



24 February 2016

ASX RELEASE / MEDIA RELEASE

Fertoz Strengthens Agronomy, Sales and Marketing Capabilities

Highlights

- **Fertoz secures established marketing channels and agricultural networks via a partnership with an experienced sales and marketing group**
- **Agreement reinforces Fertoz's 2016 target to commercialize 10,000 tonnes of its direct application rock phosphate**

Fertoz Ltd ("**Fertoz**" or the "**Company**", ASX:FTZ) is pleased to announce that it has entered into a partnership for sales and marketing services for its products in Canada and the United States of America. The independent team of highly experienced sales and marketing professionals provides Fertoz with immediate access to existing marketing channels and networks. The team will be focused on marketing, sale and distribution of the company's unique organic phosphate products in North America with a sales target of 10,000t of direct application rock phosphate in the 2016 calendar year. Sales will be initiated from the Wapiti and Fernie Phosphate Projects, located in British Columbia, Canada which are ready to supply the market and expand as demand grows.

Phosphate rock is listed as an acceptable product to the organic markets and Fertoz's product has already been used on organic farms on a trial basis. However organic certification can add value from a marketing perspective, hence the marketing team will assist with validating Fertoz's products through field and laboratory testing, trials and certification which will provide the scientific data for a value in use analysis of the product.

The team is led by Mr. Lawrence Klusa and Mr. Sean Gatin. Mr. Klusa has an extensive multidimensional background in agriculture business, crop production and marketing. Mr. Gatin is a co-founder of Agri-Trend Marketing, an arm of AGRI-TREND®, which over 17 years since its foundation was able to attract and operate the largest network of independent agricultural consultants in North America, providing support to over 60 million acres in agriculture area. Mr. Klusa still works with Agri-Trend Marketing as a senior market coach.

The team will work with Fertoz's management and directors on setting up the most appropriate commercial strategies as the company ramps up production in the coming months.



ASX : FTZ

Registered Office

40 Balgowlah St,
Wakerley, Qld, 4154
Ph: +61 7 3396 0024
Fx: +61 7 3396 0024
office@fertoz.com
www.fertoz.com

Board of Directors

Chairman
Managing Director
Non-Executive Director
Non-Executive Director
Company Secretary

J. Chisholm
S. Keith
A. Byass
P. Avery
J. McNally

Key Projects

Wapiti
Fernie
Dry Ridge

Fertoz Ltd

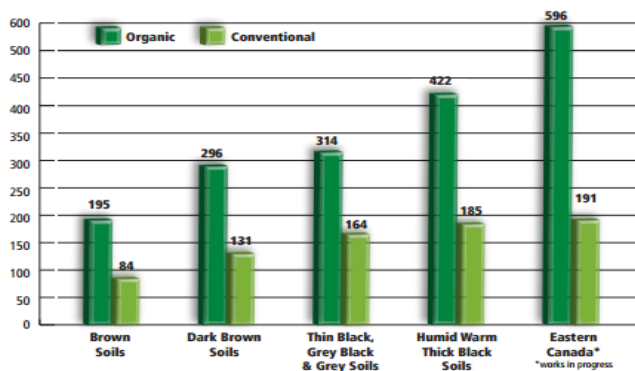
Ownership: 100%
Ownership: 100%
Option

A.C.N. 145 951 622

Stephen Keith, Managing Director, stated “We are very pleased with this partnership. It has been a priority for us to work with an experienced agronomy, sales and marketing team that could also bring their knowledge of and relationships in the industry. This is a key step in our efforts to move Fertoz forward by proving out the value and use of our rock phosphate, as well as to reach first sales in 2016.”

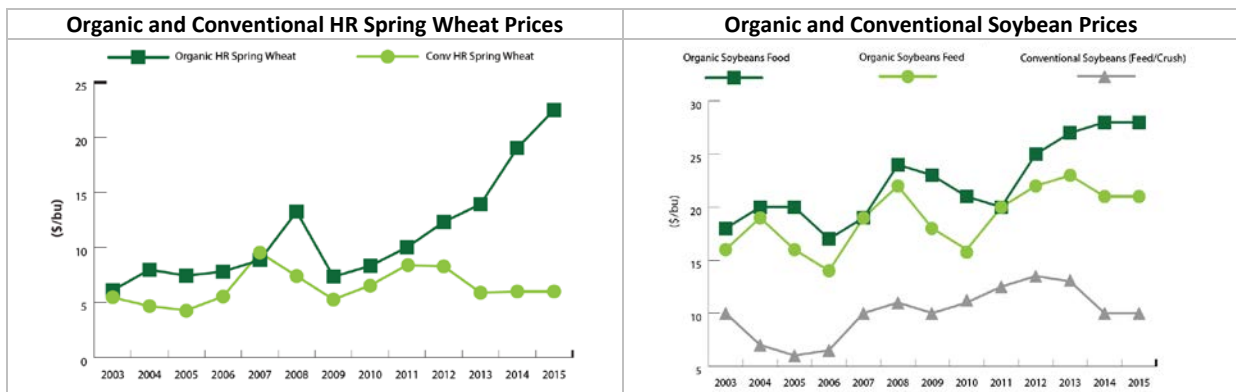
There are thousands of organic farmers in Canada and the United States, and many conventional farmers are noticing the increased returns being achieved by organic farmers. In 2015, the Organic Growers of Canada released data showing the increased profits from organic farming across the different soils of Canada:

2015 Canadian Organic vs. Conventional – Net Returns as a Function of Soil/Climate Region (\$/Ac)



Source: Hamm, W. and Martin, H. (January 2015): “The Economic Advantages of Entering the Organic Grain Market”

Mr Klusa and Mr Gatin have highlighted the opportunities available to the Company through certification and more formal trials. To date, the Company has engaged in wheat farm trials of rock phosphate mixed with other nutrients, as requested by farmers. Results have been encouraging, but more formal greenhouse trials with larger commercial farmer trials are expected to result in increased sales, particularly in larger organic farms and in conventional farms looking for more environmentally friendly fertiliser products. According to information released at the Guelph Organic Conference in 2015, organic wheat prices received by farmers are currently approximately 4x that received by conventional wheat farmers.



Source: Hamm, W. and Martin, H. (January 2015): “The Economic Advantages of Entering the Organic Grain Market”

The team experience embraces senior executive operational roles with responsibilities for wholesale and retail marketing, operations of Western Canada' largest grain warehouse and terminals and crop input retail sites, in addition to implementation and/or expansion planning of agricultural projects, quality control, commodity trading, policies and research.

With significant experience across Canadian and US agricultural industries, Mr Klusa and Mr Gatin are confident of being able to significantly increase the exposure of Fertoz products with leading farmers and farming organisations proximate to the Company's Wapiti and Fernie projects.

Mr Lawrence Klusa started farming at an early age, running the family farm at Floral, Saskatchewan, while completing high school and earning both Agriculture (economics) and Commerce (finance) degrees from the University of Saskatchewan. Lawrence spent several years working as an Agricultural Consultant in Calgary which involved the development and implementation of business plans for new and expanding agricultural entities. During this time, Lawrence also completed an MBA from the University of Calgary. For the last twenty years, Lawrence has worked in the grain industry in Winnipeg including: ten years, as a commodity futures trader, six years as a quality control manager and currently as a senior market coach with Agri-Trend Marketing. Lawrence has been involved with numerous agricultural groups and policy setting organizations including the Western Grains Standard Committee, Grains and Field Crop Consultative Working Group, the North American Plant Protection Organization, the Canadian Grain Commission and the Canadian Food Inspection Agency.

Mr Sean Gatin has nearly 20 years of experience in the agricultural business industry. He has worked for Cargill, United Grain Growers, Con-Agra, Anheuser-Busch, and The Scouler Company. He is co-founder of Agri-Trend Marketing and is currently the president of North American Food Ingredients Inc. Sean has dedicated his career to working with farmers and food processors in many capacities including merchandising, management, and operations.

For further information contact:

Stephen Keith
Managing Director
Fertoz Limited
M +1 647 299 0046

James Chisholm
Non-Executive Chairman
Fertoz Limited
M +61 419 256 690