



7 MARCH 2017

ASX RELEASE / MEDIA RELEASE

## FERTOZ EXPANDS PROSPECTIVE GROUND AT FERNIE PROJECT

### HIGHLIGHTS:

- **Fertoz adds 540 ha adjacent to Fernie Project that meets the Company's project selection criteria**
- **Over 30km of potential strike length of the phosphate-bearing horizon**
- **Historic work demonstrates at-surface rock phosphate on Bighorn tenements**

Organic phosphate development company Fertoz Ltd ("**Fertoz**" or the "**Company**", ASX: FTZ) is pleased to announce it has been granted an additional 540 hectares of prospective phosphate ground adjacent to its promising Fernie Project in British Columbia by the Canadian Government.

Fertoz has chosen to add the Bighorn tenement due to its proximity to the Company's existing tenements (Mt Lyne, Crows Nest, Marten and Barnes Lake), and due to its favourable characteristics relating to Fertoz's key project selection criteria, being:

- Indications of shallow at surface sedimentary and weathered phosphate-bearing rock
- Good road access
- Close to large, growing agricultural markets for rock phosphate products
- Potential phosphate grades that could host our targeted product specification of  $P_2O_5 >20\%$
- Clear path to permitting in areas where First Nations have been supportive of mining activities
- Close to historical exploration work which demonstrates phosphate-bearing rocks

The Company intends to obtain a permit on the Bighorn tenement that allows for both exploration activity and for bulk sample extraction.

Adding the Bighorn tenement to the Company's existing Fernie Project boosts the potential strike length of the phosphate-bearing horizon within the Company's tenements beyond 30km. The total area of prospective phosphate ground controlled by Fertoz at the Fernie Project is now 7,769 ha.

Fertoz Executive Chairman, Patrick Avery, said:

*"We are excited by the opportunity to add the Bighorn tenement to Fertoz's Fernie Project."*



**Registered Office**  
40 Balgowlah St,  
Wakerley, Qld, 4154  
Ph: +61 7 3396 0024  
Fx: +61 7 3396 0024  
[office@fertoz.com](mailto:office@fertoz.com)  
[www.fertoz.com](http://www.fertoz.com)

**Board of Directors**  
Executive Chairman  
Non-Executive Director  
Non-Executive Director  
Company Secretary

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

### Key Projects

Wapiti  
Fernie

Ownership: 100%  
Ownership: 100%

**Fertoz Ltd**

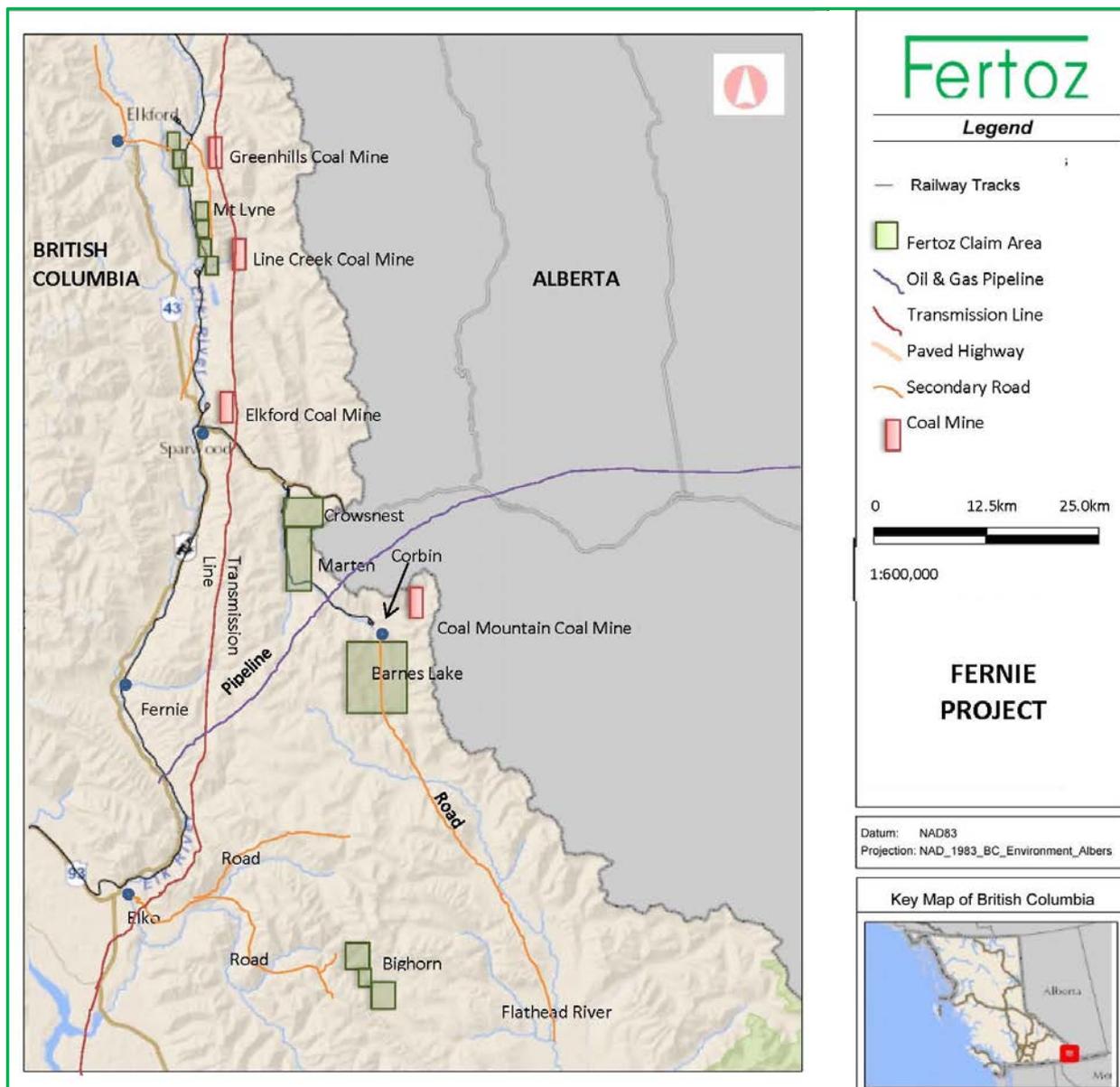
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*“Once the Company obtains permitting to extract bulk sample material, we expect Bighorn to provide Fertoz with additional supply flexibility.*

*The Fernie Project is ideally located to supply large, growing agricultural markets, with road and rail infrastructure in the immediate vicinity, close proximity and access to major agricultural regions, and essential services in place supporting a number of coal mines operating in the region.*

*As the Fernie Project sits at a lower elevation than the Company’s flagship Wapiti project material extracted from Fernie can typically be completed earlier in the North American spring, a key fertilizing period for organic and conventional farmers. Hence the opportunity to expand our supply options at these lower elevations will assist the company in being a leading reliable supplier of organic phosphate rock.”*

## FERNIE PROJECT LOCATION



**Figure 1 - Fernie Project location and infrastructure**

The Fernie project (which includes the Mt Lyne, Crows Nest, Marten, Barnes Lake and Bighorn tenements) is located near Sparwood in British Columbia, Canada (see figure 1). The tenements are within 100km of each other and are in close proximity to the operating East Kootenay coalfield which is serviced by the established mining communities in the region. At the door step of the project is the existing road and rail transport links to the west coast ports of Canada, as well as the North American arterial rail and road networks.

The south-eastern region of British Columbia is shaping up to be an important area for the Company, with numerous third party organic fertiliser manufacturers and users in the region, including large farming operations in South Western Alberta, Oregon, Washington State, Montana and Idaho. The infrastructure in the region leaves the Fernie Project well placed to provide the Company with flexibility of supply to these important agricultural regions.

## FERNIE PROJECT GEOLOGY

Significant phosphate horizons are found in both the Permian Ranger Canyon Formation and in the widespread basal Jurassic Fernie Group and the Company's entire tenements lie within these geological zones (see figure 2). These phosphate zones on occasion have been repeated multiple times by tight folding and along major thrust faults. Previous exploration work has highlighted the presence of widespread, shallow phosphate-bearing sediments associated with these two geological formations. In particular, historical work on the Bighorn Project has indicated at-surface phosphate rock.

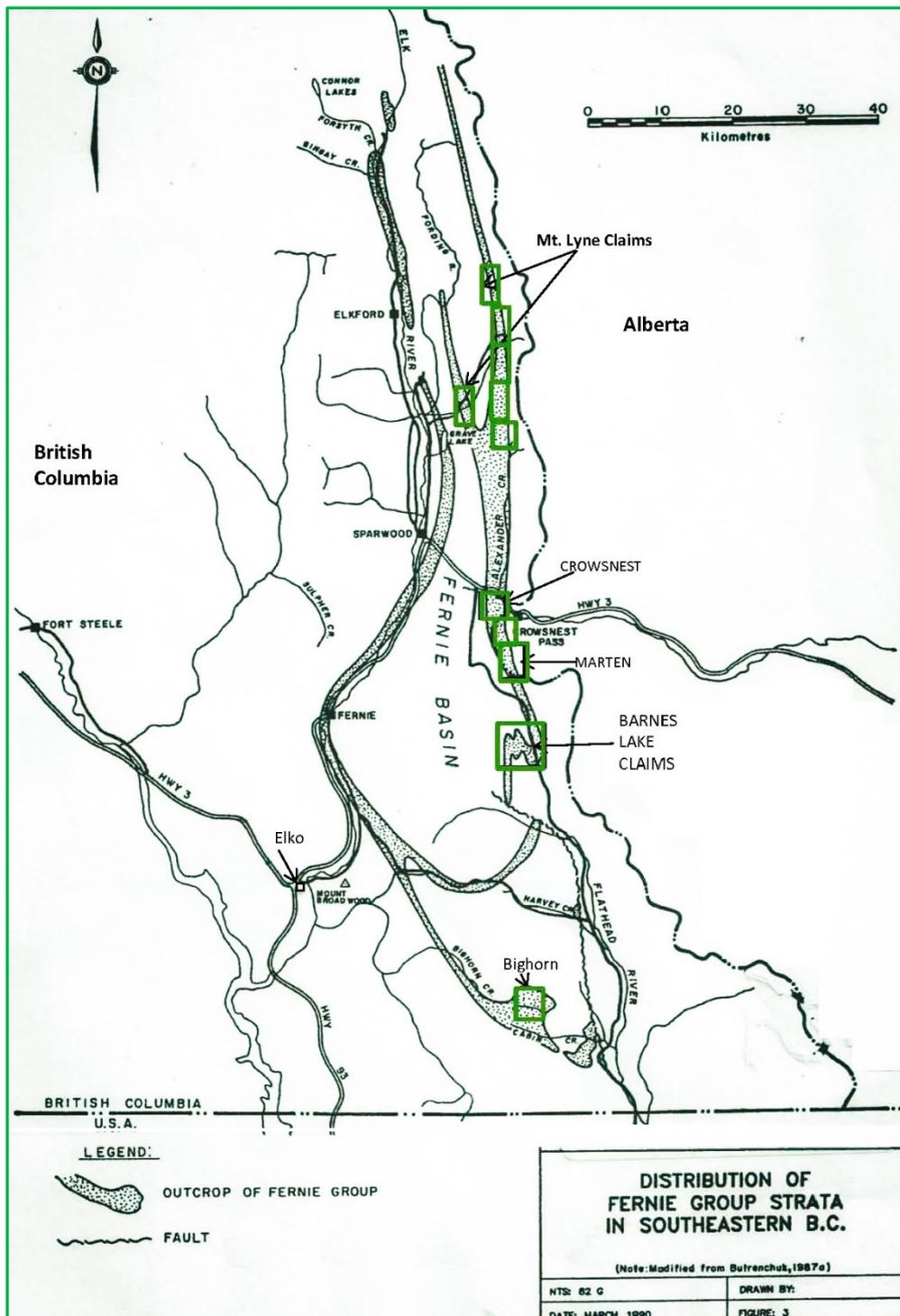


Figure 2 - Fernie Project Geology

## For more information, please contact:

### Pat Avery

Executive Chairman

### Fertoz Limited

m: +1 720 413 4520

### Tim Dohrmann

Investor and Media Enquiries

### NWR Communications

m: +61 468 420 846

## Competent Person's Statement

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.

## Forward Looking Statements

This release includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. Forward looking statements in this release include, but are not limited to, the capital and operating cost estimates and economic analyses from the Scoping Study.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, exploration and project development risks, political and social risks, environmental risks, changes to government legislation, extreme weather conditions, retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and that could impact the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be impacted in any material manner by these or other factors not foreseen or foreseeable by the Company or management or that are beyond the Company's control. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

Forward looking statements in this release are given as at the date of issue only. Subject to any continuing obligations under applicable law or any relevant Australian Securities Exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.