

Chairman's Update 10 April 2013

NOTICE OF FERTOZ SHAREHOLDER GENERAL MEETING

I am pleased to announce that the February Rights Issue was fully subscribed by our Shareholders and that Fertoz successfully raised \$756,463. The company now has 64,614,517 shares.

In March, Fertoz extended its holdings in Canada by acquiring a further 19 tenements associated with its Wapiti projects. It now has 42 tenements in British Columbia covering an area of 183.6km². Fertoz also acquired 100% ownership of all tenements in British Columbia by satisfying the terms of the Wapiti Agreement and exceeding \$200,000 of exploration on the Wapiti projects.

The Board and management of Fertoz are now fully focussed on listing the Company on the ASX as quickly as possible. The target timeframe is to be trading by July. A Public Market Transaction will enable Fertoz to fund the next two year's exploration program with the focus on advancing the Canadian projects - Wapiti in particular.

Blackwood Capital have been retained as financial advisers. Porter Davies, ASKD Law (Vancouver) and Peterson Law (Toronto) will provide legal due diligence. BDO Qld are responsible for auditing accounts as at the end of March and completing an Independent Financial Accounting Statement, while Xstract Consulting are finalising the Independent Geologist Report.

The Board, with advice from Blackwood Capital, have elected to consolidate the number of shares in Fertoz to achieve a more appropriate market capitalisation at listing. If the consolidation is approved, the Company is targeting a market capitalisation of approximately \$8 million on listing after raising a further \$0.5 million pre-IPO and a minimum of \$3 million at the IPO. The total number of shares on listing is intended to be approximately 40 million each valued at 20 cents.

The share reconsolidation has been set at 3.25 to 1. This will also apply to Options which have been issued to Directors and Management. Shareholder approval is sought for the proposed share consolidation and the details are outlined in the attached Notice of a General Meeting of Fertoz Shareholders to be held in Sydney on 1 May 2013.

The Board will seek approval at the meeting for a number of resolutions including:

1. A share consolidation of 3.25 to 1
2. Adjustment to Directors' Option package
3. Employee Share Plan and Option package

The meeting will be held at:

Blackwood Capital Ltd
Level 12
139 Macquarie Street
Sydney NSW 2000

I hope you can attend the meeting and have the opportunity to talk to the Board and Management about the Company and our plans to focus our attention on our Canadian projects. At the meeting, we will provide an update on joint venture discussions in relation to our Australian assets, and provide some

preliminary geological information on our Canadian projects.

Yours faithfully,

James Chisholm

Chairman