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Fertoz feeds into organic boom

Fertoz Ltd geologists had a brief to fulfil when the hunt for phosphate projects started.

The mission was to find projects boasting a particular type of shallow, sedimentary-hosted rock phosphate, with high availability close to organic markets.

Wapiti and Fernie, both in Canada, fitted the bill and while production is starting on a small scale, Fertoz has big plans for the future.

"We have had our phosphate verified by a number of distributors who say it is much higher than other people's, we have done greenhouse field tests which show that and a higher productivity," Fertoz executive chairman Patrick Avery told **Paydirt**.

"Our goal is to move several hundred thousand tonnes of it to provinces in western USA and perhaps add another good phosphate resource to our portfolio and grow into distribution. That way we can store and ship rock phosphate but we can also make value-added blended products. We think there is a real growth market for high quality, readily available organic fertilisers."

Avery, an experienced campaigner having worked in the traditional N-P-K conventional fertiliser industry for more than 20 years, joined Fertoz in September and while his long-term ambitions are clear, the focus is certainly on what is happening now.

In the December quarter, haul road construction and infrastructure work was completed at Wapiti, allowing Fertoz access to the 17,500t bulk sample area.

The company aims to have 1,100t of rock phosphate available for sale by early spring in Canada, with material to be trucked to a processing facility at Beaverlodge, Alberta.

A Canadian grain and fertiliser distributor has already placed an order for 100t of Fertoz's rock phosphate, which will be a key ingredient in the former's organic fertiliser blend.

Avery said the company would look to mine 10,000-20,000t from Wapiti in the summer and sell the product.

Fertoz has a varied sales strategy for its product whereby it has sold rock phosphate directly to people in the fields, while its product blends well with sulphur opening up opportunities to sell a variety of streams.



Winter conditions at Wapiti, central British Columbia, will see mining stop and Fertoz shift its attention to Fernie

The company has some trials running around blended products which will increase its attractiveness in the market and add flexibility to its growth strategy.

Avery said in addition to cranking up production at its mines, Fertoz would run a rule over potential distribution partners.

"We have a few products now and we'd like to bring on organic P [phosphate] and we would like to partner or acquire distributors that have blending, pelletising [facilities], good storage, rail and truck loaded [infrastructure]," Avery said.

"One way of acquisition would be to partner or invest in good distributors that have good products now and also a couple of good facilities. The other direction, more basic, we have found a couple of places in North America that have pretty good ore, shallow, high available P and close to good markets.

"We wouldn't mind taking on another resource this year that meets our criteria.

Picking up one more good resource that is close to our market perhaps ex-California and then partnering and investing in distribution would give us the ability to do the value-added products."

The organic food boom is driving Fertoz's bullishness on the sector and Avery feels it is only the beginning.

"Guys will take more product if they can get it. Organic chicken, organic milk it's all quite popular now. The demand and seasonal growing means there is a fair amount of organic acreage in Mexico and Central America [that is attractive] and now they are doing highly productive organic crops and shipping them to America. I see that same trend of commercial agriculture to follow for 50 years; we see it grow from pretty steady demand and moderately complicated to grow to there being more growers with good organic fertilisers feeding into a pretty steady cycle."

North America has been a large exporter of phosphate products for a long period of time and players such as Fertoz will no doubt be important contributors to the fertiliser industry into the future.

The company also has a presence in Australia and New Zealand via Fertoz Agriculture Ltd (FertAg) which owns distribution rights to a phosphate product.

Demand for FertAg product is increasing, with 279t sold in the December quarter and an order for 400t of 0-8-0 product set to be delivered this month.

- Mark Andrews



A mine application for 75,000 tpa at Wapiti is being prepared