

Fertoz

7 March 2018

ASX RELEASE / MEDIA RELEASE

Fertoz achieves CY17 FertAg sales growth of 238%

HIGHLIGHTS

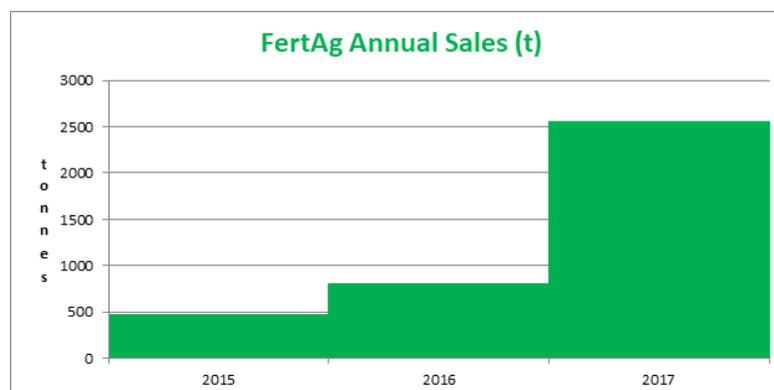
- Fertoz's Australian business, FertAg, achieved sales revenue growth for the twelve months ending 31 December 2017 of 238% year-on-year
- The ease with which farmers can spread and blend FertAg 0-7-0-2 with other fertiliser products has driven a substantial increase in sales
- The Company has seen an increase in sales of FertAg 0-8-0 to environmentally friendly farmers following receipt of organic certification in July 2017
- FertAg products are now available from all major fertiliser distributors Australia-wide

Organic phosphate development company Fertoz Ltd ("**Fertoz**" or the "**Company**", ASX: FTZ) is pleased to advise that its Australian environmentally friendly fertiliser business, FertAg, has achieved CY17 revenue of more than \$1.2 million, representing year-on-year sales growth of 238% in the twelve months ending 31 December 2017.

Fertoz attributes this substantial increase in sales through its Australian subsidiary, FertAg, to a combination of an increase in distribution agreements and amplified interest from environmentally friendly farmers.

Certification of FertAg 0-8-0 as an allowable input in organic agriculture by Australian Organic in July 2017 has also generated sales within the organic farming sector, particularly organic dairy farmers.

The chart below shows the strong year-over-year growth in FertAg's business.



ASX: FTZ



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

P. Avery
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Key Projects

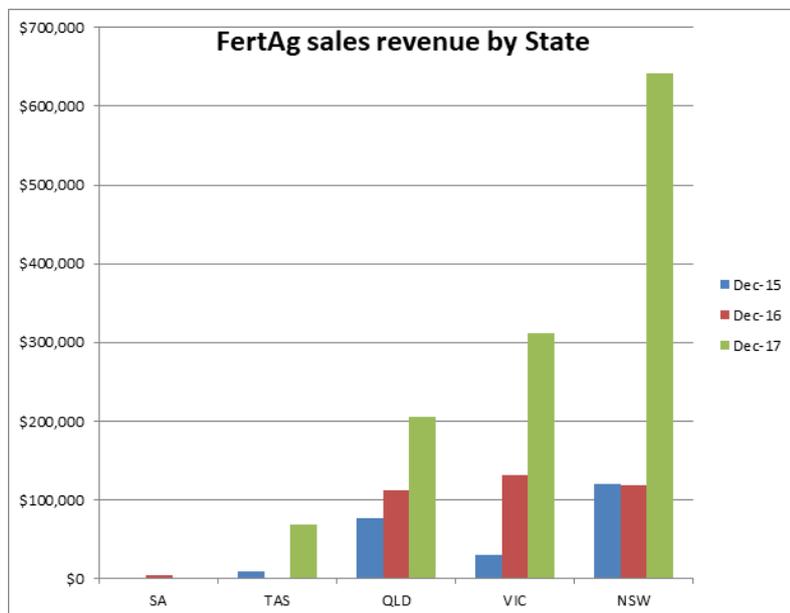
Wapiti
Fernie

Fertoz Ltd

Ownership: 100%
Ownership: 100%

A.C.N. 145 951 622

Several distribution agreements commenced in early 2017 have driven significant upside for FertAg’s products, most notably in NSW where the Company achieved sales revenue growth of nearly 500% in CY17. The following chart indicates the development and breadth of FertAg’s geographic coverage.



FertAg is made from naturally occurring minerals and is not chemically treated; as such, it works with the natural soil chemistry to digest soil acidity while providing minerals in a plant-available form. High in calcium, magnesium, silicon and phosphorus and acting as an alternative to lime, FertAg can provide soil amendment and fertiliser in one product.

Fertoz Executive Chairman, Pat Avery, said:

“The great rate at which FertAg is scaling up its business directly reflects the growing Australian and global demand for organic produce. We are also benefiting from independent agronomists recommending our products to their clients.”

“We look forward to Fertoz’s North American business following in FertAg’s footsteps as it scales up through sustainable growth servicing organic farmers in 2018.”

FertAg Managing Director, Les Szonyi, said:

“FertAg is achieving growing popularity with both conventional and organic farmers due to the ability of its products to improve soil health and fertilise in one application.”

“The FertAg product suite offers customers a range of benefits, including: improved soil health through highly available calcium, magnesium and silicon; sweeter pastures and crops through calcium silicates; environmentally friendly fertiliser that does not dissolve in water but breaks down in acid soils; highly available slow release phosphorus that does not get locked up in soil; and the ability for farmers to become certified organic and access significantly higher farm gate prices.”

The Company is seeing demand continuing to grow following recent exposure of its products at events including Commonwealth Bank AgQuip, Australia's largest agricultural field day, and ProAg, a signature agricultural show for the NSW mid-north coast.

The Company attended these events alongside major distributors TNN Australia and NORCO, and the FertAg product suite is now available from all major fertiliser distributors across Australia.



FertAg Managing Director Les Szonyi at ProAg, Macksville NSW in November 2017

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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.

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