effect of methane emissions in livestock is exponentially higher in livestock grazing on pastures. Society believes that feedlots and dairies are the biggest emitters in the livestock industry which is misleading. Animals fed on dry pastures have higher levels of fermentation and therefore produce more methane per kg DM. According to (ABARE, 2021) there are 1 million head of cattle in feedlots and 2.4 million dairy cows, compared to 20 million cattle and 60 million sheep grazing on pastures.

Certain feed additives (supplements) have been found to inhibit the production of methane in a ruminant animal by acting directly on the methanogenesis pathway (Honan, Feng, Tricarico, & Kebreab, 2021). There is currently three main sources of animal supplements that can reduce methane production:

1. Synthetic Chemicals such as nitrates
2. Natural compounds such as tannins and seaweed
3. fats and oils

The major challenge of reducing livestock methane emissions in extensive livestock grazing systems to date has been the lack of a delivery mechanism for supplying methane reducing supplements to grazing livestock, especially in remote areas.

DIT AgTech's proportional direct water injection dosing technology is a practical and large-scale solution being used in extensive livestock grazing systems now. Utilising methane reducing supplements which can be dosed through this technology will result in a reduction in livestock methane emissions up to and potentially beyond 30 per cent by 2030.

As DIT AgTech are the only manufacturers of this technology globally, there is a unique opportunity to be at the forefront of reducing methane and making an impact on the reduction on green house gas emissions due to its current business model, customers and know how.

2.6.4 Australian Horticulture

We have identified horticulture as the next opportunity for our water dosing technology, with Australia having 4,552km² of irrigated horticulture land.

Australia's horticulture industry comprises fruit, vegetables, nuts, flowers, turf and nursery products. The horticulture industry operates in a highly competitive market, both domestically and internationally, and (excluding wine grapes) is Australia's third largest agricultural industry (behind the meat and grains industries). More than 85 per cent of horticulture production is sold into the domestic market.



2.7 Business & Revenue Model

2.7.1 Business Overview

The DIT Business model and ethic is based on adding value to our farming customers by partnering with them to use innovative technology solution to improve their triple bottom line.

DIT generates revenue by selling proprietary technology – or access to that technology – and the complementary supplements.

The 5 primary revenue streams:

1. Dosing Technology
2. Rental Models
3. Full Service Models
4. Data & Telemetry
5. IoT technology devices

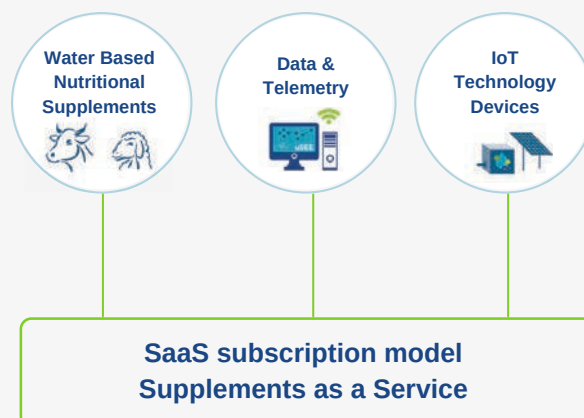
2.7.2 Service Models

RENTAL MODELS

Our Pay-as-you-go rental model has seen a substantial increase in adoption of our devices, providing a recurring revenue stream from both supplements & technology rental.

FULL SERVICE MODEL

Designed for larger scale & corporate producers i.e. North Australian cattle stations. DIT place the technology on the farms, deliver supplement to the water sources & the farmer only pays for what the livestock consume.



- cuts supplementation costs by up to 80%¹
- can increase ADG gain by up to 55%/day² & reproduction rates by up to 15%³
- reduces environmental impact on the land
- enhances animal welfare

¹ based on results from existing clients on pay-as-you-go model

² Trial data collected on farm at DAF Spyglass Research facility, North Qld

³ Trial data conducted on farm at Rocklands Station, Camooweal Qld

TECHNOLOGY PORTFOLIO

Bringing smart, simple technology to agriculture.

uDOSE

Proportional dosing unit to feed a complete range of proprietary water-soluble stock feed supplements to cattle & sheep grazing on pasture. The only proportional dosing dispenser able to feed urea safely into livestock drinking water.



uDOSE AG

Provides horticultural growers with a device to accurately dispense fertilisers to high-value crops. A cost effective solution to automating on-farm tasks, detailed water reporting & optimising crop inputs.



uHUB APP

Cloud-based technology linked to remote monitoring that allows farmers to check livestock watering points, feeding devices or other sites via a mobile device or computer. Our telemetry is developed in-house by DIT's team of software engineers based in Townsville.



SUPPLEMENT & NUTRITION PORTFOLIO

uPRO ORANGE

Cost-effective N, P, S supplement. Includes our patented urea phosphate.

uPRO GREEN

For phosphorus deficiency during the wet or growing seasons in northern Australia.*

uPRO BLUE

Currently in development and will include a soluble methane reducing active to feed through the uDOSE Technology.

uPRO SOUTHERN

Major macro & micro nutrient requirements of grazing ruminants specific to southern Australia.

uTRACE

Contains all the major trace elements required by cattle, sheep & goats..

uCALM Range

Contains glucose, electrolytes, magnesium & trace elements to assist with & prevent dehydration, reduce stress, support welfare during transportation, & aid in recovery & function of cellulose & digestion for increased appetite & a return to normal animal behaviour.

uTETANY

Magnesium supplement for grazing livestock to aid in the prevention of grass tetany.



*Phosphorus is involved in almost every metabolic reaction in ruminants & rumen microflora require phosphorus to digest pasture

REMOTE MONITORING

Communication via Satellite
= good coverage Australia wide

uTANK

Remotely monitor water levels to ensure animals (or crops) have adequate water supply, ensuring animal wellbeing (& crop health) & reduce operational costs.



uCAM (FLOOD)

Cost-effective remote monitoring solution specifically for Australian councils, to monitor roads & river crossings etc for the safety of travellers & the community.



uCAM

Monitors & controls IoT devices from anywhere, providing farmers with a convenient & cost-effective means to monitor key sites at any time.



Case Studies

ROCKLANDS STATION

A PROPERTY OF
PARAWAY
PASTORAL CO.

Rocklands Station in Northern Australia was one of the early adopters of DIT's technology. The program at Rocklands started in December 2018 with just one doser, supplementing a small herd.

The manager of the station, Ben McGlynn, monitored the herd closely and due to impressive weight gains, determined they would continue and expand the supplementation program with DIT.

"We've seen an increase of half a body score which equates to 20kg or \$60 per head and an increase in reconception rates of up to 15%."

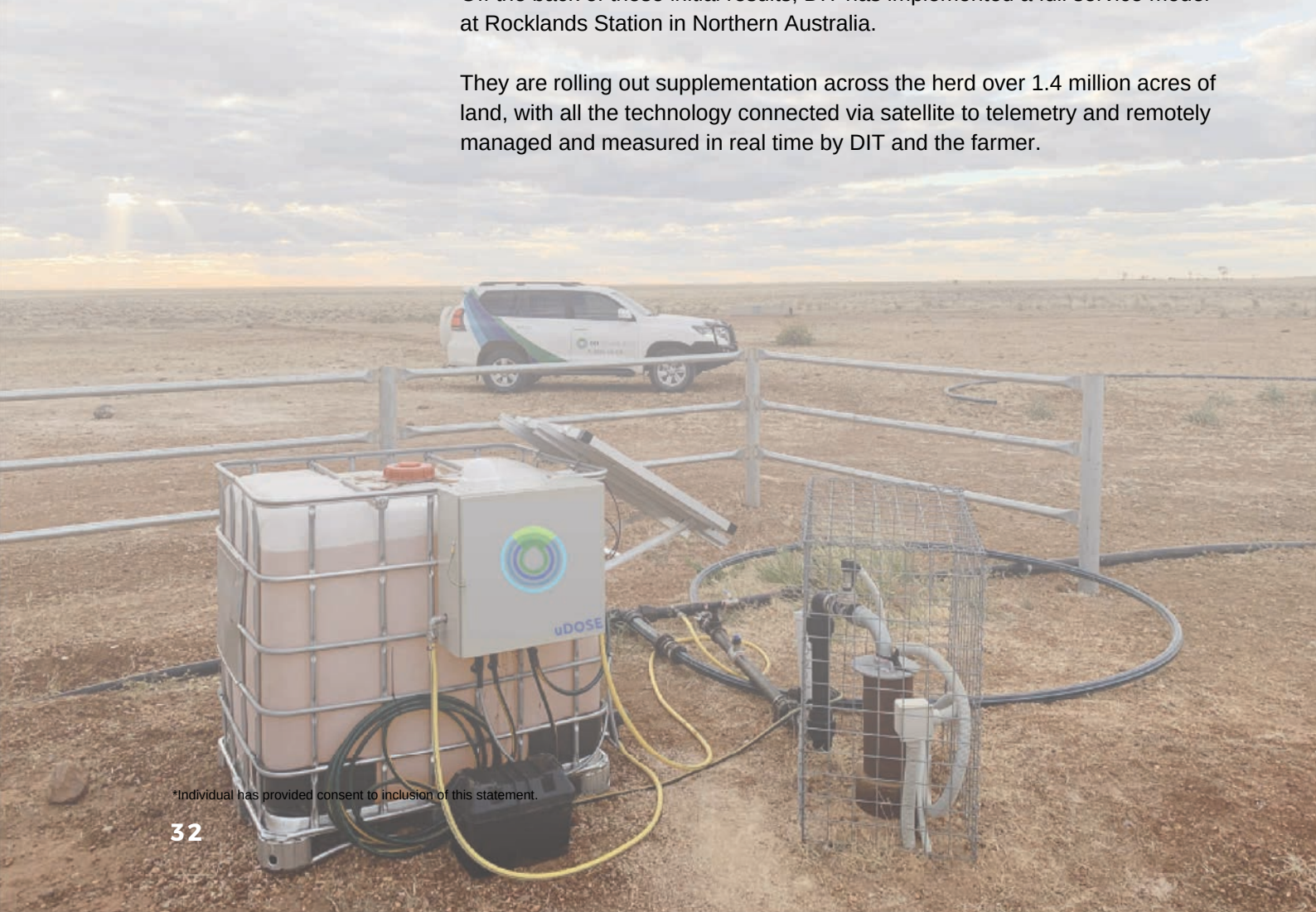
Ben McGlynn, Station Manager, Rocklands Station - 2019*

To put this in perspective:

FY21 average saleyard prices are 593 cents/kg. An extra 20kg per year equates to \$118.60 per beast. With Rocklands Station maximum carrying capacity at 48,000 head of cattle, this has the potential to increase the value of these cattle by \$5.7 million.

Off the back of these initial results, DIT has implemented a full service model at Rocklands Station in Northern Australia.

They are rolling out supplementation across the herd over 1.4 million acres of land, with all the technology connected via satellite to telemetry and remotely managed and measured in real time by DIT and the farmer.



*Individual has provided consent to inclusion of this statement.

Case Studies

SPYGLASS

The Department of Agriculture and Fisheries (DAF), in collaboration with DIT AgTech are currently running a three year research trial at Spyglass research station in Northern QLD.

The Trial is testing and demonstrating water medication technologies currently available to the grazing industry. The project design allows for a comparison of two supplement delivery methods:

1. Water Medication Doser and
2. Lick Blocks

The cattle are drafted by a walk-over-weight (WOW) auto drafter system into two separate watering squares. The control mob are drafted into a holding paddock with a lick block, while the treated mob are drafted into a holding paddock where their drinking water contains uPRO Orange delivered by the uDOSE technology.

The trial will run from 1st June 2020 until 30th June 2023 providing three years of data. Results* from the 1st year of the trial are yet to be published but raw data is indicating an increase in ADG for the treated mob suggesting that cattle will put on more weight per day by using the water medication or uDOSE Technology delivery system.



* Results from this trial are courtesy of the State of Queensland through the Department of Agriculture and Fisheries and are taken from a trial at a single location. It may not be applicable to your management system and further advice should be taken before implementing any recommendations or findings from this data.

2.7.3 Development Opportunities

As an AgTech business, DIT is focusing on innovating products and services for agriculture to assist farmers in feeding our growing population by more sustainable and economical means, whilst reducing their environmental footprint.

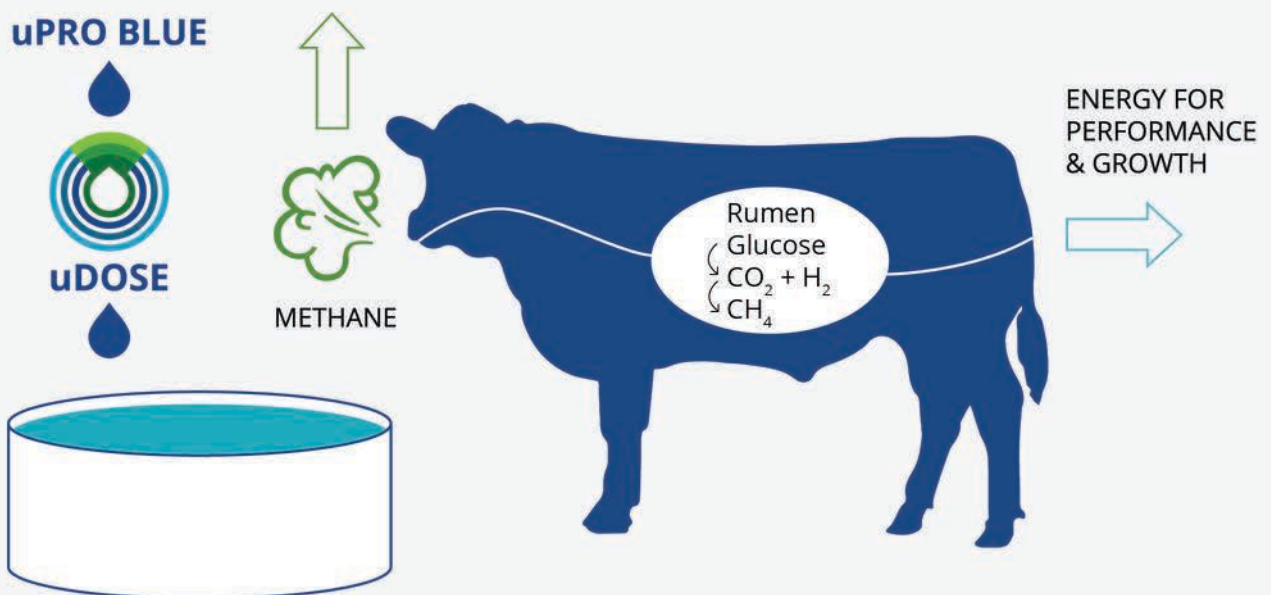
METHANE REDUCTION

The science behind methane reduction in ruminant animals has been researched and developed for a number of years now with a number of companies now near market ready with methane reducing supplements. The biggest issue is being able to deliver these supplements to large numbers of cattle and sheep in remote grazing areas every day via traditional feeding systems such as lick blocks. Not only is this logistically difficult and labour intensive, but there is also no way to be able to accurately measure how much of the supplement is being fed to each animal.

DIT AgTech's water injection technology not only allows for the delivery of methane reducing supplements AT SCALE day in day out to extensive grazing areas, but our technology platform allows for measuring and reporting of what animals are actually consuming and thus reducing their methane output. Once you add GPS eartags, walk over weigh and sensors to this system, farmers will have the opportunity to really participate in the quest for global emissions reductions.

On from this, DIT AgTech is also working with the Clean Energy Regulator and the Department of Industry, Science, Energy and Resources to assist in the development of a methodology so that farmers can claim and trade carbon credits. Currently there is one methodology written in 2016 titled 'Feeding nitrates to beef cattle method'. To date not one claim has been made using this methodology. Critical research is required to make variations to this methodology or develop new ones for methane reduction from pasture-fed beef cattle.

DIT AgTech are currently collaborating with CQU to conduct the background research required for the feeding of methane reducing supplements through direct water injection technology.



uDOSE AG

The principles of proportional dosing can be applied to many other industries. With an emphasis on water conservation, the horticulture industry is moving towards precision irrigation. This requires a high degree of accuracy and efficiency in the use and placement of water and nutrients through fertigation.

DIT's patented core technology can provide solutions for the industry and introduce a major shift in how inputs – fertiliser, herbicides, insecticides, fungicides and biostimulants – are applied.

DIT are currently undertaking Commercial Proof of Concept Trials with leading Australian horticultural farming ventures to validate the benefits, including:

- Precise application of water and nutrients to reduce loss into our waterways
- Ease of application for farmers
- Input savings and waste reduction
- Possible labour savings (depending on the type of farming operation) and fertiliser program
- Water use reporting, which can be linked to a farm's production orders
- Farm automation
- Increase yield potential



2.7.4 Manufacturing Capability

DIT manufactures its product range in Australia, providing local employment and supporting regional economies.

NEW TOOWOOMBA FACILITY

In April 2021, DIT commissioned a new supplement manufacturing plant adjoining the head office in Toowoomba. This facility has a potential production capacity of 200 tonnes per week equating to \$200,000 per week in revenue.

TOWNSVILLE FACILITY

The manufacture of DIT's dosing units and all IoT devices is done at our Townsville facility. The factory currently employs 10 FTE and will be expanded to meet future demand. This commercial premises has the capacity to produce up to 40 dosing units per week, equating to \$500,000 in revenue. The facility also acts as a distribution centre for supplements into Northern Australia.

KATHERINE FACILITY

Katherine – along with Townsville – will be the major manufacturers of urea and phosphorus based supplements for DIT, with the capacity to produce 20MT per day and 200,000L of supplement per week.

These key locations in Northern Australia allow us to be close to the source of raw material required and capitalise on opportunities to utilise freight deferments and cheap freight runs such as back loading to drive efficiencies in our supply chain.

MICRO-FACTORY – MURRAY BRIDGE AND PERTH

DIT's 'micro factories' are being commissioned to become the major manufacturing locations for trace minerals and glucose based products. They will also service the urea and phosphorus needs of customers in these regions.



2.7.5 Patent Protection

All dosing technology and formulations are proprietary to DIT AgTech Ltd and all associated IP is protected by getting any third party to sign a non-disclosure agreement. All employees of DIT sign a confidentiality clause within their employment contracts.

The following tables outline the current DIT Patent Status both in Australia and Internationally (October 2021)

Patent Title	Type of Patent	Patent No	Ownership of Patent	Patent Status
A method of reducing methane production in a ruminant animal	Innovation Patent	2021105299	DIT AgTech Limited	Granted
A method of reducing methane production in a ruminant animal	Innovation Patent	2021901206	DIT AgTech Limited	Application Filed
A method of reducing methane production in a ruminant animal	Innovation Patent	2021902155	DIT AgTech Limited	Application Filed
Dosing system and method	Australian Patent NZ Patent Brazil Patent Canada Patent United States of America Patent	2019370617 775182 BR112021008201-8 3117728 17/288779	DIT AgTech Limited (formerly known as D.I.T Technologies Ltd)	Application Filed Application Filed Application Filed Application Filed Application Filed
Compositions for administration to ruminant animals (to reduce stress)	Innovation Patent Innovation Patent Australian Patent NZ Patent Brazil Patent Canada Patent United States of America Patent	2019101215 2019101209 2019365574 774948 BR112021007591-7 3117410 17/287105	DIT AgTech Limited (formerly known as D.I.T Technologies Ltd)	Granted Granted Application Filed Application Filed Application Filed Application Filed Application Filed
Compositions for administration to animals to increase gut non-protein nitrogen levels	Australian Patent NZ Patent Brazil Patent Canada Patent United States of America Patent	2019353535 774384 BR112021006459-1 3114671 17/282996	DIT AgTech Limited (formerly known as D.I.T Technologies Ltd)	Application Filed Application Filed Application Filed Application Filed Application Filed

2.8 Business Strategy

2.8.1 Introduction

Food security, our environmental footprint and ethical food production are all genuine concerns of our growing population. DIT's core business strategy is to be a leading solution provider for Australian farmers to produce high quality, sustainable food to meet these challenges.

To do this, DIT is building out a technology platform and a talented team to deploy technology, products and services across the value chain to Australian farmers, some of which operate in the remotest parts of the world.

Advances in technology such as machine learning and devices to collect information in the field (IoT) will allow the development of algorithms to mine this data and provide useful information to assist farmers in their day to day management and decision making process. DIT has identified the opportunity to capitalise on these innovations by leading the development of a technology platform that will offer such services to industry at scale.

This technology platform is currently being extended to assist industry with solving the problem of green house gas (GHG) emissions reduction. With the ability to deliver methane reducing supplements to livestock through their drinking water, the hardware and software that drive these devices will also allow for the monitoring and accurate measuring of information required for farmers to claim carbon credits.

Based on the Air B&B revenue model, DIT would look to setup a revenue stream where on a fee for service, DIT accounts the carbon credits through the technology platform on behalf of the farmer who could then trade them on the market. Alternatively, DIT could sell the methane reducing supplements to the farmers at a reduced price and then collect and trade the resulting carbon credits.

2.8.2 Point of Difference & First Mover Advantage

DIT has created a critical point of difference with competitors who operate in the livestock supplementation space. The combination of soluble liquid urea-based stock feed supplements with patented proportional dosing technology make it a highly cost-effective, safe and consistent method to supplement livestock for up to 15% production gains and 40% cost savings.

Through proprietary formulations, DIT is able to safely dose urea through water supplementation. Other manufacturers of liquid stock supplements can only offer trace element and electrolyte supplements, apart from their inability to ensure the consistency and accuracy of nutrient dosage.

Offering this technology and supplements through rental and full service models is also a unique service offer for the livestock industry.

2.8.3 The DIT Approach

Our approach is built and modelled on the business and life experience of our founder, Mark Peart, who has spent all of his life living and working in the Australian bush with farmers.

Mark's business ethos revolves around:

1. Always listen to your customers and establish a relationship built on respect and trust by taking the time to meet in person.
2. Make sure that what we are selling adds value to the customer and consumables to overall make livestock comfortable.
3. Take a strategic partnership view versus transactional view with suppliers and customers.

“ At the heart of the business is an unrelenting passion and commitment to provide a platform for technology to drive innovation and productivity in the global agricultural industry.”*

Mark Peart, Founder

*Individual has provided consent to inclusion of this statement.

2.8.4 Customer Experience

The DIT team adopt a face-to-face marketing approach called WOMBAT – Word of Mouth Buy and Tell. This take on the ‘bush telegraph’ assists DIT in spreading the word about our services offered throughout regional and remote Australia and helps build our brand presence.

By meeting and exceeding customer expectations, our customers in turn become advocates for our brand.

A deliverable strategic difference between DIT and other AgTech competitors lies in our ‘boots-on-the-ground’ and ‘driving-up-driveways’ philosophy. We aim to bridge the gap between technology and the bush by having a team of specialised personnel, with a background in agribusiness and science, who are exceeding customer expectations with the benefits our products and services can provide.

Our Territory Managers offer a range of technical services by responding to customer needs through our technology platform.

Offering an initial consultation to customers that includes the establishment of water and pasture quality through dung and water sampling, DIT aims to work with the customer to understand their current production system and how implementing the Technology can assist in increasing the productivity of their agribusiness.

DIT see a benefit in building a knowledge ecosystem of world class minds to solve the big problems for our global food producers that is centered around ethical farming and sustainable agricultural practice that lessen the impact on our planet.

2.8.5 Strategic Partnerships

DIT are developing strategic partnerships throughout the agriculture value chain. These partnerships are designed to expand the value to the DIT customer and create a community underpinning the enterprise.

Examples of partnerships include:

1. Attracting strategic investors with deep roots in the agricultural industry
2. Relationships built across all sectors in the value chain i.e. meat processors, feedlots, exporters, transport operators and brokers/agents as well as our core customers at the farm gate
3. A core commitment to carry out continuous R&D programs with government and industry bodies driving continuous improvement
4. Reviewing strategic investments in other AgTech businesses and start-ups
5. Leveraging DIT distribution channels to introduce other complimentary products

Our strategy includes partnering with industry to promote our technology and developing relationships with government bodies to execute field trials and producer demonstration sites.

Our Southern market entry strategy includes:

1. Disbanding the use of third party retail outlets to display our tech offering, and promoting our products to a large group of small to medium farmers due to the high cost that third parties require and look to online direct to farmer (B to F model)
2. Use of social media and online marketing to grow our brand and farmer engagement.
3. DIT then supply the supplements direct to the farmer on a subscription basis, bypassing cumbersome logistics, infrastructure and maintaining profit margins for DIT.
4. Investigating network marketing strategies that could be implemented throughout the agricultural supply chain and marketed by the farmers themselves.

2.8.6 Technology Strategy

Technology is at the core of the DIT model. Our greater vision is to integrate holistic data solutions that drive efficiencies and provide more detailed insights to farmers across Australia, allowing them to make informed decisions.

This strategy is based on owning our own IP and focusing on developing new technologies that add value to farmers both in Australia and globally.

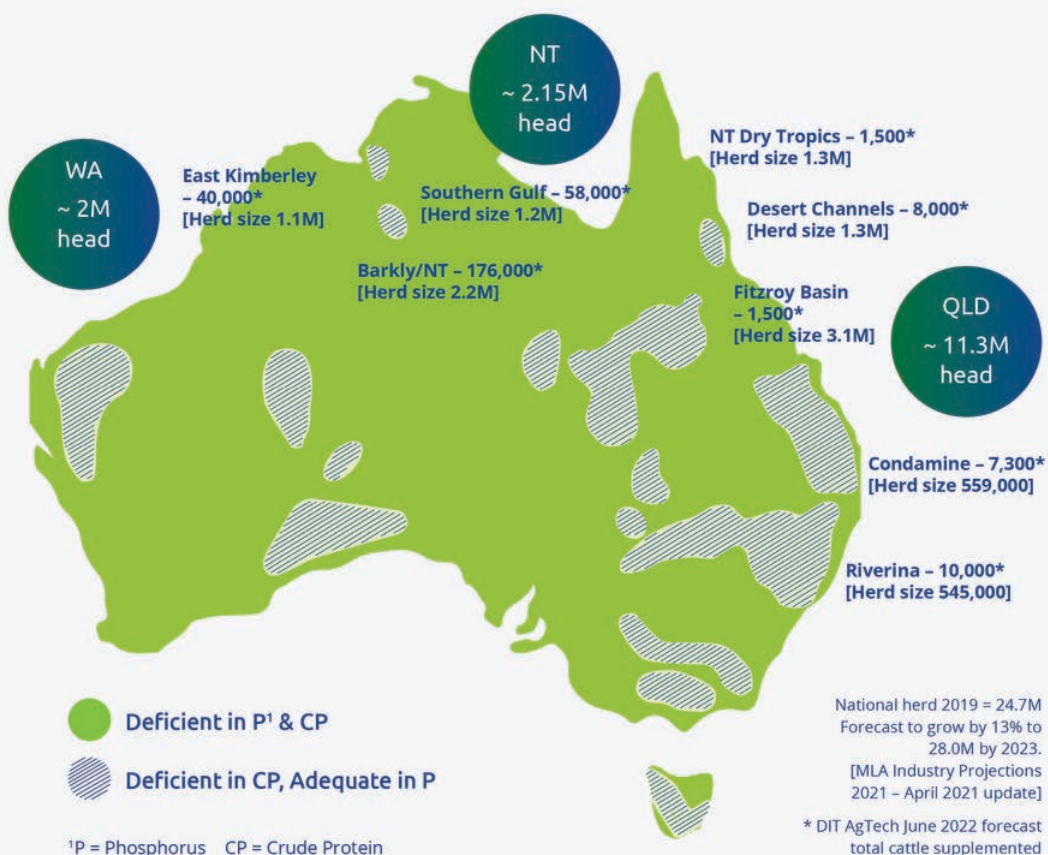
To execute on our revenue projections, DIT has, over the last 12 months, built out a pipeline of customers in Northern Australia.

We are currently scoping up these customers by running proof of concept systems with a view of onboarding their herd onto our technology platform.

Finding additional uses and opportunities to adapt our technology, such as methane emissions reduction in livestock, to achieve economies of scale is also an important business strategy.

2.8.7 Growth Strategy

DIT have a comprehensive growth strategy to ensure the company can maintain competitive advantage and rapidly expand premises without exorbitant capital expenditure. Components of this growth strategy are outlined below:

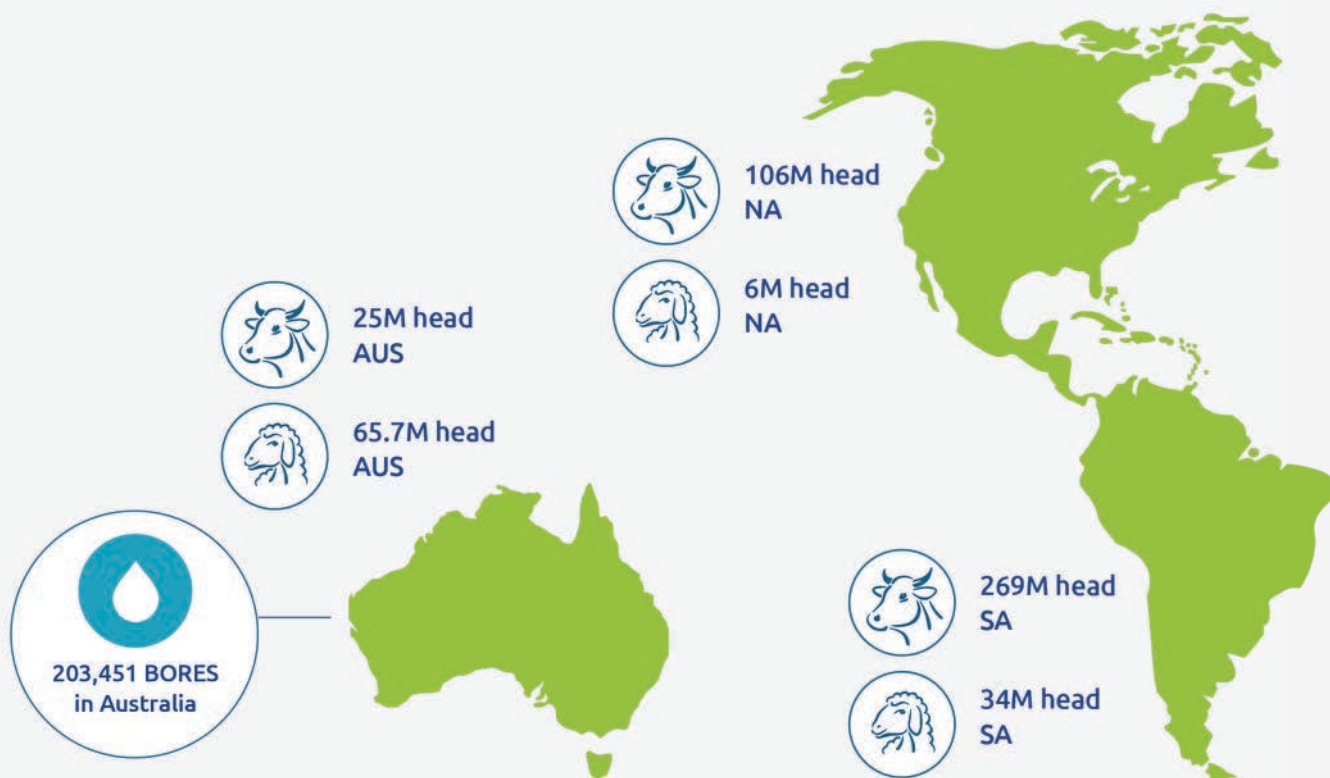


INTERNATIONAL EXPANSION

With a foothold in the Australian market, we intend to expand into major agricultural markets globally.

Our primary areas of focus will be on producing:

1. New Zealand – initially targeting the beef, sheep and dairy industries
2. Indonesia – to assist with live export of animals to this growing market, plus on-farm technology within rural Indonesia to improve animal welfare and production systems.
3. The USA, Canada and Brazil focusing on the extensive livestock production systems. Brazil currently has 210 million head of cattle and the US run about 90 million head.



2.8.8 Moonshot ideas

DIT sees the importance and the value in big ideas and adapting to an ever-changing competitive landscape.

The use of IoT Devices such as GPS tags to track and move livestock remotely; sensors to measure animal performance; walk over weighing systems; virtual fencing and the use of machine learning technology for predictive pasture and grazing analysis, has huge implications for extensive grazing animal production.

DIT is beginning work on developing the technical aspects of these concept to fit with our expanding technology platform to bring big ideas like this to the market.



2.9 Customer Acquisition

TARGET AUDIENCE DEFINITION

The DIT audience are farming families and corporate farming entities producing food and fibre for our growing world population. A secondary market for our products is the live export and livestock transport sectors.

BRAND POSITIONING & MESSAGING

DIT will be positioned as a technology company that improves farm productivity, advocates for animal welfare, and contributes to more sustainable and ethical food production with a reduced environmental footprint. We will back up our value proposition with data and shared stories of positive impact from our products and services.

Positioning of the brand will come from sharing positive experiences and through communicating our hands-on, personalised approach to customer and community engagement.

A ROBUST SALES FORCE STRATEGY TO BRIDGE THE GAP BETWEEN THE BUSH & TECH

To take advantage of the gap in the market left by the lack of extension officers available for farmers and livestock producers in rural Australia, DIT has adopted a sales strategy of employing highly skilled and technical Territory Managers. We will build and train our sales team to have specific skill sets to help add value for our farming customers, in addition to selling and installing our products and services.

Examples of this value-adding include pasture and soil management, livestock husbandry, animal production and nutrition, and full water system consulting.

CHANNEL STRATEGY

Due to the technological aspects of the business, a customer centric approach will be critical to secure sales and gain traction. Our direct B2F approach in Northern Australia will be facilitated by our Territory Managers. This talent will be key to gaining sales traction and introducing the customer to DIT products and services.

PUBLIC RELATIONS, SOCIAL MEDIA & ONLINE

Simple, top-of-mind brand positioning techniques will be used as well as more traditional methods, including:

- Print and digital media advertising
- Editorials blogs and SEM
- Release of R&D trial results showing the tangible benefits from our products
- Regular social media content across all platforms
- Field day presentations and trade fair attendance
- Sponsorship of regional events
- SEO techniques
- Customer testimonials sharing success stories
- Innovative promotional activities such as our current Bush Tech Road Show and AgTech in the Pub initiatives

PARTNERSHIPS

DIT intentionally aligns itself with, and engages in, strategic partnerships with industry bodies and state agricultural departments so that it can be an industry leader in researching, developing and commercialising new innovations and the latest scientific discoveries in the field of agricultural science. To date, DIT have worked closely with Meat and Livestock Australia (MLA), Department of Agriculture and Fisheries Queensland, the Department of Primary Industries of NT, the University of Queensland, University of New England Smart Farm, and PIRSA-Elders Smart Farms in South Australia.

Of note, DIT is currently running two concurrent producer demonstration sites (PDS) with the Department of Agriculture and Fisheries Queensland and the Department of Primary Industries of NT.

These PDS sites are partly funded by DIT with the purpose of being used as trial sites for producers and industry bodies to have access to up-to-date data and results stemming from the use of our technology.

These PDS have also directly led to new and improved innovations and learnings for DIT, such as understanding the effect water pH has on livestock behaviour. DIT is wholly committed to continuous improvement, research and science based innovation.

2.10 Customers & Pipeline

CURRENT DIT CLIENTS

Paraway Pastoral Co.
C.A.I.T.
(Clean Agriculture & Internation
Tourism)
The Grove Shorthorns
Coolreagh Pastoral Company
Stapleton
AJM Pastoral

Cattle: 321,000
Annual market opportunity: \$16M
Cattle supplemented FY22: Market
penetrated 20%

CURRENT PROOF OF CONCEPT CLIENTS

Consolidated Pastoral
Company Pty Ltd
Australian Agricultural
Company
Teys Australia
The Midfield Group
North Australian Pastoral
Company
Thomas Foods International

Cattle: 1,060,000
Annual market opportunity: *\$53M
Cattle supplemented FY22: Market
penetrated 1.4%

TARGET CLIENTS

Heytesbury Cattle Co.
Tipperary Group of Stations
McDonald Holdings Pty Ltd
Stanbroke
Hewitt Cattle Australia
S. Kidman & Co Pty Ltd
Harvest Road/Minderoo
Australian Country Choice
JBS

Cattle: 1,320,000
Annual market opportunity: *\$66M
Cattle supplemented FY22: Market
penetrated 1.3%

* Total cattle x 2.37 litres of supplement consumed per month @ \$1.75 per litre for 12 months (base rate)

2.11 Our Organisation

2.11.1 Company Structure

The parent company is DIT AgTech Limited which controls through a 100% ownership of DIT's operating entities:

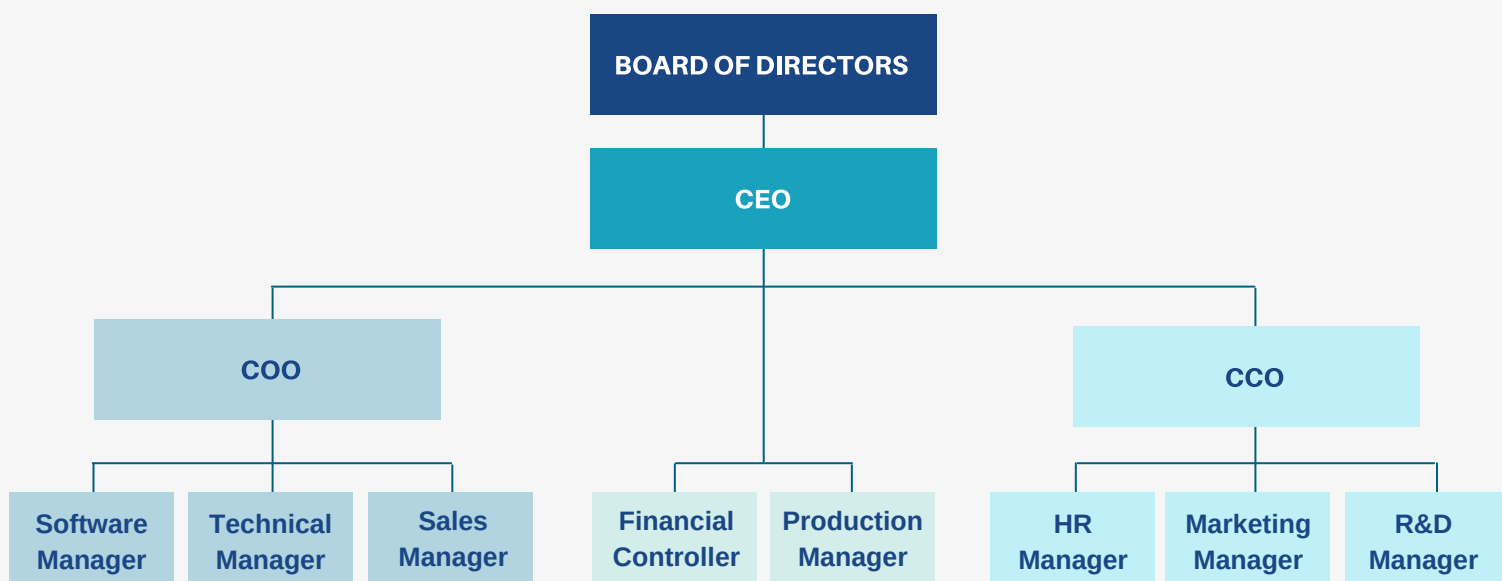
- Direct Injection Systems Pty Ltd (DIS) – 100% owned by DIT AgTech Ltd and is the operating entity of which all technology and animal health supplements are manufactured and sold.
- AGFin Pty Ltd – 100% owned by DIT AgTech Ltd and is the rental entity of the group which owns dosing devices and rents to customers on a monthly fee. We are building this business to provide annuity streams and has an Internal Rate of Return (IRR) more than 32%

- Harrington Systems Electronics (HSE) – 100% owned by DIT AgTech Ltd and is the software and data platform for the group. It sells connectivity and remote data solutions for customers as well as providing them with a software interface to connect and manage IoT devices.

These entities are currently setup with individual structures that collaborate under the DIT group however they could be sold off separately in the future as they are operating entities with a unique value proposition.

2.11.2 Organization Structure

The following diagram outlines the current positions and people within the DIT business.

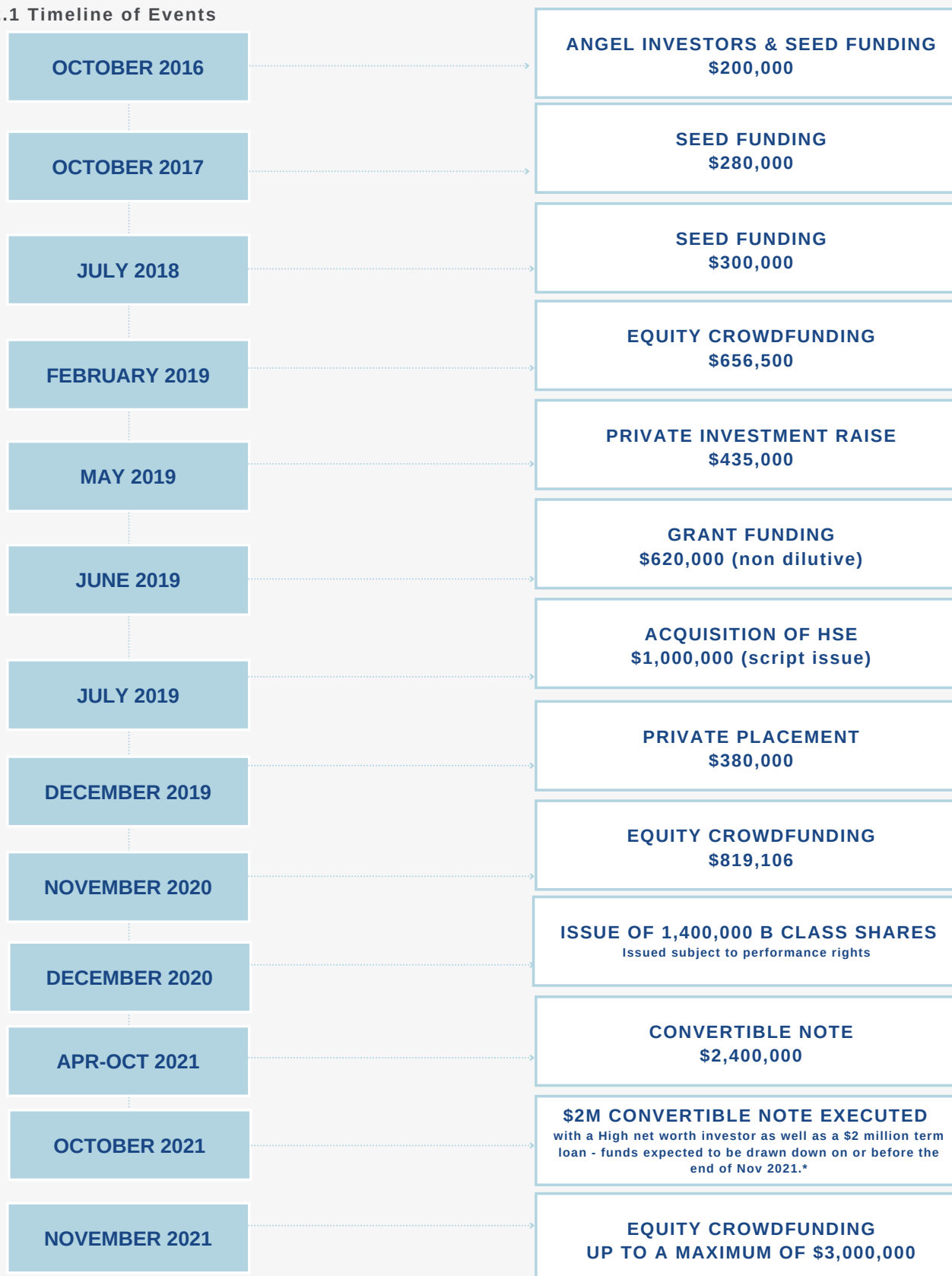


2.12 Capital Structure

The company has historically been funded by founder finance and equity injections from angel investors who have supported the company's setup, scale, and growth periods. Additionally, DIT have been funded by

sophisticated investors under private placement and an equity crowd fund in April 2019. The company has also issued script for the purchase of an additional business, Harrington Systems Electronics.

2.12.1 Timeline of Events



*subject to applicable regulatory approval

2.12.2 Details of the Current Capital Raise

In this capital raise, DIT is seeking to raise up to \$3M through the issue of 7.5 million ordinary shares at \$0.40/share.

Prior to the current and previous crowd sourced funding raise, the founder and early stage seed investors have invested \$0.2M and \$0.28M respectively, investing heavily in research and development.

In July 2018, a further \$300k was received from strategic sophisticated investors for a 10% share in the organization, reflecting a post money valuation of \$3.3M at that point in time.

The Equity Crowd Fund in March 2019 raised a further \$656,500 through an issue of 1,313,000 ordinary shares at 50c/share (0.10c after recent 5:1 share split). An additional 2,155,043 ordinary shares were issued via private placement at a value of \$1,820,051 between May 2019 and January 2020.

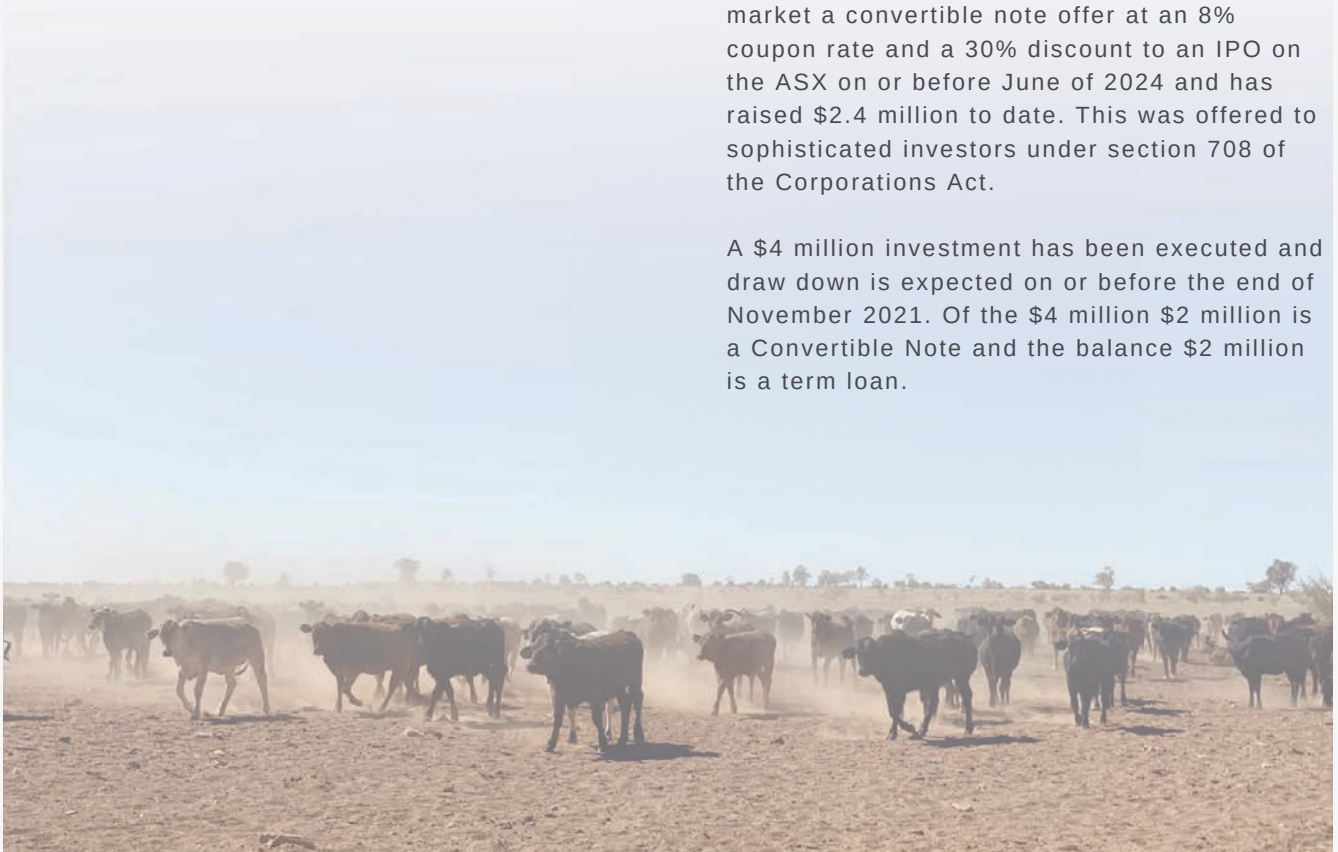
A second Equity Crowd Fund in November 2020 raised a further \$819,106 through an issue of 516,071 ordinary shares at \$1.50/share, 0.30c after the recent 5:1 share split.

On 23 December 2020, 1,400,000 B Class shares were issued to Whitfield Investments Pty Ltd, a company controlled by Non-Executive Director, John Diddams, as part of the remuneration to be provided to Mr. Diddams as a director of the Company under the terms of his Appointment Letter dated 1 December 2020. The B Class shares are a new class of shares and have a number of restrictions, including no voting rights, no dividend participation and no rights on winding up, and either convert to ordinary shares on a one for one basis on IPO, or are subject to a put/call option arrangement in the event that an IPO does not occur within 24 months of their issue date. The Board (Mr Diddams abstaining) resolved that the remuneration package provided to Mr Diddams (including the terms of issue of the B Class shares and their issue) is reasonable remuneration for the purpose of section 211 of the Corporations Act 2001, given the circumstances of the Company and Mr Diddams' circumstances (including the role, services and responsibilities that he has agreed to perform as a director under the terms of his Appointment Letter).

In March 2021 shareholders approved a 5 for 1 share split.

In March 2021, DIT AgTech issued to the market a convertible note offer at an 8% coupon rate and a 30% discount to an IPO on the ASX on or before June of 2024 and has raised \$2.4 million to date. This was offered to sophisticated investors under section 708 of the Corporations Act.

A \$4 million investment has been executed and draw down is expected on or before the end of November 2021. Of the \$4 million \$2 million is a Convertible Note and the balance \$2 million is a term loan.



2.12.3 Issued Capital

As at the date of this CSF offer document, DIT AgTech has Ordinary Shares, Class B Shares and Convertible Notes on issue. The following table shows the breakdown based on shareholder type.

Shareholder	Shares	% On Full Dilution
Founder & CEO	67,843,395	54.31
Other Directors (Current & Former)	16,937,400	13.56
Founding Shareholders & Angel Investors	11,472,725	9.18
Other Shareholders	21,673,199	17.35
Class B Shares	7,000,000	5.60
Total	124,926,719	100.00

The following table sets out the issued capital of the Company following the offer on a fully diluted basis.

Shareholder	Minimum Subscription	Maximum Subscription
	\$500,000	\$3,000,000
Founder & CEO	67,843,395 47.81%	67,843,395 45.80%
Other Directors (Current & Former)	16,937,400 11.94%	16,937,400 11.43%
Founding Shareholders & Angel Investors	11,472,725 8.09%	11,472,725 7.74%
Other Shareholders	21,673,199 15.28%	21,673,199 14.63%
Convertible Note Holders at current share price conversion	15,714,286 11.07%	15,714,286 10.61%
Class B Shares	7,000,000 4.93%	7,000,000 4.73%
Shareholders from the current CSF Raise	1,250,000 0.88%	7,500,000 5.06%
Total	141,891,005 100%	148,141,005 100%

2.12.4 Rights and liabilities associated with securities

As at the date of this Offer, the only class of shares on issue are ordinary shares and Class B shares. There is no shareholders agreement between the existing shareholders and as such, the rights and liabilities associated with the shares are as set out in the Company's constitution.

The company has adopted a Constitution which is consistent with the requirements for an entity listed on the Australian Stock Exchange as a result, there are limited circumstances where the directors may decline to register share transfer or may request a holding lock be placed on a share transfer. A more detailed description of the rights and liabilities associated with the shares is set out in Section 3.3 below. A copy of the Company's Constitution is available on the Intermediary's platform.

2.12.5 Current Debt Funding

Funding Type	Source	Limit	Entity
Overdraft Facility	CBA	\$ 50,000	DIS
Secured Loan	CBA/NAB/Judo	\$ 523,962	DIS/HSE/AGFin
Unsecured Loan	Various Parties	\$ 217,302	DIS/DIT
Equipment Funding	Finance Companies	\$ 463,253	DIS/HSE
R&D Advance	Mitchell Asset Management	\$280,000	DIT
Facility Loan	QRIDA Covid Loan	\$148,060	DIS/HSE
Director Loans	Loans to directors who have forgone payments due to COVID-19	\$78,016	DIT
Convertible Notes	Various Noteholders	\$2,400,000	DIT
Debenture Notes	Various Noteholders	\$450,000	AGFin
Related Party Loans	Loans to DIT related parties who have forgone payments due to COVID-19	\$120,810	DIS/DIT/HSE
Deferred Settlement	PSFA	\$43,000	DIS
Deferred Settlement	HSE	\$900,000	DIT

2.12.6 Grants

Grant	Project Title	Department	DIT \$ Contribution	Grant \$ Contributions	Total \$	Progress	Key Project Outcomes
Innovation Connections	STEM Based Graduate Employee	Department of Industry, Innovation and Science	\$30,000	\$30,000	\$60,000	99% delivered	Employment of a graduate for 12 months in the business to run a research project and develop their skills for further employment with the company post project
Manufacturing Modernisation - small grant	Townsville Technology Factory - Stage 1	Department of Industry, Innovation and Science	\$198,549	\$56,126	\$248,675	75% delivered	Increase innovation of DIT's Technology Manufacturing Plant in Townsville
MeriL (Methane Emissions Reduction in Livestock)	Reduction of methane emissions via Direct Water Injection of Supplements	Department of Industry, Science, Energy and Resources	\$832,375	\$993,751	\$1,826,126	Application submitted Pending Decision	To conduct research and develop the use of DIT's remote monitoring direct water injection technology as the delivery mechanism to feed optimal rates of methane reducing supplements through the drinking water of livestock.
Business Research and Innovation Initiative Regulatory Technology - Feasibility Study	Live Export uHub Feasibility Study	Department of Industry, Innovation and Science	\$44,250	\$99,150	\$143,400	EOI submitted Pending Decision	This study is designed to explore the feasibility for DIT AgTech to develop and expand on its current uCalm Export proportional dosing program to include data collection and analytics for its customers along the live export supply chain.
Business Research and Innovation Initiative Regulatory Technology - Feasibility Study	Drought Mitigation by Proportional Direct Water Injection Technology to fill the summer-autumn feed gap for sheep producers in Southern Australia	Department of Agriculture, Water and the Environment			\$120,000	EOI submitted Pending Decision	The project will involve innovative producers in South Australia and work collaboratively with the wider sheep industry and research organizations looking to improve the availability of drought mitigation technology.

Cont >>.

<< From Previous

Grant	Project Title	Department	DIT \$ Contribution	Grant \$ Contributions	Total \$	Progress	Key Project Outcomes
CRC-P (Cooperative Research Centers Projects Round 12)	Reduction of methane emissions via Direct Water Injection of Supplements	Department of Industry, Science, Energy and Resources	\$832, 375	\$993,751	\$1,826,126	Draft	To conduct research and develop the use of DIT AgTech's remote monitoring direct water injection technology as the delivery mechanism to feed optimal rates of methane reducing supplements through the drinking water of livestock.
Innovation Connections Grant	Business Researcher placement	Department of Industry, Innovation and Science	Balance of Salary	\$50,000	\$50,000	Pre Approval pending final application	The placement of a DIT AGTech Research Officer into a university to conduct research on methane emissions reduction through the water
Business Research and Innovation Initiative Regulatory Technology - Feasibility Study	Live Export uHub Feasibility Study	Department of Industry, Science, Energy and Resources	\$44,250	\$99,150	\$143,400	Pending Decision	regtech innovation - Remotely and automatically monitor the health and wellbeing of export livestock
LESiGAS (Livestock Emission Reduction Grant at Scale)						Waiting on this fund to open for application	

2.13 Directors and Advisors



Mark Peart – CEO and Founder

Mark is the founder of DIT AgTech. He is also the visionary and driving force behind growing the company into a global Ag Tech enterprise.

Mark's passion and skill base lies in recognising opportunities in business and advancements in commercially viable technologies. He has started over 20 businesses in his 30 year professional career.

Mark has a diverse background in aviation, property development and agriculture. He holds an MBA from Deakin University, an Associate Diploma of Farm Management, a Commercial Helicopter License and an Airline Pilot License.

With strong ties to the land, DIT AgTech holds a special significance to Mark, whose father and uncle were early pioneers of water supplementing. Mark founded DIT with the view of improving available products and harnessing the technical IP and chemistry innovation to develop new applications in other agricultural and commercial sectors. Mark's vision for DIT is to build a platform of technology and innovation to drive production and sustainability in agriculture.

Mark Peart was the director of Homestead Highfields LTD (a public company) from 2017 until its deregistration. In early 2020 when the effects of COVID-19 hit the economy, Homestead Highfields was placed into voluntary administration as a result of its inability to secure debt funding for a \$200 million dollar retirement village project. The impact of an unprecedented event like COVID-19 has shown Mark that even with the best endeavours and planning there can be unforeseen risk to projects outside of your control.

Mark's ability to always move forward is one of his strongest skills and continually learning from experience has been key in his business endeavours.

Mark Peart was a Director of Gulfline Aviation Pty Ltd from 1998 until its deregistration. Gulfline Aviation, a small charter company, was placed in liquidation in early 2000 due to outstanding PAYG, GST and income tax liabilities. The company ran into financial difficulties due to the loss of a major contract and increased costs that reduced profits. The Australian Taxation Office (ATO) was the only creditor of the company and Mark personally paid the ATO during the following year.



Quentin Kennedy - Chairman

Quentin Kennedy holds a Bachelor of Business (Agribusiness) and is Chairman and early stage investor in DIT AgTech. He has been involved in many facets of Australian agriculture from production to processing all his life.

He has knowledge of, and networks within the pastoral industry; Governance experience as a result of being on a number of Boards; sound knowledge of manufacturing best practice, quality and inventory control systems; sound financial knowledge having run a successful flour and feed milling group for over 15 years; and knowledge of the live export process and the challenges which face this sector.

He was an elected Director in Australian Organic P/L, a not for profit, member owned industry group serving the needs of the organic industry in Australia. He was on the board for 14 years until stepping down in late 2019.

Quentin brings a broad range of skills and agricultural experience to the Board of DIT. His focus is to ensure the adherence to the Strategic Plan, good governance and sound business practices are followed in a rapidly growing and ever evolving business.



John Diddams - Director

John is a professional Non-executive Director with extensive experience and a proven track record in managing the due diligence and IPO process for companies looking to raise capital and list on the ASX. John has over forty-five years' business experience as a CFO, CEO and director of both private and publicly listed companies. He has extensive knowledge and experience in the practical application of ASX Listing Rules, Australian corporations' law, international accounting standards and corporate governance principles.

Over the past 25 years John has managed the process to raise capital, perform due diligence and seek ASX listing for a number of diverse enterprises, including oil and gas interests, food distribution and retail, a fine wool processing plant, an innovative telephony product, a biotech company, an Internet advertising initiative, a dental device for snoring and sleep apnoea, an indoor skydiving company, a personal aircraft start-up, a breast care tech company, an adventure tourism company, a healthy fast food restaurant chain, and a medical device company.

John holds a Bachelor of Commerce from University of NSW, is Fellow of the Australian Society of CPAs and a Fellow of the Australian Institute of Company Directors. John is currently a Non-executive Director of ASX listed companies, Volpara Health Technologies Limited (ASX:VHT) and Aroa Biosurgery Limited (ASX:ARX) and unlisted Surf Lakes Holdings Limited.



Tim Peart - Advisor

Tim has been involved with agriculture his entire life, initially in Australia and for the last 26 years in the USA. Tim is currently President of Micro Technologies, a supplier of technologies for the cattle feeding and dairy industries in the US and Canada. Tim has been part of Micro's growth over the last 17 years, from sales, to operations, to leading the company, as Micro has grown to be the most trusted name in the industry.



Dr Tony Wood QDAH (Hon), BVSC (Hon) - Technical Advisor

Tony spent time in private practice until joining Coopers Animal Health as a Technical Advisor in 1970. During his 15 years at Coopers, Tony developed products for animal health that are still used today. In 1985, he returned to private practice, specialising in animal production systems, where he developed the NUTRIDOSE system of water supplementation. From this time, he has worked extensively with producers throughout Australia and Asia.



Paul Hilton - Advisor

Paul's career began as a commercial accountant in a leading firm. The next move was to Perpetual Trustees, working with high net worth individuals and corporate listings on the ASX. Paul was asked to open Power Tynan's Toowoomba office in 1992 and now holds the position of Group Managing Director. He has more than 30 years of experience in professional accounting and the financial services industry.



Tom Feez - Chief Operations Officer

In January 2017, Tom started at DIT as the first FTE. In the that time both he and DIT have grown together, with Tom being at the pointy end of nearly every facet of the business and relishing the challenge of being involved in a start up. Tom's enthusiasm for the potential for DIT to make a positive impact in the Australian Agricultural Industry has been a key driving factor in the success to date of DIT, and has seen Tom establish himself within the industry as one of the most knowledgeable and respected experts in water supplementation. As well as managing all day to day facets of DIT, Tom has taken the lead role in animal nutrition, which he is enormously passionate about. As part of this, Tom is currently enrolled part time in a masters of animal science degree and applies the knowledge and learnings from this to improving DIT's products and services on a daily basis allowing DIT to stay relevant and nimble in a rapidly changing market.



Vivienne McCollum - Chief Commercial & Research Officer

Viv has over 25 years experience in AgTech and agricultural project/business management having worked across a number of industries including cotton, grain, dairy, sugar and beef. Growing up on a sheep property south of Charleville then going on to obtain a Bachelor degree in Rural Science from UNE, she has been involved in agriculture her whole life. She has been a pioneer in the field of ag tech in Australia, originally bringing precision agricultural technologies to the cotton industry in the mid 1990's and since managed various projects for industry.



Conor Hilton - Financial Controller

Conor came from a traditional tax and compliance background before moving to a more business advisory role with a passion to help small businesses achieve their goals. After nearly ten years in those fields, Conor decided to move to a commercial role as the Financial Controller at DIT assisting with cashflow management, data analysis and compliance regulations. Conor grew up in Toowoomba and couldn't miss the opportunity to work with an agricultural technology company like DIT. With a family history of farmers in Wollooga, Conor loves to learn more about the agricultural field and use his knowledge of compliance and advisory to help DIT grow.



Jack Maley - Technical Manager

Jack grew up dairy farming in New Zealand and has been playing with electronics and programming since he was 6 years old. Jack obtained degrees in engineering and industrial automation in Townsville and Wollongong and has worked in manufacturing, software development and electronics design prior to landing a Technical role at DIT. Jack now handles repairs, customer support and production.



Rajesh Gadhvi - Software Development Manager

Rajesh's journey with DIT began soon after graduating as a software developer from Melbourne in late 2019. Rajesh helps bring ideas into reality and does the required improvements and innovations onboard for DIT's web based remote monitoring solution. He foresees huge potential in the expandability of remote monitoring technology to every arena, bringing ease of use and better management capability to the company. He serves DIT as a part of the technical team - Software Development Manager and is passionate towards achieving the goal by working on complex programming to expand usability on the Web and App platforms.



Chelsea Webster - Marketing Officer

Chelsea grew up on a cattle and grain farm on the Darling Downs where she developed a passion for livestock and their well-being. After completing a Bachelor of Business, Chelsea returned to her agricultural roots and worked on a cattle station in the Gulf of Carpentaria where she gained hands on experience and recognised the importance of providing adequate nutrition for herd performance. Combining her hands on experience and business knowledge, she promotes the cost-benefits between supplementing livestock and the operations profitability with a focus on Northern Australia.

2.14 Risks Facing the Business

Risk is commonly described as the effect of uncertainty on a company's objectives. Risk or uncertainty may result in a positive or negative outcome. Below is a description of the main risks facing DIT. Only the risks that may significantly impact the success or failure of the business have been included.

2.14.1 Key Risks

During the course of DIT's establishment and build phase, the following risks have been identified and will be monitored on an ongoing basis by both DIT's senior management and Board.

An investment in DIT should be seen as high-risk and speculative. A description of the main risks that may impact our business is below. Investors should read this section carefully before deciding to apply for shares under the Offer. There are also other, more general, risks associated with DIT (for example risks relating to general economic conditions or the inability to sell our shares).

Risk Category	Description
COVID-19 Business risk	Events related to the Coronavirus pandemic (COVID-19) have resulted in significant disruption to commercial activities in general. There is continued uncertainty as to business confidence and the willingness of customers and suppliers to operate in the same way, and to the same extent as before the COVID-19 pandemic was declared. The duration of this uncertainty and its severity remains unknown. While the Company has seen some impact on its financial performance as a result of COVID-19, it is beginning to see recovery in its sales volume. However, the speed at which the general economy and DIT's customers fully recover is not known. COVID-19 could potentially continue to impact suppliers, customers, employees and the Company's ability to sell its products. The impact of these factors, if they eventuate, could have a detrimental effect on the Company's financial performance, and depending on the extent of the disruption, any effect could be material.
Failure to retain existing customers & attract new customers	The success of DIT's business relies on its ability to attract new customers and to retain and increase revenue from existing customers. DIT primarily generates revenue through [the sale or rent of livestock equipment and the ongoing sale of supplements to be fed to the livestock through its proprietary technology]. The majority of DIT's contracts with customers run for 1 years. DIT's customers have [no obligation to renew their service offering when their contract term ends] and DIT cannot guarantee that all or any of its customers will renew their current service offering after the completion of their contract term. Accordingly, there is a risk that customers reduce or cease usage of DIT's services which would result in a reduction in the level of payments they make to DIT including revenue characterised as recurring revenue.
Acquisition risks	Historically DIT has made acquisitions to accelerate its growth. While DIT takes every effort to ensure that any acquisition is successfully integrated and the benefits realised, there is a risk that the acquisitions may fail to meet DIT's strategic and financial objectives including, if applicable, the integration of assets or equipment acquired, the generation of synergies and benefits that DIT expected or the provision of an adequate return on the purchase price. While DIT will undertake reasonable and appropriate due diligence in respect of its acquisitions, there is a risk that DIT's due diligence and analysis is incomplete or inaccurate. An unforeseen liability that arises after the acquisition, and for which DIT has no warranty or indemnity protection under the sale and purchase agreement, may impact on the investment and ultimately DIT's financial performance. In certain cases, DIT may need to enforce any warranty or indemnity that it has obtained under the sale and purchase agreement to mitigate any loss that it has suffered, which may involve issuing legal proceedings against relevant parties seeking damages. There can be no assurance that suitable future acquisition opportunities will arise or that the Company will make any future acquisitions.

Risk Category	Description
Competition risks	There are a number of organisations which compete both directly and indirectly with DIT in the water supplementation for livestock sector. While DIT is a leading provider of water supplementation for livestock in Australia, some of DIT's competitors may have or may develop competitive advantages over DIT and may be larger on an international or regional basis and have greater access to capital or other resources. The market share of DIT's competitors may increase or decrease as a result of various factors such as securing large new customers, developing new technologies and adopting pricing strategies specifically designed to gain market share. These competitive actions may reduce the prices that DIT is able to charge for its products and services or reduce DIT's activity levels, both of which would negatively impact the financial performance of DIT.
Key personnel	A perceived critical component of the success of the Company is the ongoing retention of key personnel, specifically, founder and CEO, Mark Peart, and members of the executive and management team. There is a risk DIT may not be able to attract and retain key personnel or be able to find effective replacements for those key personnel in a timely manner. The loss of such personnel, or any delay in their replacement, could have a significant negative impact on management's ability to operate the business and achieve financial performance targets and strategic growth objectives. Historically, Mark Peart has been involved with companies in the property development and aviation industry. Over the last 25 years some projects were not successful due to the loss of revenue contracts, The GFC, COVI D 19 and funding risk that have either entered voluntary administration or voluntary liquidation which in some cases has resulted in the administrator or liquidator issuing a report to ASIC with respect to the possible or alleged acts or omissions of directors and former directors of those companies. It is not currently known what action, if any, ASIC may take with respect to those reports.
Pricing risk	DIT primarily generates revenue by charging annual subscription or supply agreement fee to its customers for the length of the contract which are based on both the type of supplements and technology used. Upon completion of their contract, DIT's customers may try to renegotiate contract terms for more favourable price discounts which, if capped, would result in a direct reduction in the payments they make to DIT and have a negative impact on DIT's financial performance. While DIT may resist such attempts to renegotiate prices, business economics, market conditions or competitive forces may dictate that such terms need to be accepted. In addition, DIT does not currently incorporate any annual price increase clauses into their contracts such as a price increase based on the level of consumer price index. As a result, DIT is not currently able to pass on any potential cost increases it may face onto its customers. Consequently, any significant increase in costs that DIT incurs could have a material adverse effect on DIT's financial performance.
Reliance on DIT's livestock water supplementation technology & failure to adequately maintain & develop it	DIT's business model depends on DIT's ability to continue to ensure that DIT's customers are satisfied with the functionality of DIT's water supplementation technology for their livestock. The market livestock water supplementation is subject to evolving industry standards, changing regulations as well as ever changing customer needs and preferences. DIT's success will depend on its ability to adapt and respond effectively to these changes on a timely basis. There is a risk that DIT may fail to maintain its technology platform adequately or that future updates may introduce errors and performance issues causing customer satisfaction to fall.
Reliance on up-take of SaaS-based water supplementation for livestock solutions	DIT's future revenue and growth depends on the increasing adoption of SaaS (Supplement as a Service), application based water supplementation for livestock solutions. It may be difficult for DIT to persuade potential customers to change their existing methods and adopt SaaS, application based water supplementation for livestock solutions like DIT's. If DIT's solutions are not accepted and used by more livestock farmers or if the market for livestock water supplementation solutions fails to grow as expected, DIT's business could be adversely affected and revenue growth may slow, which could negatively impact DIT's operating and financial performance.

Risk Category	Description
Failure to realise benefits from product research & development	Developing software and technology is expensive and often involves an extended period of time to achieve a return on investment. An important aspect of DIT's business is to continue to invest in innovation and related product development opportunities. DIT believes that it must continue to dedicate resources to DIT's innovation efforts to develop DIT's technology product offering and maintain the Company's competitive position. However, DIT may not receive benefits from these investments for several years or may not receive benefits from these investments at all.
Failure to effectively manage growth	Based on DIT's projections, DIT expects further organic and inorganic growth in the future, which could place significant strain on current management, operational and finance resources as well as the infrastructure supporting DIT's platform. DIT's future success, depends, to a certain extent, on DIT's ability to effectively manage this growth.
Disruption or failure of technology	DIT and its customers are dependent on the performance, reliability and availability of DIT's technology (including satellites, servers, the internet and hosting services). There is a risk that these systems may be adversely affected by disruption, failure, service outages or data corruption that could occur as a result of computer viruses, "bugs" or "worms", malware, internal or external misuse by websites, cyber-attacks or other disruptions including natural disasters, power outages or other similar events.
Reliance on third party service providers	DIT relies on certain contracts with third party service providers to facilitate the use of DIT's solutions. In particular, DIT relies on a third party service provider for the Company's water supplementation raw ingredients and the transport of products to remote farms and cattle ranches in Australia. DIT also relies on the use of third party service providers for system documentation, software layers and code management and monitoring and auditing the Company's IT infrastructure and network. Any failure or disruption to the service provided from the third party service providers that DIT's business relies on to efficiently operate could negatively impact DIT's operating and financial performance.
Major shareholder risk	DIT currently has a couple of substantial shareholders on its register. There is a risk that these shareholders or other larger shareholders may sell their shares at a future date. This could cause the price of DIT shares to decline.
Protection of Intellectual Property	The value of DIT's products is dependent on DIT's ability to protect its intellectual property, including patents, trademarks, copyright and moral rights. There is a risk that DIT may be unable to detect the unauthorised use of intellectual property rights in all instances. Further, actions that DIT takes to protect its intellectual property may not be adequate or enforceable and thus may not prevent the misappropriation of, or copying or circumvention of, DIT's intellectual property and proprietary information.
Success of sales & marketing strategy	DIT's future success is partly dependent on the realisation of benefits from investment spent on sales and marketing campaigns and initiatives. Promoting awareness of DIT's brand and reputation is critical to DIT's success as a Saas, livestock water supplementation provider. DIT expects that sales and marketing investment will continue to increase as the business grows. DIT may not, however receive benefits from these investments for several years or may not receive benefits from these investments at all. Failure to realise intended benefits from sales and marketing investment could negatively impact DIT's ability to attract new customers and adversely impact DIT's operating and financial performance.
Success of sales & marketing strategy	DIT's future success is partly dependent on the realisation of benefits from investment spent on sales and marketing campaigns and initiatives. Promoting awareness of DIT's brand and reputation is critical to DIT's success as a Saas, livestock water supplementation provider. DIT expects that sales and marketing investment will continue to increase as the business grows. DIT may not, however receive benefits from these investments for several years or may not receive benefits from these investments at all. Failure to realise intended benefits from sales and marketing investment could negatively impact DIT's ability to attract new customers and adversely impact DIT's operating and financial performance.

Risk Category	Description
Breach of Third Party IP rights	There is a risk that third parties may allege that DIT's solutions use IP derived by them or from their products without their consent or permission. DIT may be the subject of claims which could result in disputes or litigation, which could result in the payment of monetary damages, cause delays and increase costs, which in turn could have an adverse impact on DIT's operations, reputation and financial performance.
Failure to consider changes in compliance & regulatory environment	DIT's customers rely on having accurate and up to date information available on their application. DIT constantly monitors changes to the relevant regulatory and compliance legislation that affects its platform and products which it offers. There is a risk that DIT fails to keep abreast of these changes and subsequently fails to make the necessary updates to DIT's platform or fails to make the necessary updates in a timely manner which could have an adverse impact on DIT's customer satisfaction, operations and financial performance.
Revenue recognised throughout term of customer contracts	DIT recognises revenue over the term of the contract with its customers which are typically 1 years in length. DIT invoices customers annually in some cases, in advance and recognises revenue monthly on a pro-rated basis throughout the term of the contract. As a result, most of the revenue realised in any given period relates to contracts entered into during previous periods. Consequently, a shortfall in demand for DIT's solutions or losses in the existing customer base may not be reflected in the revenue results of that period but are likely to negatively impact revenue in subsequent periods.
Country / Region specific risks in new and/or unfamiliar markets	Part of DIT's growth strategy is to expand its operations to overseas jurisdictions. If it does so, DIT will be exposed to a range of different legal and regulatory regimes. Should DIT expand its presence into new international jurisdictions, DIT is subject to the risks associated with doing business in the relevant jurisdictions, which may have political, legal and economic instability or less sophisticated legal and regulatory systems and frameworks. In acquiring entities based in overseas jurisdictions, it may take some time for DIT to become accustomed to the local legal and regulatory systems and frameworks that are relevant to the business.
General economic conditions	Adverse changes in economic conditions (eg. as a result of COVID-19) including economic growth rates, interest rates, employment levels, consumer demand, consumer and business sentiment, market volatility, exchange rates, inflation rates, government policies, international economic conditions and employment rates amongst others are outside of DIT's control, and have the potential to have an adverse impact on the future operational and financial performance of DIT.
Foreign Exchange risk	DIT's financial statements are presented in Australian Dollars. Although only a anticipated small portion of current sales revenue is denominated in currencies other than the Australian Dollar, this portion may increase over time as DIT continues to grow and to expand into overseas jurisdictions. Future changes in the exchange rates in the jurisdictions in which DIT operates may adversely impact DIT's operating and financial performance.
Risk of unforeseen increased costs	DIT's future financial performance is dependent, to a certain extent on the level of capital expenditure that is required to maintain its assets. Any significant unforeseen increase in the capital and operating costs associated with DIT's operations would impact its future cash flow and profitability.

Risk Category	Description
Loss or Theft of data & failure of data security systems	<p>DIT's products involve the storage of customers' confidential and proprietary information. DIT's business could be materially impacted by security breaches of DIT's customers' data either by unauthorised access, theft, destruction, loss of information or misappropriation or release of confidential customer data. There is a risk that any measures taken may not be sufficient to prevent or detect unauthorised access to, or disclosure of, such confidential or proprietary information, and any of these events may cause significant disruption to DIT's business and operations. This may also expose DIT to reputational damage, regulatory scrutiny and fines, any of which could materially impact DIT's operating and financial performance.</p>
Litigation risk	<p>In the ordinary course of business, DIT may be involved in litigation disputes from time to time. Litigation disputes brought by third parties including, but not limited to, customers, suppliers, business partners, vendors and employees may adversely impact the financial performance and industry standing of the business, in the case where the impact of legal proceedings is greater than or outside the scope of the Company's insurance.</p>
Regulatory & tax risks	<p>DIT is exposed to any changes in regulatory conditions under which it operates in Australia. Such regulatory changes can include, but are not limited to, changes in tax laws and policies, accounting laws, policies, standards and practices, laws and regulations that may impact upon the operations and business practices of DIT and its management; and employment laws and regulations including laws and regulations related to occupational health and safety. Any change in the current rate of company income tax in Australia may impact upon the financial performance and cash flows, ability to pay dividends and Dirs share price which in turn could impact shareholder returns.</p>
Force majeure events	<p>Events may occur within or outside Australia that could impact upon the Australian economy the Company and the price of Dirs shares. These events are outside DIT's control and include, but are not limited to, acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease (including pandemics) or other natural or man-made events or occurrences that can have an adverse effect on the demand for DIT's products and its ability to conduct business. DIT has only a limited ability to insure against some of these risks.</p>

2.15 Financial Information

Below is a summary of the financial statements of the Company for the financial years ended 30 June 2020 and 2021, which have been prepared in accordance with the Accounting Standards and audited by SRJ Walker Waylan FY2020 and RSM Australia FY2021. RSM also restated some of the FY20 accounts to meet the accounting standards as per note in section 2.15.7.

2.15.1 Profit and Loss Statement

	FY20 <i>Consolidated Audited & Restated</i>	FY21 <i>Consolidated Audited</i>	Management Results Jul-Sept 21 <i>drafted</i>
SALES			
Sales	2,198,348	1,121,330	376,775
Total Sales	2,198,348	1,121,330	376,775
Other Revenue			
Grants:	214,000	341,700	24,101
Government Subsidies:	517,957	540,721	-
Miscellaneous:	326,501	146,192	-
Total Revenue	1,058,458	1,028,613	24,101
Total Sales & Revenue	3,256,806	2,149,943	400,876
EXPENSES			
Cost of Goods Sold	(1,122,251)	(861,105)	(272,269)
Marketing	(150,295)	(242,965)	(25,809)
Wages & Associated Costs	(1,977,961)	(1,943,677)	(763,215)
Building & Occupancy Costs	(229,797)	(215,700)	(166,034)
Travel Cost	(281,779)	(191,163)	(107,569)
Professional Fees	(114,475)	(396,207)	(54,281)
Administration & Other Expenses	(207,692)	(438,070)	(50,227)
Less Inventory Write-down and Adjustments	-	(384,072)	-
Share-based Payment Expense	-	(196,000)	-
Gain/(Loss) on Disposal of Assets	-	-	-
Total Operating Expenditure	(4,084,250)	(4,868,959)	(1,439,404)
EBITDA	(827,444)	(2,719,016)	(1,038,528)
Depreciation & Amortisation Expenses	(429,517)	(881,277)	(164,690)
Finance Costs	(102,814)	(278,339)	(87,704)
Net Profit (Loss) Before Tax	1,359,775	(3,878,632)	(786,134)
Income Tax Expense	(200,905)	73,488	-
Net Profit (Loss) After Tax	(1,560,680)	(3,805,144)	(786,134)
Total comprehensive loss for the year	(1,560,680)	(3,805,144)	(786,134)

2.15.2 Balance Sheet

	FY20 <i>Consolidated</i>	FY21 <i>Consolidated</i>	Management Results Jul-Sept 21 <i>drafted</i>
ASSETS			
Current Assets			
Cash and cash equivalents	11,547	46,830	327,674
Trade and other receivables	1,162,186	714,461	57,568
Inventories	498,399	315,466	421,390
Other assets	76,280	57,612	109,116
Total Current Assets	1,748,412	1,134,369	1,456,518
Non-Current Assets			
Other assets	-	54,871	1,599,183
Property, Plant and equipment	117,972	1,528,023	-
Right of Use Assets	2,339,901	2,282,767	1,935,861
Intangibles	1,838,766	1,572,419	287,839
Total non-current assets	4,296,639	5,438,080	829,941
TOTAL ASSETS	6,045,051	6,527,449	6,760,536
LIABILITIES			
Current Liabilities			
Trade and other payables	1,406,710	1,994,985	1,732,279
Contract liabilities	-	28,307	6,153
Borrowings	905,120	1,327,598	356,972
Lease Liabilities	331,260	305,942	35,303
Employee benefits	49,587	118,884	226,100
Income tax liability	16,361	11,584	546,212
Total current liabilities	2,709,038	3,787,300	662,829
Non-Current Liabilities			
Borrowings	852,912	2,817,959	151,993
Lease Liabilities	1,821,198	1,979,611	493,000
Deferred tax	73,488	-	315,519
Total Non-Current Liabilities	2,747,598	4,797,570	5,686,648
TOTAL LIABILITIES	5,456,636	8,584,870	9,752,496
NET (LIABILITIES)/ASSETS	588,415	(2,012,421)	(2,991,960)
Equity			
Issued Capital	3,258,532	4,462,840	4,292,725
Accumulated losses	(2,670,117)	(6,475,261)	(7,284,685)
TOTAL EQUITY	588,415	(2,012,421)	(2,991,960)

2.15.3 Cashflow Statement

	FY20 <i>Consolidated</i>	FY21 <i>Consolidated</i>
CASHFLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers (inclusive of GST)	3,308,295	2,841,646
Payments to suppliers and employees (inclusive of GST)	(2,741,210)	(4,353,027)
	567,085	(1,511,381)
Interest and Other Finance Costs Paid	(41,738)	(152,776)
Income Tax Paid	(248,217)	(11,181)
Net cash (used in)/provided by operating activities	277,130	(1,675,338)
CASHFLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of business, net of cash acquired	-	138,456
Purchase of intangible assets	(2,011,540)	(76,260)
Payments for property, plant and equipment	(371,524)	(649,620)
Net cash used in investing activities	(2,383,064)	(587,424)
CASHFLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	1,380,051	1,008,308
Net proceeds from Borrowings	918,750	1,536,102
Repayment of lease liabilities	(327,403)	(240,341)
Net cash provided by financing activities	1,971,398	2,304,069
Net increase/(decrease) in cash and cash equivalents	(134,536)	41,307
Cash and cash equivalents at beginning of financial year	112,426	(22,110)
Cash and cash equivalents at the end of financial year	(22,110)	19,197

2.15.4 Statement of Changes in Equity

	Issued Capital	Accumulated Losses	Total Equity
Consolidated			
Balance as at 1 July 2019 - as previously reported	1,878,481	(864,720)	1,013,761
Prior period adjustment	-	(235,000)	(235,000)
Balance at 1 July 2019 - restated	1,878,481	(1,099,720)	778,761
Loss after income tax expense for the year - restated	-	(1,560,680)	(1,560,680)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive loss for the year - restated	-	(1,560,680)	(1,560,680)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs Acquisition of Harrington Systems Electronics Pty Ltd	1,380,051	-	1,380,051
Recognition of controlling interest upon purchase of full shareholding of Harrington Systems Electronics Pty Ltd	-	(16,379)	(16,379)
		6,662	6,662
Balance as at 30 June 2020	3,258,532	(2,670,117)	588,415
Consolidated			
Balance at 1 July 2020	3,258,532	(2,670,117)	588,415
Loss after income tax expense for the year	-	(3,805,144)	(3,805,144)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive loss for the year	-	(3,805,144)	(3,805,144)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs	1,204,308	-	1,204,308
Balance as at 30 June 2021	4,462,840	(6,475,261)	(2,012,421)

SHARE CAPITAL # SHARES

PUBLIC - DIT AGTECH LIMITED

Initial Issue of Share Capital	89,666,120
First Crowd Sourced Fund	5,976,825
Second Crowd Sourced Fund	2,668,530
B Class Shares	7,000,000
Additional Shares Issued post CSF	19,615,244
Current Shares Issued	124,926,719

2.15.5 Going Concern

The financial statements for the period ended 30 June 2021 are being prepared on the going concern basis. The Independent Auditor's Report accompanying the Company's Annual Report for 2021, includes a going concern emphasis. The Directors recognise there is always an element of uncertainty with scale ups. To address this risk, the Directors have reviewed the cash flow requirements of the Company for the twelve months from September 2021 and recognise that the Company is dependent upon either capital raisings or loans to fund both its ongoing operations and strategic intentions. Should the Company not achieve its capital raising objectives, the majority of its future operating expenses are highly controllable. Therefore, management is able to scale back spending to align with its capital position.

2.15.6 Management comments on historical performance and outlook

Most of the revenue growth to date has been achieved in Northern Australia where there are fewer clients but who run larger herds of livestock. This strategy of focusing on low hanging fruit has proved successful and any early adopters of the tech are over serviced and nurtured. Losses to date are a reflection of the business's aggressive growth strategy to capture a substantial first mover advantage and build out a large scale network of sales and manufacturing locations and the supporting staff to service each region. Additional expenses that affected profit are also attributed to the company focusing on building out the IT and Engineering talent pool of the company. The importance of growing the company's internal talent has played a vital role in the companies growth.

COVID 19 also had a material affect on the company achieving profitability in FY21, the company was severely affected by restricting movement of key management around Australia to manage growth and staff in Southern Australia.

A transition to doser rental model has impacted top-line revenue in FY21, although recurring supplement revenue is forecast to grow by 64% in FY21 and again in FY 22 and FY 23.

Strong revenue growth expected in FY22 is driven by rollout across existing customers and live in-situ trials transitioning to commercial contracts.

- Forecast FY22 revenue includes over 75% recurring supplement revenue, driven by:
 - – Recently executed written agreements with customers accounting for over 25% of the FY22 forecast supplements revenue
 - – Forecast additional revenue of 10% in FY22 from bringing on additional properties with existing customers, which is already underway
 - – A 30 % forecast revenue growth from commercialisation of existing in-situ trials and onboarding of new customers
- Significant investment in technology in FY21 will underpin DIT's future growth and allow Improved gross margins in FY22 and beyond resulting from economies of scale through the roll-out Full Service Model. FY23 revenue is based on continued growth with our existing customer base, as well as the acquisition of new customers throughout FY23.

2.15.7 Prior period adjustment

During the year, the Company changed auditors. A number of errors were identified in relation to the previous reporting period. Consequently, we have restarted the comparative figures. There were three material adjustments which related to the following:

1. The right-of-use assets and lease liabilities for leased properties and leased motor vehicles were not accounted for correctly in accordance with AASB 16 Leases.
2. The directors reconsidered the nature of intangible assets acquired in relation to past business combinations and consequently there were some reclassifications between goodwill and other classes of intangible assets. These intangible assets have been amortised over the estimated useful lives.
3. A transaction was identified in relation to a related party sale. The transaction was not recorded in the related party accounting records and was consequently reversed in DIT Agtech Limited. Loan accounts no longer existed between the entities and were eliminated after the acquisition of AgFin which occurred on 1 July 2021.
4. Various other less material transactions were identified and corrected given the extent the adjustments been passed to the matters above.

2.15.8 Forecasted Financials

Forecasts are inherently uncertain and should not be solely relied upon as they are subject to change, uncertainty and unexpected events, many of which can not be controlled.

Accordingly, actual results are likely to differ from the forecasts. No representation or assurance is or can be given that the forecasts will be achieved. Past performance is no guarantee of future performance.

MANAGEMENT OUTLOOK

All the projections for DIT have been based on reasonable grounds by referring to the table published by the MLA (Meat and Livestock Australia) which outlines cattle numbers across regions around Australia. We have estimated a percentage of livestock DIT will on board onto water supplementing each year. These projections underpin the amount of supplements and dosing technology the business will sell. Projections are based on AE (adult equivalent) livestock consuming 10 kgs of dry product per year on average and 1 doser supplementing on average 1000 AE.

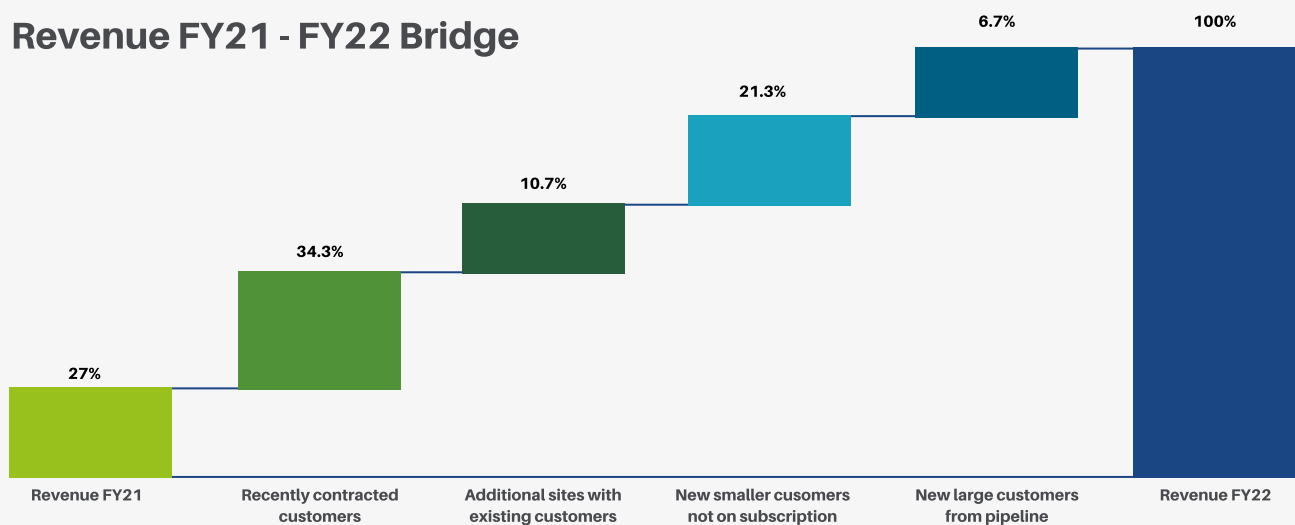
Comments on revenue outlook are inherently uncertain and should not be solely relied upon as they are subject to change, uncertainty and unexpected events, many of which cannot be controlled. Accordingly, actual results are likely to differ from forecast.

The revenue outlook has been prepared by DIT AgTech Limited and has not be validated by an independent third party.

	FY22 Forecast	FY23 Forecast
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REVENUE		
Sales (Anticipated % Growth)	275	227
EXPENDITURE		
Operating Expenditure (Anticipated % Growth)	38	35
GROSS MARGIN		
Percentage of sales	54	65

Revenue FY21 - FY22 Bridge



ASSUMPTIONS FOR FORECAST PROJECTIONS:

The following assumptions have been used to project a forecast growth percentage.

DIT has over the last 18 months built a pipeline of potential dosing sales or rentals from focused interaction with customers to establish a go to market growth strategy. The pipeline is 350 doses that can be deployed over the coming years, each doser in turns supplements on average 1000 AE head of cattle. An AE on average consumes a maximum of 10kg of dry supplement equivalent each year.

This methodology underpins the growth % projections.

- Sales revenue relates to sale of technology, sale of supplements, rental of dosers, sale of data services.
- In FY22 the following sale assumptions have been assumed.
 - deployment 182 dosers (both Full Service Model and lease customers).
 - Sale of data for deployed devices.
 - Sale of over 500,000 litres of supplement.

3. In FY 23 the following sale assumptions have been assumed.

- Deployment of 248 dosers.
- Sale of data for accumulated devices.
- Sale of 700,000 litres of supplement

4. Gross Margins on the above sales is forecast to be circa 54% in FY22 and circa 65% in FY23.

5. Operating Expenditures are as follows:

- In FY22. 34 Employees, Director Fees and Management, 4 leases on manufacturing facilities and associated costs, Consultants and professional fees, sales team expenditures (includes vehicles operating costs), marketing and sales promotion, staff travel and accommodation.
- In FY23. 51 Employees, Director Fees and Management, 4 leases on manufacturing facilities and associated costs, Consultants and professional fees, sales team expenditures (includes vehicles operating costs), marketing and sales promotion, staff travel and accommodation.

Section 3

Information about the offer

3.1 Terms of the Offer

The key terms and conditions of the Offer are set out in the Table below.

To participate in the Offer, you must submit a completed application form together with the application money via the Intermediary's platform. The Intermediary's website provides instructions on how to apply for shares under the Offer at www.birchal.com.

The Intermediary must close the Offer early in certain circumstances. For example, if the Maximum Subscription is reached, the Offer must be closed. If the Minimum Subscription is not reached or the Offer is closed but not completed, you will be refunded your application money.

Term	Details
Shares	Fully-paid ordinary shares
Price	\$0.40
Minimum Subscription	\$500,000
Maximum Subscription	\$3 million
Minimum Parcel Size	\$200
Opening Date	24th November, 2021
Closing Date	9th December, 2021

A description of the rights associated with the shares is set out in Section 3.

Investors may withdraw their application during the Cooling-off Period. Further information on investor cooling-off rights can be found in Section 4 of this CSF offer document.

The Offer is not underwritten.

3.2 Use of Funds

The table below sets out the intended use of funds raised under this Offer based on the minimum and maximum subscription amounts.

Intended Use	YEAR 1 MINIMUM SUBSCRIPTION	YEAR 1 MAXIMUM SUBSCRIPTION	YEAR 2 MINIMUM SUBSCRIPTION	YEAR 2 MAXIMUM SUBSCRIPTION
Building dosing devices to meet demand	\$375,000	\$2,250,000	\$0	\$0
R&D for the commercial deployment of methane reducing technology	\$70,000	\$420,000	\$25,000	\$150,000
Offer Costs	\$30,000	\$180,000	\$0	\$0
TOTAL FUNDS	\$475,000	\$2,850,000	\$25,000	\$150,000

The Offer is not underwritten and there is no guarantee that these funds will be raised.

The cost of the Offer includes the Intermediary's fees under the hosting agreement between the Company and the Intermediary.

These fees are up to 6% of all funds raised by the Issuer through Birchal Financial Services Pty Ltd (Intermediary), plus \$2,800 for administration and setup costs.

Other than as specified above, no other payments from the funds raised will be paid (directly or indirectly) to related parties, controlling shareholders, or any other persons involved in promoting or marketing the Offer.

We expect that the Maximum Subscription amount will be sufficient to meet the Company's short-term objectives over the next 18–24 months.

If only the Minimum Subscription amount is raised, the Company will require further funding to be able to carry out our intended activities over the next 12 months. In such circumstances, the Company may consider undertaking a further CSF offer under the CSF regime. Until additional funding is obtained, we will scale back sales and marketing and production activities, and continue to focus our cash resources on research and development and working capital costs to advance the clinical trials of our new technology.

3.3 Rights Associated with the Shares

Immediately after issue, the shares will be fully paid shares. There will be no liability on the part of shareholders and the shares will rank equally with the shares currently on issue. The rights associated with the shares are set out in the Company's constitution. These rights are described below. A copy of the constitution is available on the Intermediary's platform.

3.3.1 Voting rights

Each shareholder has one vote on a show of hands and, on a poll, one vote for each share held.

3.3.2 Dividends

All shareholders have a right to receive any dividends declared and paid by the Company. The directors have a discretion and may resolve to pay dividends, subject to their obligations under the Corporations Act (for example, they cannot pay dividends unless the Company's assets are sufficiently in excess of its liabilities immediately before the dividend is declared and where it may materially prejudice the Company's ability to pay its creditors).

3.3.3 General meetings and notices

Directors have the power to call meetings of all shareholders or meetings of only those shareholders who hold a particular class of shares. Shareholders who hold at least 5% of the votes which may be cast at a general meeting of the Company have the power to call and hold a meeting themselves or to require the directors to call and hold a meeting.

3.3.4 Election and removal of directors

Shareholders may vote to elect and remove directors at a general meeting by way of ordinary resolution (50%).

3.3.5 Winding-up

If the Company is wound up and there are any assets left over after all the Company's debts have been paid, the surplus is distributed to holders of ordinary shares after secured and unsecured creditors of the Company. Holders of fully-paid ordinary voting shares rank ahead of other classes of shares (if any).

3.3.6 Restrictions on sale and transfer

We also draw your specific attention to the fact (and by entering into this Subscription Agreement you are taken to acknowledge) that any CSF Shares acquired under the Offer must not be onsold within 12 months of their issue without a prospectus or other disclosure document, unless an exemption under section 708 of the Corporations Act 2001 (Cth) applies (e.g. sales to sophisticated or professional investors) or unless ASIC gives relief from the requirement to provide such prospectus or other disclosure document.

3.4 Details of Previous CSF Offers

In November 2018, DIT launched its first CSF Offer. At that time, the Directors were Mark Peart, Quentin Kennedy and Paul Hilton. In the first CSF offer, DIT offered up to 2,200,000 fully-paid ordinary shares at an issue price of \$0.50c per share to raise up to \$1,100,000. That CSF offer was completed successfully raising \$656,500.

In a second CSF offer in November 2020, DIT offered up to 1,333,333 fully-paid ordinary shares at an issue price of \$1.50 per share to raise up to \$2,000,000. That CSF offer was completed successfully raising \$819,106. At the time of this raise the Directors were Mark Peart, Quentin Kennedy and Craig Kimmorley. In March of 2021, the shareholders agreed to a 5 to 1 share split which equated to an issue price of 30 cents at the last CSF round in November of 2020.

3.5 What can I do with my Shares?

Shares in the Company are considered illiquid as they cannot easily be transferred or sold. However, there are numerous possible circumstances that may create an opportunity for shareholders to exit the business.

These include, but are not limited to:

- **A listing on a registered stock exchange (eg. the ASX)**
- **A trade purchase of the Company**
- **A private equity investment in the Company**
- **A share buy-back by the Company**

There is no guarantee that any of the exit options will eventuate.

Information about Investor Rights

4.1 Cooling Off Rights

If you are a retail investor, you have the right to withdraw your application under this Offer and to be repaid your application money. If you wish to withdraw your application for any reason (including if you change your mind about investing in the Company), you must do so within five business days of making your application (Cooling-off Period).

You must withdraw your application via the Intermediary's platform. You will be able to withdraw your application within the Cooling-off Period by following the link and the instructions within your portfolio on the Intermediary's platform.

After your withdrawal has been processed, the Intermediary will refund the application money to your nominated account as soon as practicable

4.2 Communication Facility for the Offer

You can ask questions about the Offer on the communication facility available on the Intermediary's platform. You can also use the communication facility to communicate with other investors, with the Company and with the Intermediary about this Offer.

You will be able to post comments and questions about the Offer and see the posts of other investors on the communication facility. The Company and/or the Intermediary will also be able to respond to questions and comments posted by investors.

Officers, employees or agents of the Company, and related parties or associates of the Company or the Intermediary, may participate in the facility and must clearly disclose their relationship to the Company and/ or Intermediary when making posts on the facility.

Any comments made in good faith on the communication facility are not subject to the advertising restrictions in the Corporations Act.

4.3 Public Company Corporate Governance Obligations

4.3.1 Annual general meetings

The Company is required to hold an annual general meeting (AGM) at least once in each calendar year and within five (5) months after the end of the Company's financial year. The Company's financial year is from 1 July to 30 June each year.

If shareholders have any queries or concerns about the Company, they should contact the company secretary directly at invest@ditech.net.au.

* DIT AgTech will be adopting ASIC Instrument 2021/770 with a extension of 2 months to hold the AGM.

4.3.2 Annual Report

The Company prepares annual financial reports and directors' reports at the end of each financial year and lodges these with ASIC (within four months of the financial year end). The Company has a 30 June year end and its financial reports must be lodged by 31 October each year. The directors of the Company are required to make a declaration that the financial statements give a true and fair view of the Company's financial position and performance and that the financial statements comply with the accounting standards.

*DIT AgTech will be adopting ASIC 20-113MR and extending the preparation and lodgement of the Annual Report by an additional 1 month.

4.3.3 Distribution of Annual Report

The annual report must be distributed to members within the earlier of 21 days before the annual general meeting or four months after the end of the financial year.

Shareholders can elect to receive the Company's annual reports electronic copy free of charge, by emailing invest@ditech.net.au.

Glossary

ASIC is Australian Securities and Investments Commission. The regulator who approves the AFSL and ACL.

ATTRACTANT is an ingredient used to attract livestock

to supplement to ensure intake.

B2C means Business to Customer

B2B means Business to Business

B2F means Business to Farmer

BVSC means Bachelor of Veterinary Science.

COMPANY means DIT AgTech Limited (ACN 623 091 743)

COOLING-OFF PERIOD means the period ending five business days after an application is made under this Offer, during which an investor has a right to withdraw their application and be repaid their application money.

CSF means Crowd-Sourced Funding as defined under Part 6D.3A of the Corporations Act.

DIAPHRAGM PUMP a positive displacement pump that uses a combination of the reciprocating action of a rubber, thermoplastic or teflon diaphragm and suitable valves on either side of the diaphragm to pump a fluid.

DIT means DIT AgTech Limited (ACN 623 091 743).

EXTENSION OFFICER an employee qualified in a specific scientific field.

GUT MICROFLORA means bacteria, algae and fungi living in the gut.

IoT means Internet of Things

INTERMEDIARY means Birchal Financial Services Pty Ltd AFSL 502618

LICK a form of supplement 'licked' by the cattle.

LIQUID60 PRODUCT a DIT liquid product containing 60% of a concentrate.

MAXIMUM SUBSCRIPTION means the amount specified in this CSF offer document as the maximum amount sought to be raised by the Offer.

MINIMUM SUBSCRIPTION means the amount specified in this CSF offer document as the minimum amount sought to be raised by the Offer.

OFFER means an offer of fully-paid ordinary shares by the Company under this CSF offer document.

RETAIL INVESTORS are investors that purchase securities for their personal account rather than for an organisation. Retail investors typically trade in smaller amounts than institutional investors.

RISK means the effect of uncertainty on a company's objectives. Risk or uncertainty may result in a positive or negative outcome.

RUMEN is the first stomach of a ruminant animal.

SOPHISTICATED INVESTORS are investors deemed to have sufficient investing experience and knowledge to weigh the risks and merits of an investment opportunity and are defined under the Corporations Act 2001 (Cth).

VOLATILE FATTY ACIDS are acids utilized as an energy source for ruminants.

W.O.M.B.A.T. means Word of mouth buy and tell.

We look forward to you joining us in our mission to help farmers better feed the world



DIT AgTech

Impact Farming



ditagtech.com.au