


Fertoz



Corporate Update
July 2016

Focused on North America's Booming Organic Agriculture Market

Disclaimer

The technical information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Jo Shearer, a Competent Person, who is a member of the Association of Professional Engineers and Geoscientists of British Columbia, a 'Recognised Professional Organisation' (RPO) included in a list that is posted on the ASX website from time to time. Mr Shearer is the Chief Operating Officer Canada for Fertoz Limited. Mr Shearer has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Shearer consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This presentation contains certain statements which constitute "forward-looking statements". Forward-looking statements are based on the estimates and opinions of Fertoz's management on the date the statements are made and Fertoz does not undertake any obligation to update forward-looking statements should conditions or management's estimates or opinions change, whether as a result of new information, future events or other factors, except as required by law.

All statements other than statements of historical fact herein are forward-looking statements and include, but are not limited to: (i) estimates and projections of future phosphate prices; (ii) estimates and projections of future phosphate production and demand; (iii) estimates and projections of reserves and resources; (iv) estimates and opinions regarding geological and mineralization interpretation; and (v) estimates of exploration investment and scope of exploration programs. When used in this presentation, the words "plans", "expects", "anticipates", "budgets", "forecasts", "strategy", "goals", "objectives", "could", "should", "may", "potential" and other similar expressions relating to matters that are not historical facts are forward-looking statements.

All forward-looking statements herein are based on Fertoz's or its advisors' current beliefs, as well as various assumptions and information currently available to them. These assumptions include but are not limited to: (i) continued growth in world phosphate; (ii) continued increase in personal incomes; (iii) continued increase in grain-intensive meat diets; (iv) continued decline in the agricultural land base; (v) the successful negotiation of native title access agreements for Fertoz's exploration licences. There can be no assurance that such statements will prove accurate, and actual results and future events could differ materially from those anticipated in such statements, in particular, the estimates do not include input cost increases or phosphate price variations that could occur in the future.

The forward-looking statements herein are subject to risks, uncertainties and other factors. The risk factors may be generally stated as the risk that the assumptions and estimates expressed herein do not occur, and include, but are not limited to: (i) phosphate and other commodity price volatility; (ii) political and operational risks; (iii) government regulation of mining activities; (iv) environmental risks; and (v) title disputes and claims. We caution potential investors not to place undue reliance on the forward-looking statements herein, as a number of important assumptions could cause the actual outcomes to differ materially from the beliefs, plans, expectations and estimates expressed herein.

Strategy Summary

Fertoz is focused on delivering cash flow and growth by supplying phosphate to organic and conventional farmers in North America

1. Focus on our near-term cash flow assets:

- Build out sales, production and cash flow from British Columbia
 - Permitted to produce 27,500 tonnes
 - Expect Small Mine approval for 75,000 tonnes per year
 - 2016: targeting sales of 10,000 tonnes
 - 2,000 tonne sale secured in Feb 2016
 - Established distribution networks and ready access to North American organic markets secured via partnership with experience agricultural experts
 - 2018 and beyond: targeting sales > 75,000 per annum

2. Organic growth within our portfolio:

- 4x drill ready targets on existing BC portfolio (2x Fernie, 2x Wapiti Extensions)

3. Improve returns: on existing FertAg business, Australia; and,

4. External growth opportunities:

- Add low capital-intensity fertilizer assets and joint venture larger exploration opportunities

Platform for Growth

Fertoz Positioned to Take Advantage of Growing Organic Farming and Food Industry in North America

Direct Application Rock Phosphate Mining

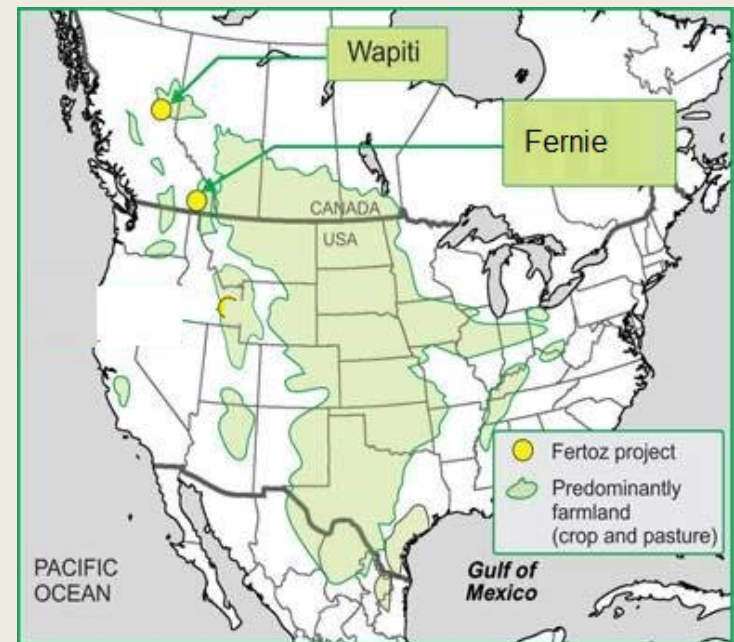
- **2016 Sales:** 10,000 tonne sales target
 - First 2,000t sales order in February 2016
 - Marketing remainder to sell in October 2016
- **Permits to produce >25 kt**
- **Wapiti:** Positive Scoping Study press released in May 2015
 - Small, low hurdles to production, starting 2016
- **Additional farm trials, Sales and Permitting underway**

Exploration

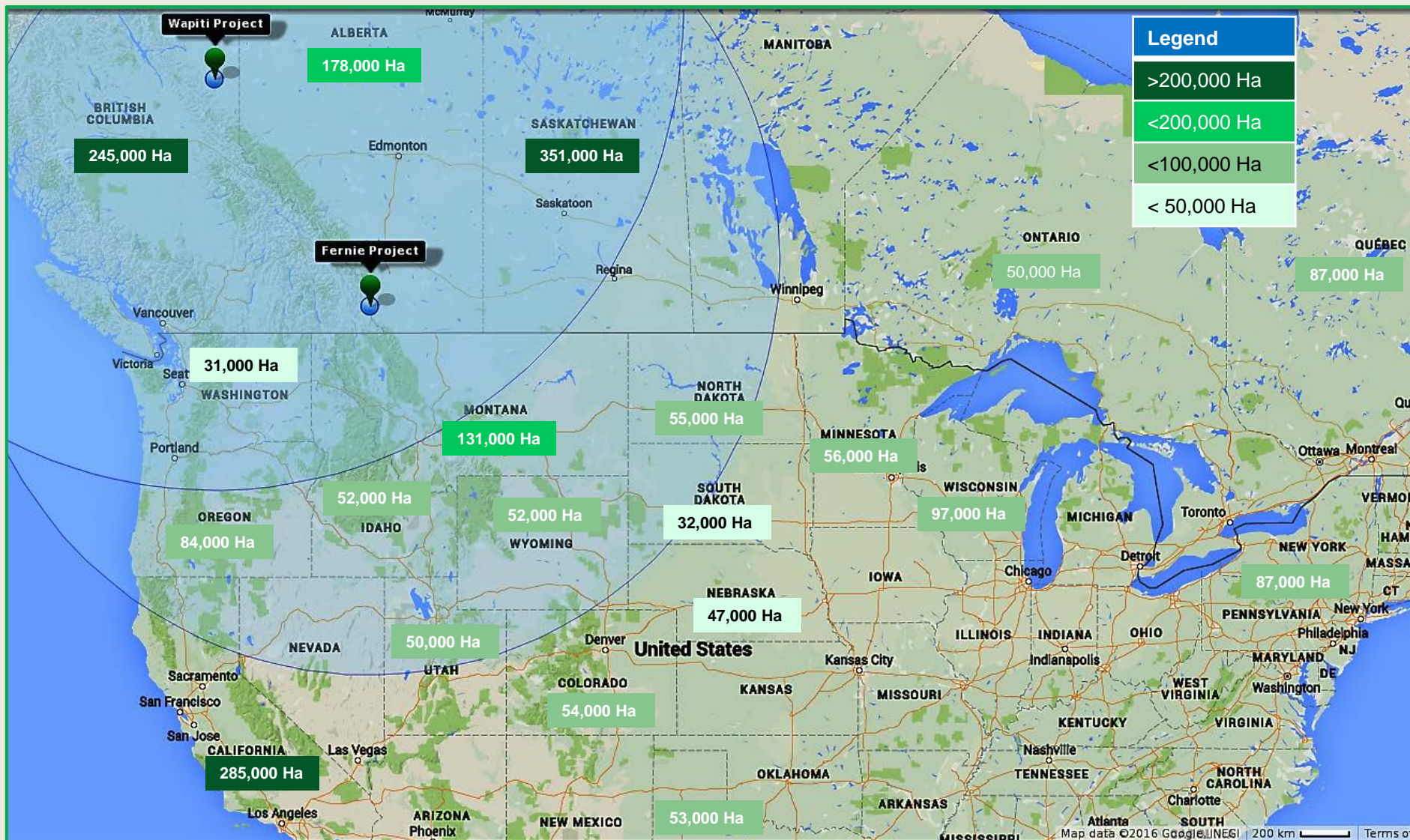
- **Wapiti extensions and Fernie (4x targets) resource delineation**

Corporate Development

- **Ongoing review of low capital intensity assets, located close to markets and infrastructure, with ability to produce high grade DAPR suitable to organic food crops**



NA Organic Farmland within 1,200 km radius of Wapiti and Fernie



Recent & Upcoming Milestones



	Q3-4'16	Sales Purchase Agreements / MOUs for additional tonnage of rock phosphate
	Q3-4'16	Trial test results and completion of 10,000 tonnes target sales
✓	Q2'16	Wapiti road permit
✓	May'16	MOU for the sale of 2,000 tonnes per year
✓	Apr'16	Fertoz rock phosphate certified for organic use in Canada and the USA
✓	Apr'16	Completion of first crush & pulverizing of Fernie rock phosphate
✓	Apr'16	Secured 2,453 ha of land prospective for direct application phosphate at Mt Lyne, BC (Fernie Project)
✓	Feb'16	2,000t Sales Agreement – Fernie
✓	Feb'16	Protocol Agreement with West Moberly First Nations
✓	Feb'16	Agreement signed with experienced sales and marketing partner for 10,000t sales
✓	Feb'16	Appointment of Mr. Patrick Avery as non-executive Director, experienced agriculture executive

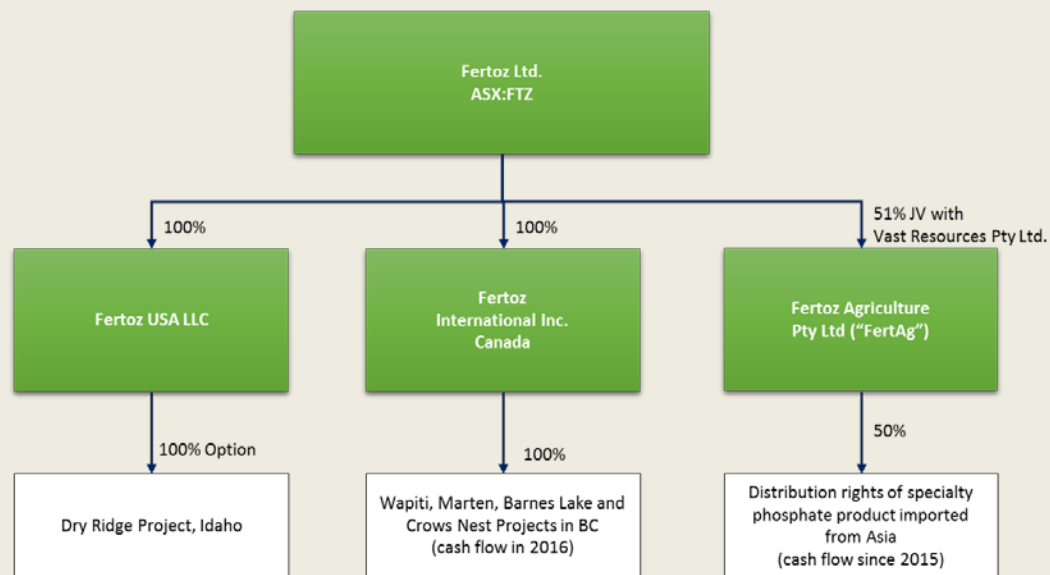
Corporate Snapshot

Financial information

Shares on issue	62.7m
Share price (10-June-16)	A\$0.18
Market capitalisation	A\$11.9m
Cash (as at 31 Mar 2016)	A\$0.8m
Debt	-
Enterprise value	A\$11.1m
Undrawn debt facilities	A\$1.0m

Shareholder Information

James Chisholm (Chairman)	14.0%
Terra Capital	12.8%
Other	73.2%
Top 20	64.5%



Management & Directors

Highly Experienced Board and Management based in Australia and Canada

James Chisholm, *Non-Executive Chairman*

- ***Engineering and Corporate Finance***
- 30 years experience in the resources sector. Non-Executive Director of Atrium Coal NL (ASX: ATU)

Stephen Keith, *Managing Director*

- ***Engineering and Corporate Finance***
- 20 years experience in mining, fertilizer, finance and Canada investment banking. Former CEO Rio Verde Minerals – a direct application phosphate project in Brazil - sold in 2013.

Adrian Byass, *Non-Executive Director*

- ***Geology***
- 20 years international experience in the mining and minerals industry. M.D. Plymouth (ASX: PLH) Minerals – tungsten & potash

Patrick Avery, *Non-Executive Director*

- ***Mining & Agriculture***
- 30 years experience working in the industries of fertilizer, mining, specialty chemicals, petroleum, and construction/project management. Former COO of Intrepid Potash and VP & GM of JR Simplot

Jo Shearer: *Chief Operating Officer (Canada)*

- Geology
- 35 years experience in geology and exploration, based in Vancouver, Canada

Market – Global Growth of Organic Food Demand

Fertoz positioned and certified to supply booming organic consumption

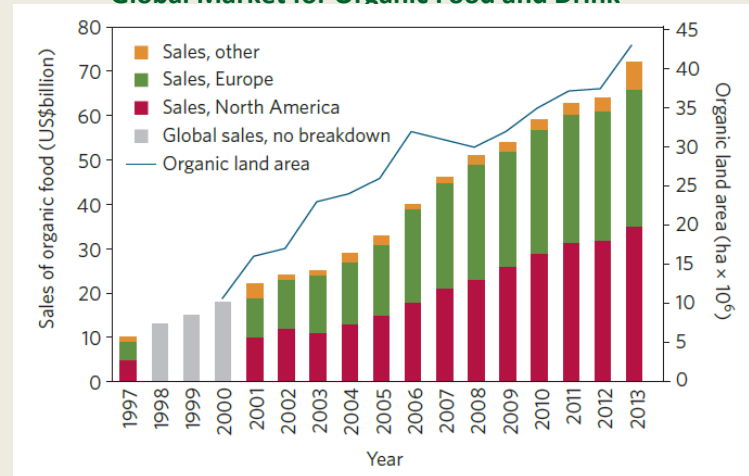
Global demand for organic foods is booming

- Total market size has surged to US\$72bn (2013) from US\$15.2bn (1999)
- 2013 figure is projected to double by 2018
- North American market size of \$33bn (2013)

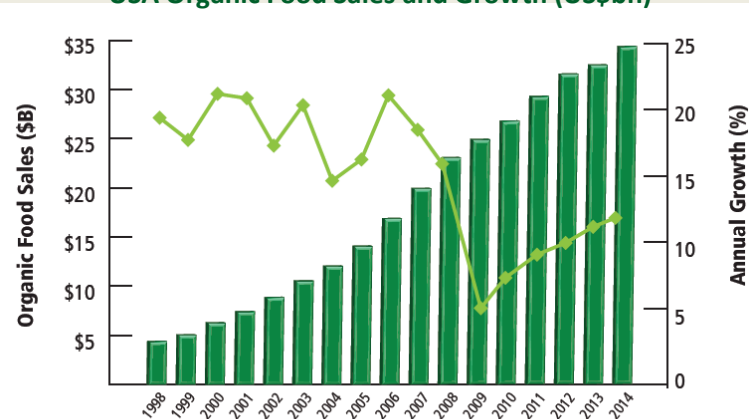
Organic farming has also grown significantly over the same period in response to consumer demands

- Total global organic farmland of 41Mha (2013), up from 11Mha (1999)

Global Market for Organic Food and Drink



USA Organic Food Sales and Growth (US\$bn)

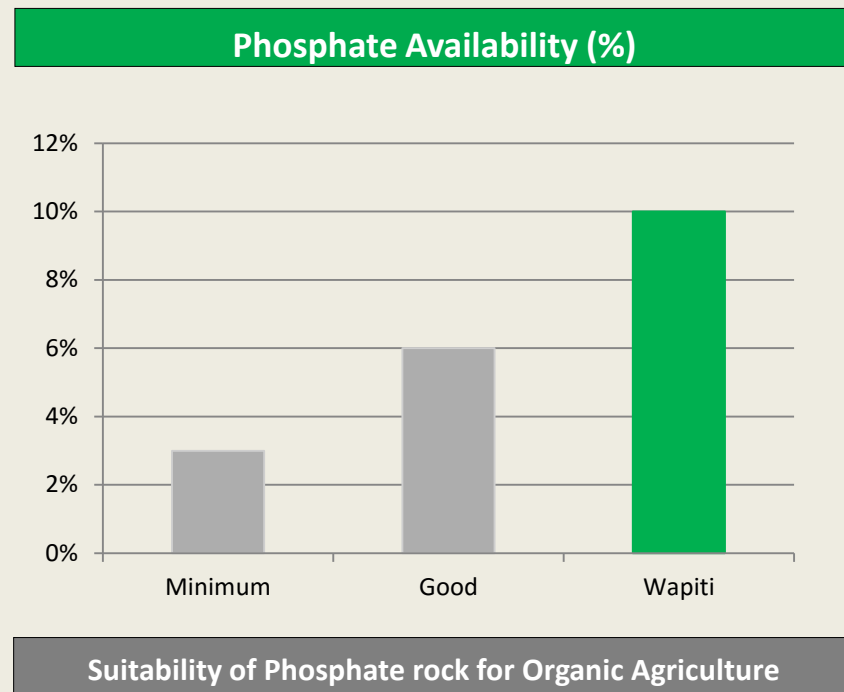


Note: 2013 and 2014 are unofficial data-based estimates

Market - Organic Rock Phosphate Pricing

Company	Product	Location	% P ₂ O ₅	% Avail	Unit	Price \$/t ¹
Fedco Seeds	Tennessee Brown Powder 76% < 16 mesh (1.1mm)	Maine	27	3	50lb bag	US\$698
Ohio Earth Food	granules	Ohio	20	2	50lb bag	US\$672
Homestead Organics	Calphos Powder	Ontario	20	3	50lb bag	US\$660
Peaceful Valley Farm Supply	Calphos 80% <200 mesh (0.075mm)	Calif.	20	3	50lb bag	US\$604
Soda Springs Phosphate	granules	Idaho	16 - 21	3	20t	C\$285
High Brix Manufacturing	micronised 90% < 1200 mesh (0.01 mm)	Alberta	20	3	10lb	C\$5,600
Reindeer	micronised	B.C.	25	4	9kg	C\$2,661

1. Information from web-pages and direct sales contacts



10% available P₂O₅ achieved with Wapiti rock using standard lab tests on rock, ground to -100 mesh (0.15mm). Low heavy metals and high calcium content make it very suitable for organic agriculture.²

² Wapiti Phosphate Rock Assessment of Agronomic Potential - Ruth McDougall 31/03/14

Certification for Organic Use in Canada and US



- Fertoz's rock phosphate products are now certified for use in the production and/or processing of organic agriculture products
- Compliance with the requirements of the Canadian Organic Standards (COS) and the USDA National Organic Program
- Certification is instrumental to assist the Company's marketing strategies
- Canada Organic Trade Association (COTA) estimates there are ~5,000 certified organic farms in Canada
- USDA estimates that there are more than 13,000 organic farms in the United States



Market - Organic vs. Conventional Agriculture Prices

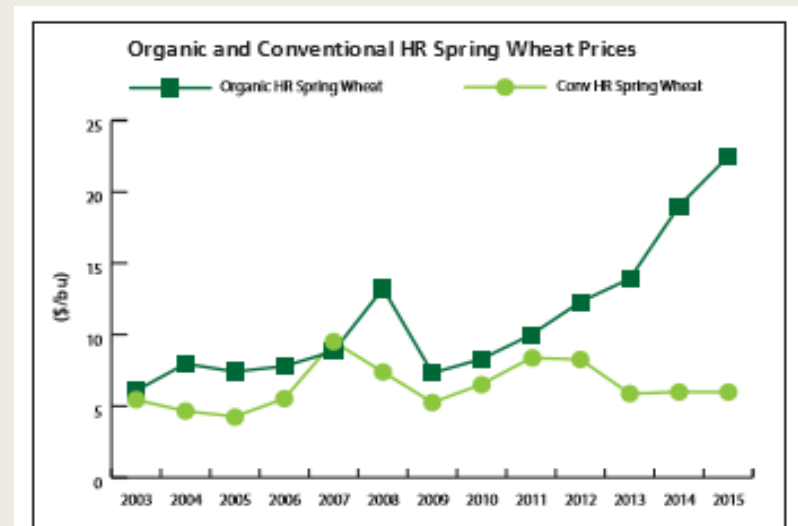
Organic prices 1.5 to 4.0 times those of conventional (Fall 2015)

North American organic farming is still in the early stages of its growth but price premiums are significant high

- Canadian organic price premiums paid in 2015 ranged from 167% for organic rye to 389% for organic wheat
- Prices achieved for organic phosphate for bulk delivery C\$285/t+

2015 Western Canadian Grain Price Estimates (Cdn \$/bu)

Crop	Conventional	Organic	Organic Advantage
HR Spring Wheat	5.65	22.00	389%
Feed Wheat	4.50	13.00	289%
Durum	8.75	26.00	297%
Feed Barley	3.50	8.00	229%
Malt Barley	3.50	10.00	286%
Milling Oats	2.90	6.00	207%
Feed Oats	2.00	4.00	200%
Brown Flax	13.00	30.00	230%
Golden Flax	13.75	38.00	276%
Food Soybean	9.00	28.00	311%
Green Peas	8.50	15.00	176%
Feed Peas	4.40	12.00	273%
Feed Corn	4.00	11.00	275%
Hemp	.075/lb	1.50/lb	200%
Lentils	13.20	34.00	258%
Rye	6.00	10.00	167%
Yellow Mustard	14.10	35.00	248%



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

Sales & Marketing Approach

- **Bulk Sample:** 1,720 tonnes of crushed phosphate rock ready to be delivered for field trials
- **MOU:** Advanced discussions on additional sales following the same model of the MOU signed on May'16
 - Trials are performed prior to final purchase agreements
- **Trials:** 4 groups testing the benefits and applicability of our certified organic input rock phosphate fertilizer
 - Field trials commenced in Saskatchewan and Alberta on wheat and hay crops
 - Results of these field trials are anticipated to come Q3'16, in time for the autumn sales season in Q4'16
- **Target market/distribution:**
 - Farmers: >3,500 organic food producers over an area of almost 2.5 million acres (84% located in Western Canada), according to COTA
 - Distributors: >200 distributors and suppliers of organic fertilisers and soil amendments in the USA and Canada, according to National Sustainable Agriculture Assistance Program



**2nd Crushing & Pulverizing test
730 Ton Wapiti Phosphate**



Finished Product with majority at <3"

Sales & Marketing Approach

- **Potential Markets for Fertoz Organic Rock Phosphate:**
 - Canadian and US organic farm market
 - Organic fruit/vegetable market
 - Retail garden market
- **Product development**
 - Objective to provide Fertoz with a product that is easy to handle (or custom applied) and is demonstrated to work
- **Potential market for product placement (Fertoz' estimate. Tonnes per annum)**

Region	1-2 Years Market Potential	Order Size / Buyer
Saskatchewan	10,000	1,000-3,000
Alberta	10,000	2,000-5,000
British Columbia	10,000	2,000-5,000
Pacific Northwest	30,000	2,000-5,000
California	50,000	2,000-5,000
Total	110,000	

Wapiti Growth Potential

- Initial scoping study released May 2015
 - Small mine, low capex, few hurdles to development
 - Bulk sampling permit provides for 100% of 2016 targeted sales
- 1.54Mt @ 21.6% P_2O_5 (at a 7% cut-off) combined Indicated and Inferred Resource at a depth of 30m along a strike length of 12.5km (Indicated 0.81Mt @ 22.3% P_2O_5 and Inferred 0.73Mt @ 21.3% P_2O_5)
- Mineralisation open at depth
- Additional expansion opportunity with total Exploration Target of between 2.9 Mt and 3.3 Mt at 20.8% to 22.2% P_2O_5 estimated to a depth of 30m along a 27km strike length (includes Resource)

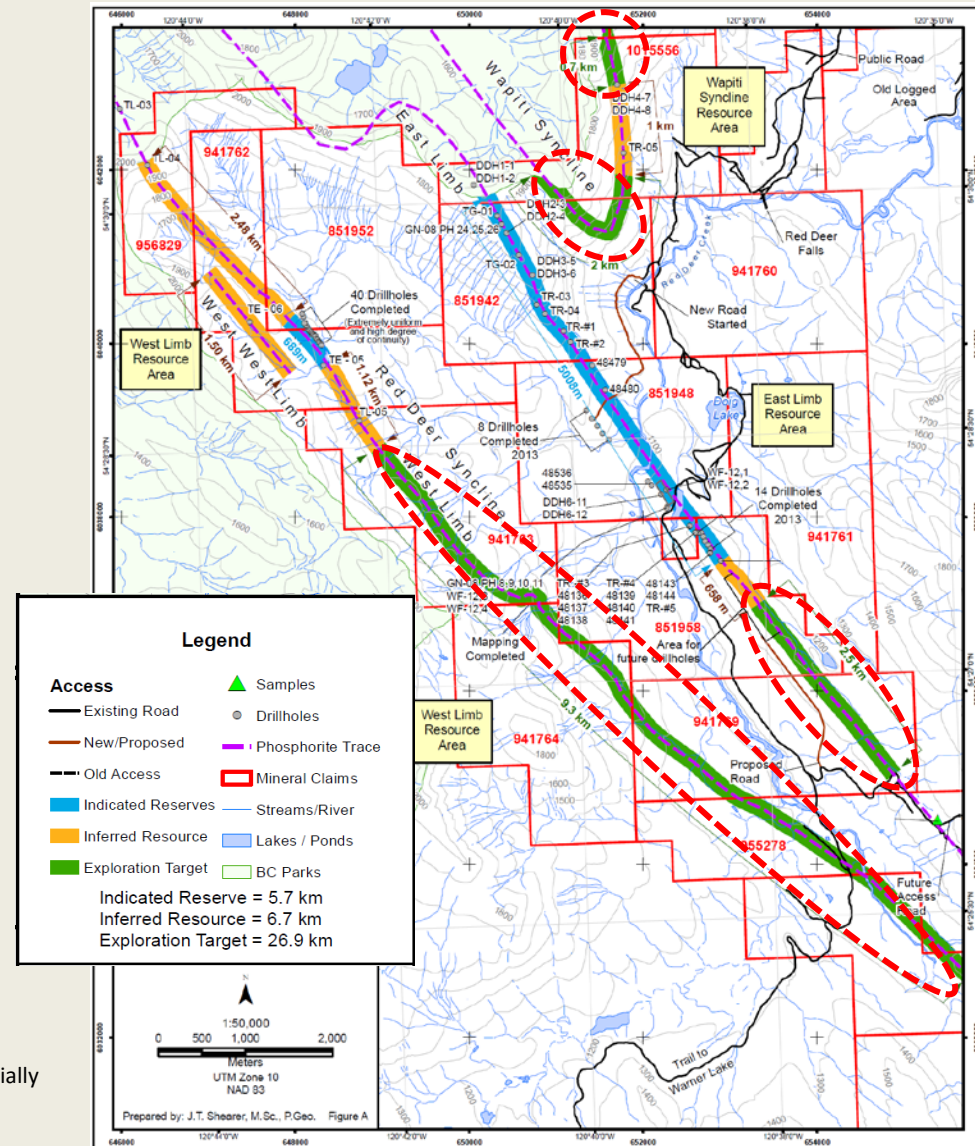
Cautionary Statement

The Exploration Target quantity and grade is conceptual in nature, and there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The Resource Statement and Exploration Target were provided by My Jo Shearer and are available on the Company's website www.fertoz.com as follows:

- Resource statement released to ASX on 12 May 2015 headed "Fertoz upgrades Wapiti phosphate resource", and
- Exploration Target released to ASX on 8 August 2014 headed "Fertoz delivers maiden 1.54Mt phosphate Resource at Wapiti".

The Company confirms that there it is not aware of any new information or data that materially affects the information previously announced and the company confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

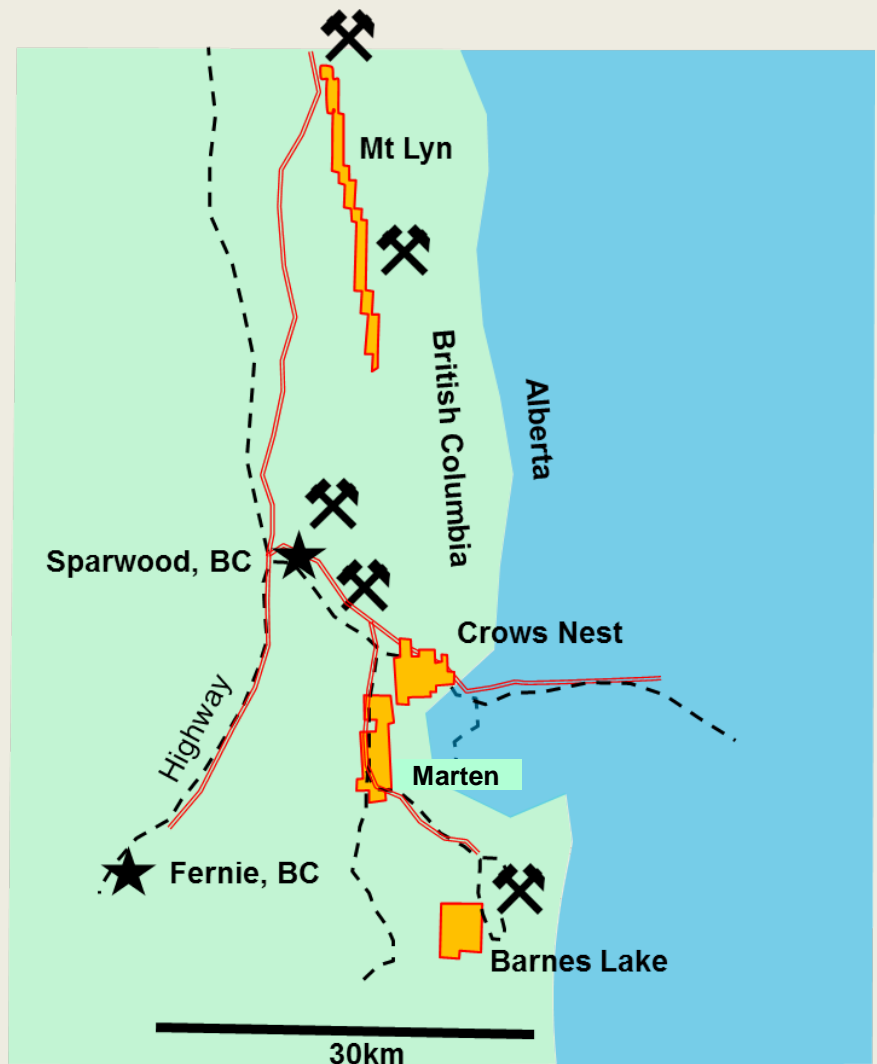


Fernie Phosphate Project

- **Marten + Crows Nest + Barnes Lake + Mt Lyne**
- **2kt Sales Agreement for 2016 already signed**
- 100% owned high grade phosphate project suitable for direct application
- Located adjacent to rail and road infrastructure
- Located near rock phosphate consumers
- Historic phosphate-laden province with exploration in 1926 and underground mine in 1929
- 10,000t bulk sample mining permit approved



Successful farm trials in 2015





Investment Highlights

- **The Right Commodity**

- Focused on phosphate fertilizer - strong supply and demand fundamentals over the near and long-term near key demand centres
- Booming organic farming markets and shortfall of domestic production provides Fertoz a strong competitive advantage with significant price strength

- **Near Term Cash Flow on Projects with Low Capital Intensity**

- Fernie and Wapiti trials and sales underway
- Existing agribusiness in Australia generating cash

- **Growth**

- Exploration extensions at both Wapiti and Fernie Projects
- Review, negotiations and Due Diligence under way on other growth projects
 - Looking at projects in Western US – close to California, the largest organic market in the world

Appendices



1- Phosphate Market



Phosphate – a Strategic Resource

- A limited, non-renewable resource
- Essential nutrient for plant and animal life
- Two main types – igneous (typically 5% P_2O_5) and sedimentary (typically 15%+ P_2O_5)
- Can be crushed and applied directly to soil and crops (organic phosphate) or beneficiated (superphosphate, DAP or MAP fertilizer)
- Organic = low capex;
- Beneficiated = very high capex
- North Africa, Middle East supply 90% of world's rock phosphate – politically unstable regions



High grade phosphorite conglomerate –
Wapiti East, BC, Canada



DAPR Overview

Phosphate rock must be highly soluble

- FTZ tests at Marten indicate high availability of 10% phosphate (P₂O₅) in 23% P₂O₅ sample of 100 mesh material

Phosphate dissolution from phosphate rock is favored in soils with:

- Increasing acidity (pH less than or equal to 5.5, such as tropical and subtropical soils); see next slide for world map of soil pH
- High cation exchange capacity (CEC) (higher in dark colored soils and loams with higher organic content)
- Low levels of calcium and phosphate in soil solution
- High organic matter content (Increases CEC)
- Soils of medium phosphate status are considered more suitable for DAPR than severely phosphate-deficient soils

Crop species affects responsiveness to DAPR

- Perennial plantation crops such as oil palm and rubber are responsive to DAPR
- Short season crops in temperate regions are less responsive, particularly during the first year

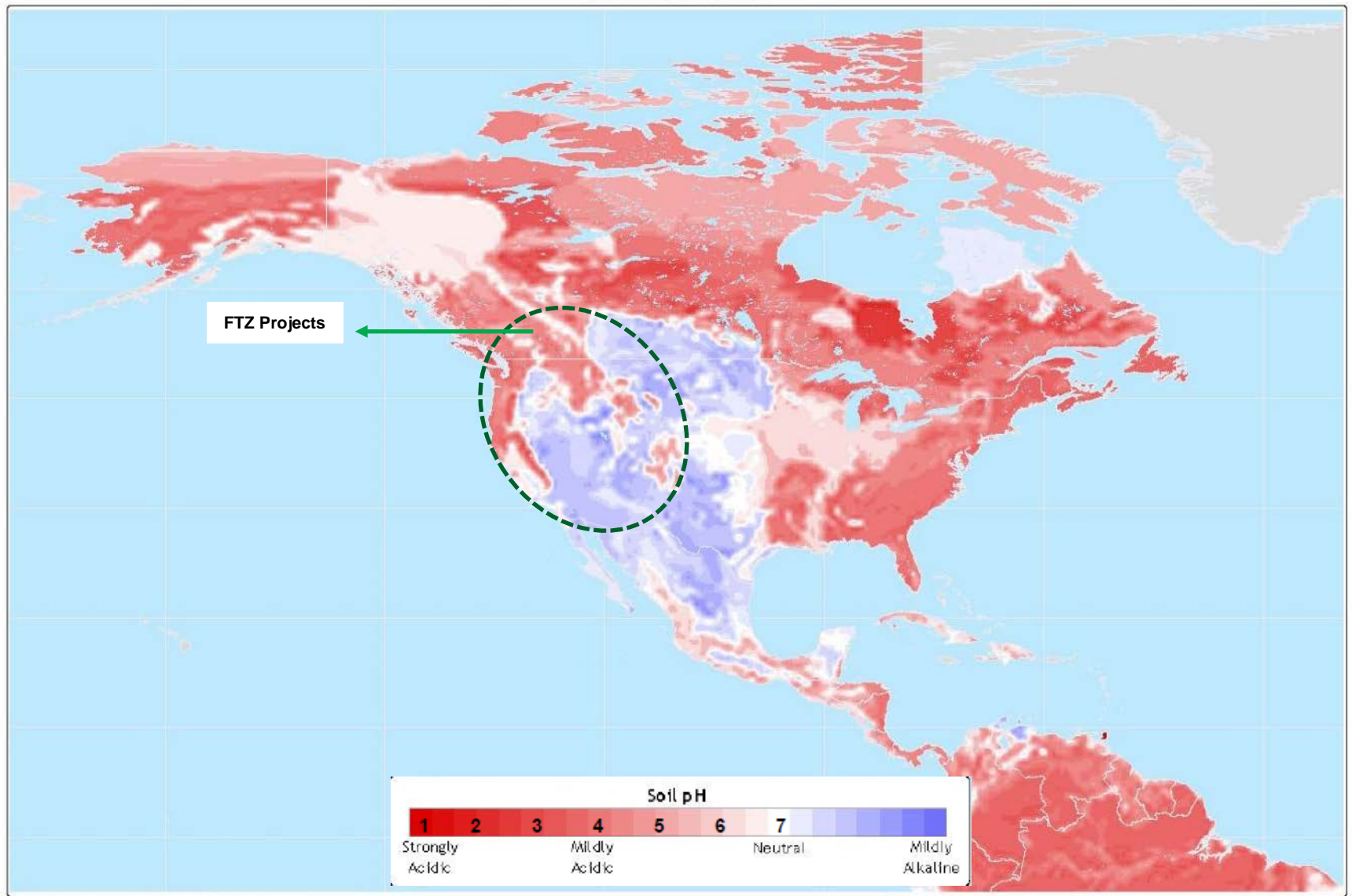
Table 2. Solubility of apatite in selected phosphate rocks from various sources (IFDC, 2013, unpublished data).

PR type and origin	Phosphorus content as P ₂ O ₅ (wt. %)	Solubility		
		NAC2*	2% citric acid	2% formic acid
<i>Sedimentary origin</i>				
Negev (Israel)**	33.0	5.2	11.0	18.0
North Carolina (USA)	29.9	7.0	13.9	23.0
Sechura (Peru)	29.3	7.0	16.0	23.0
Gafsa (Tunisia)	29.0	6.4	12.2	22.2
Khouribga (Morocco)	31.7	5.2	11.0	17.8
Abu Tartur (Egypt)	27.3	5.1	10.7	8.9
El-Hassa (Jordan)	33.3	4.0	16.0	23.0
Central Florida (USA)	32.0	3.9	7.5	8.3
Hahotoe (Togo)	37.0	2.7	7.1	7.0
Parc W (Niger)	28.7	1.9	6.6	5.4
Mussoorie (India)	18.6	1.3	0.6	0.7
<i>Igneous origin</i>				
Araxa (Brazil)	36.1	1.5	4.9	3.7
Dorowa (Zimbabwe)	33.1	1.5	4.2	3.8
Phalaborwa (South Africa)	39.5	1.1	2.3	1.6

*NAC₂ is a second sequential extraction procedure with neutral ammonium citrate (NAC) to eliminate the effects of free carbonates which suppress dissolution of the PR during the first extraction with NAC. This method has been used by IFDC for over 25 years.

** Negev, Israel PR, known as 'Arad' in Brazil, data is from Dr. Vieira of Agroconsult Projectors, Brazil.

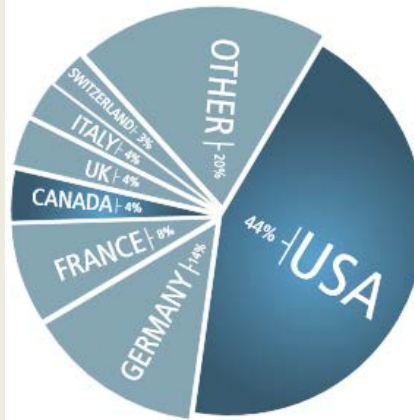
Project Locations and Soil pH in North America



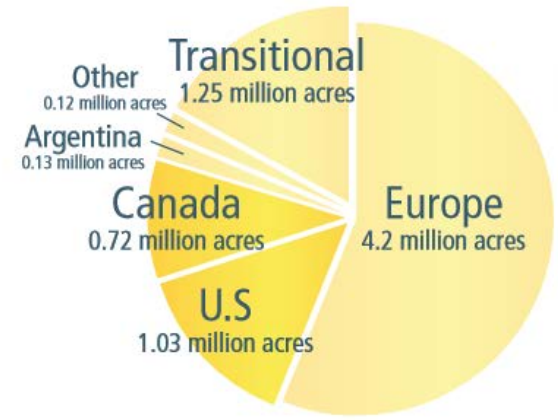
Organic Agriculture Growth and Opportunity in North America

- Canada is home about 5,000 organic farms, 870 organic processors and 245 organic handlers
- Numbers are steadily increasing
- Between 2001 and 2011 the Census of Agriculture shows Canadian organic operations increased by 66.5% and the number of certified organic processors and handlers increased by 194%
- Canadian organic acreage is between 0.5% and 1.3% of total acres across the country
- There is a wide distribution of crops grown on organic acres

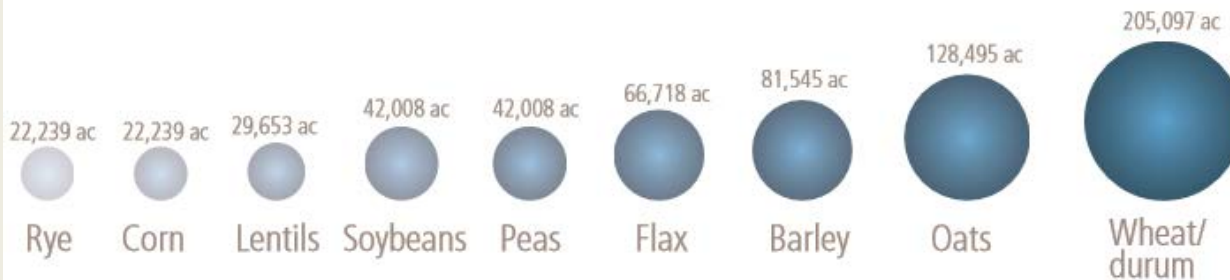
Global Market: Distribution of Total Retail Sales Value by Country
Source: FIBL-AMI-IFOAM Survey 2013



Organic Cereal and Oilseed Production, 2011
Source: COG and USDA



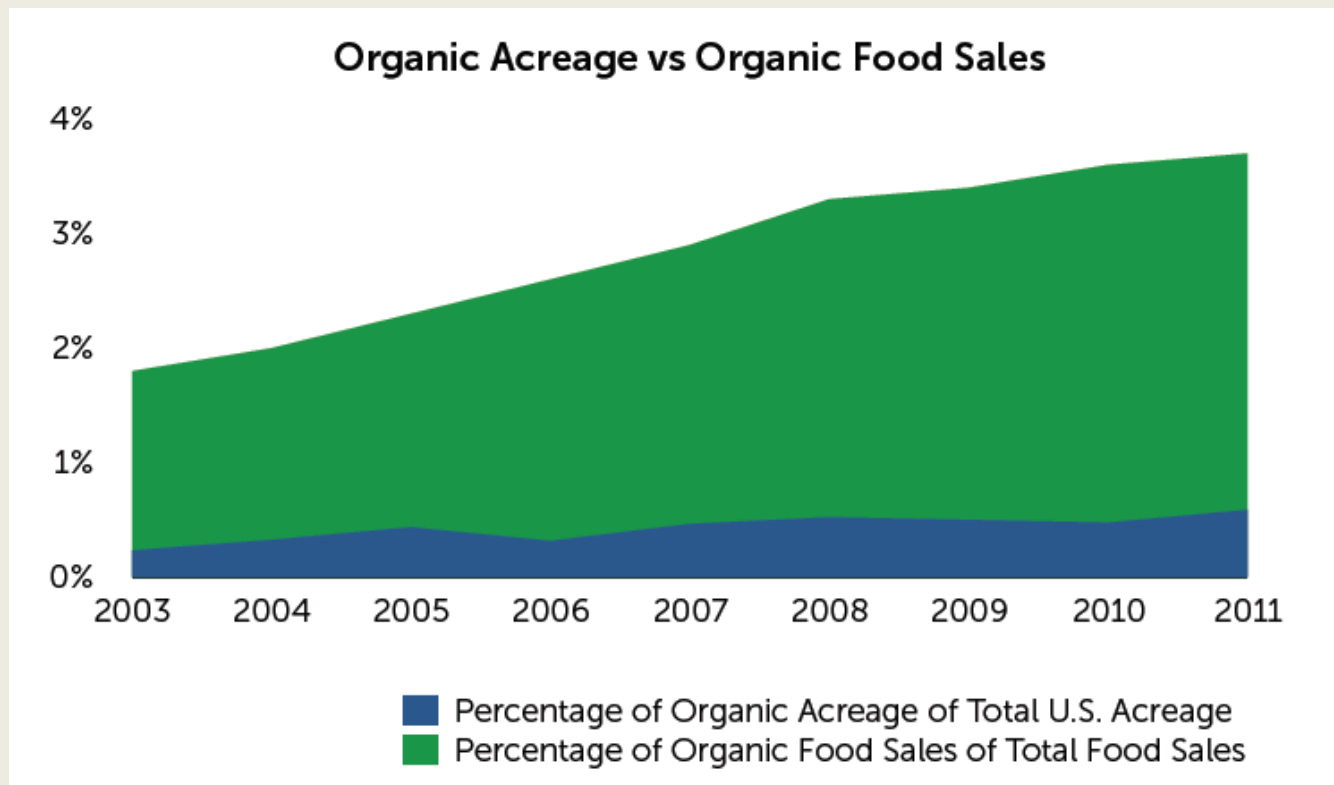
Area of Selected Grain and Oilseed Crops (Canada, 2012)
Source: MAFRD



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

US Organic Acreage vs Organic Food Sales

- Despite continued growth in production, handlers are not able to keep up with demand
- Organic food sales currently make up four percent of total food sales, while acreage devoted to organic agriculture is less than one percent of total U.S. cropland



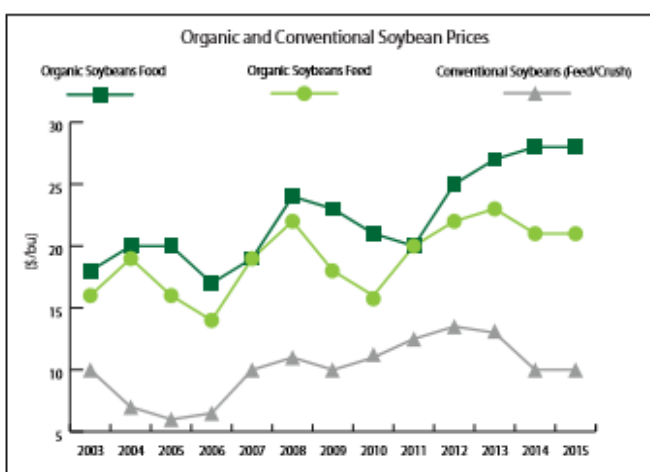
Source: Organic Trade Association

North American Fundamentals

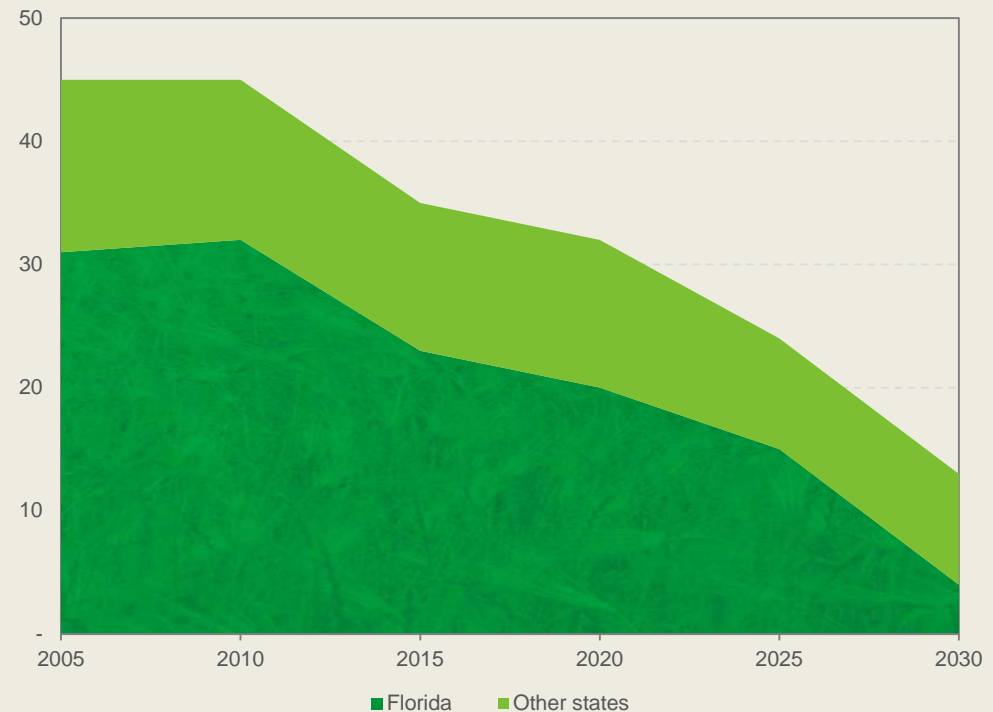
Declining phosphate production in USA

Restrictive, declining supply outlook

- North America is a significant net importer of phosphate rock
- Idaho is second largest US phosphate producer
- Expected shortfall of North American produced phosphate rock
- Instability of major producers (Morocco and Jordan) are risks to future supply for US
- Organic market growth leading to increased demand for non-beneficiated, natural direct application rock phosphate



Projected US mine phosphate rock production capacity (Mt)



Source: USGS, IFA, Mosaic Co, Phoscan

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

Fertoz Marketing & Sales Partnership

Partnership Team has extensive network of agronomists, distribution channels and access to markets across the USA and Canada

■ Mr. Derek Squair

- Experience includes: General Manager with ConAgra Nokomis Inland Terminal (fourth largest Inland Terminal in Canada); Operations Manager Canada
- Director of Operations at a Cargill JV with Inland Grain Terminal; Vice President of ITAC (Inland Terminal Association of Canada), - participated with agriculture industry leaders developing policy for the Canadian Grain Commission and the Canadian Wheat Board
- Co-Founder of Agri-Trend Marketing, an arm of AGRI-TREND®, who operated the largest network of independent agricultural consultants in North America, providing support to over 60 million acres in agriculture land. Started with 30 clients and grew to 17 Grain Marketing and Business Coaches across Canada and the United States. AGRI-TREND® was acquired by Trimble Navigation in Dec of 2015

■ Mr. Sean Gatin

- 20 years of experience in the agricultural business industry. Sean has dedicated his career to working with farmers and food processors in many capacities including merchandising, management, and operations
- Currently the president of North American Food Ingredients Inc.. Past roles include senior positions with Cargill, United Grain Growers, Con-Agra and Anheuser-Busch
- Mr. Gatin is a co-founder of Agri-Trend Marketing, where still works as a senior market coach

■ Mr. Lawrence Klusa

- Extensive multidimensional background in agriculture business, crop production and marketing
- For the 20 years, he has worked in the grain industry in Western Canada, including 10 years as a commodity futures trader, 6 years as a quality control manager and currently as a senior market coach with AGRI-TREND®

2- Wapiti Phosphate Project Details



Processing Plans

Processing will commence at Stettler to optimise short term cash flows

Stages of mining and processing

- 1. 2016 mining to be conducted at Fernie and processing at Stettler**
 - Existing 1kt inventory to be processed initially
 - 9kt from Fernie to be collected and processed
 - 10kt to be sold to local farmers
 - Application for small scale mine license in 2016
- 2. Start processing at Dawson Creek (close to Wapiti) and potentially add more equipment at Stettler**
 - Raymond mill to be installed at Dawson Creek in 2016
 - Additional upgrading equipment could be installed at Stettler for pelletizing, bagging and blending
- 3. Steady-state production at Wapiti**
 - Wapiti crushed product to be processed at Dawson Creek
 - Processed product to be railed to Stettler
 - Stettler to produce pellets or granules which achieve a significant premium price

Project locations and infrastructure



3- FertAg Agriculture Pty

<http://www.fertag.com/>



FertAg: Australia/NZ operations

JV to import and distribute speciality fertilisers

- Importing FertAg 0-8-0 to Australia from Asia
- Market opportunity is to sell environmentally friendly fertiliser suitable for organic agriculture in Australia
- Does not leach away in rain so no algal blooms in waterways
- Contains calcium and magnesium to correct soil acidity – no need to lime soil

FertAg 0-8-0 results in increased yields in farm trial



Update to March 2016

- Demand has continued to grow for FertAg 0-8-0 in Australia. Shipments of FertAg 0-8-0 have been ordered for Brisbane and Townsville.
- A Dorrigo dairy farmer reported good results when trialling FertAg 0-8-0. He planted forage sorghum on 4.4 ha, using FertAg 0-8-0 as the source of phosphorus.
- The farmer has followed up with an order for sufficient FertAg 0-8-0 to fertilize his whole farm of 100 ha
- The FertAg business has continued to be self-funding.



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