

## Chairman's Update 3 December 2012

The Fertoz Annual General Meeting was held on Tuesday November 20 in Sydney.

The following resolutions were passed unanimously:

Resolution 1 - Appointment of Adrian Byass as a Director of Fertoz

Resolution 2 - Issue of Options to Adrian Byass as follows:

- a) 1,000,000 Options with an exercise price of 25 cents each;
- b) 1,000,000 Options with an exercise price of 35 cents each;
- c) 1,000,000 Options with an exercise price of 45 cents each

I welcome Adrian to the Board as a director.

After the meeting, the Board summarised various listing options for those present. In short, the Board is working with Blackwood Capital to prepare the company for a public market transaction which will allow additional funds to be raised to advance the Canadian projects in particular. Even though the Company has a number of Australian phosphate projects, most are likely to require some form of beneficiation and as such, Les Szonyi is working hard on securing joint venture partners for these. The Canadian projects, on the other hand, although much smaller, are generally located very close to transport links and the USA and Canada are ready markets for phosphate. Blackwood Capital and the directors of Fertoz are working closely to identify and negotiate a transaction that will see Fertoz listed. We hope to provide more information soon. Publicly listing the company has taken longer than desired, but with a number of options on the table at present, we are confident of securing an attractive listing opportunity in the near-term. If anyone requires any further information, please do not hesitate to contact myself or one the other directors.

Yours faithfully,

**James Chisholm**  
**Chairman**