

Eurocontrol to Commercialize Precision Agricultural Initiative

Business to be conducted through new wholly owned subsidiary Croptimal

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Eurocontrol Technics Group Inc., a Canadian public company specializing in the acquisition, development and commercialization of innovative test and measurement technologies for the authentication, verification and certification markets, is pleased to announce that its wholly owned subsidiary Xenemetrix Ltd. has successfully completed feasibility and verification of its precision agriculture technology. Commercialization of this leading edge product and service will commence in 2017 under the name Croptimal through a new wholly owned subsidiary of Eurocontrol by the same name.

This disruptive agriculture focused technology provides for in-field testing utilizing a mobile and compact laboratory that automatically prepares samples of soil, water and critical parts of the crops and is equipped with integrated multi-spectral spectroscopy and solution electric measurement units for a full range of material analysis of nutrients and contaminants. This new technology also addresses the well-known need in the agricultural environment for high accuracy and fast measurement of N, P and K (Nitrogen, Phosphorous and Potassium) in all their forms. The full cycle of sample collection, preparation, analysis and submission of results is completed in minutes as compared to the 10 day cycle for present test throughputs using traditional laboratories. These innovations dramatically change the prevailing agricultural testing methodology and should allow a marked increase in crop yield with a seamless customer interface.

Croptimal will commence commercialization with pilot customers in Israel where the initial focus will be on crops tested during technology verification and then expanded to intensive crops, basic foods and toxic elements. Croptimal will continue the collaboration with Netafim, an Israeli company that is the global leader in drip and micro-irrigation solutions for agriculture productivity, under the Memorandum of Understanding entered into last year to secure cooperation of prospective clients. The Croptimal service will offer farmers and agronomists a full cycle of sample collection, preparation and testing, and will transmit the analysis results together with recommendations to the customers' mobile phones or smart devices. The collected data will be accumulated in a Cloud-based data base for intelligent recommendations and data mining for trends and patterns within the agricultural sector. The data gathered by Croptimal will generate detailed insights, and provide intelligent, actionable and operational information that should increase yields and boost farmer's revenues while minimizing expenses and the chance of crop failure.

Croptimal's target market is the individual farmer and supporting agronomist, and the Cloud-based data base is additionally targeted at organizations dealing with regional, national and global food supplies. The Company's goal is to achieve worldwide commercialization within four years and to leverage the global penetration to expand the scope of its service by collecting and analyzing data from additional in-line and off-line sensors. According to Markets and Markets, the Agricultural Testing Market is valued at between \$2.4 and \$3.0 billion annually. Eurocontrol believes that Croptimal could achieve a substantial market share due to the innovative nature of the technology coupled with the service concept.

Doron Reinis, Chief Operating Officer of Eurocontrol, stated, "The major challenge faced by the agricultural testing market today is lack of basic supporting infrastructure. Croptimal enables in-field, precise, immediately actionable analysis that can reduce expenses, increase yields and boost revenues. The measured data that is combined with GPS coordinates will form a periodical data-set that can be transmitted per a GIS protocol to a Cloud-based repository which when compared to accumulated data will be scrutinized automatically in relation to pre-set and changeable criteria defined per crop by agriculture specialists. Ultimately the collected data, extended and uniquely matched will provide data mining usage of the data-base accumulated in Croptimal's computers."

Dubi Raz, Netafim's Agronomy Director, said, "The state of the art technology including the analyzer and the sample preparation technology and method developed by the CROPTIMAL team at Xenometrix, when paired with the Cloud-based database will enable an autonomous irrigation system for Netafim clients, a significant improvement for growers that should also achieve a positive impact on water management." On future development he added, "The strategy of CROPTIMAL to develop an IN LINE / Online water analysis system meshes with Netafim's development plans to further improve crop analysis and optimize irrigation / nutrition recommendations to growers with the aim of assuring sustainable higher yields while protecting the environment."

Bruce Rowlands, Chairman and Chief Executive Officer, added, "With the world population predicted to rise to 9 billion by 2050 and the accompanying increase in food demand being exasperated by urbanization, scarcity of water and fertile land and extreme weather conditions, current world food production needs to increase by 60% and current crop production needs to double. We believe that our CROPTIMAL initiative could be the fertilizer of this evolution."

In other news, the Company announces that the Memorandum of Understanding with DigiFlex Ltd. that was announced on May 16, 2016 has been terminated. Eurocontrol also announces that it has granted 300,000 options to purchase common shares of the Company at \$0.17 per common share for a period of five years to Gilles Léraillé, a director, in accordance with the Company's stock option plan.