

Fertoz

28 MAY 2019

ASX RELEASE / MEDIA RELEASE

UPDATED COMPANY PRESENTATION

Fertoz Ltd advises that slide 5 in its AGM Presentation released to ASX on 27 May 2019 has been updated to detail the 0.73 Mt inferred JORC resource and 0.81 Mt indicated JORC resource (1.54 Mt total) estimates for Wapiti.

Justyn Stedwell
Company Secretary

ASX: FTZ



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Board of Directors

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

P. Avery
S. Richardson
J. Chisholm
A. Byass
J. Stedwell

Key Projects

Wapiti
Fernie

Ownership: 100%
Ownership: 100%

Fertoz Ltd

A.C.N. 145 951 622



Fertoz Ltd

ASX: FTZ

Mining, manufacturing and selling
organic phosphate

**Building a Sustainable Organic
Input Business**

AGM Presentation

May 2019

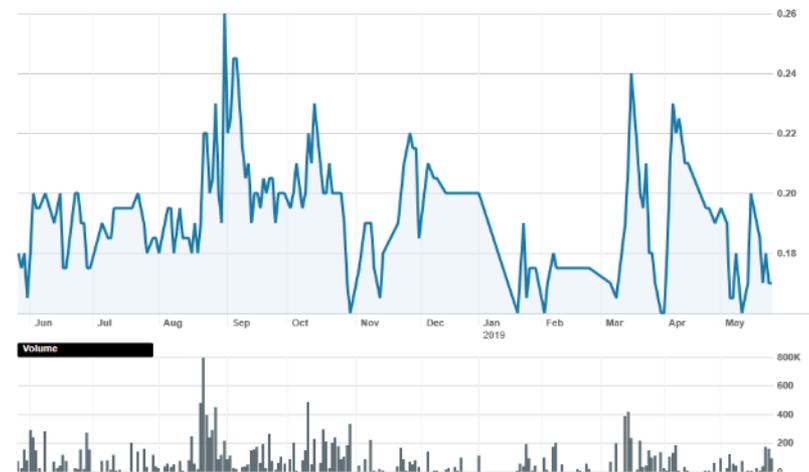
Updated Website: www.fertoz.com

ASX: FTZ Corporate Snapshot

- Fertoz Ltd (ASX: FTZ) is a premium organic inputs company, building a suite of organic fertilisers and a logistics chain to service organic farmers
- Geographic focus: Canada, the United States, Australia and New Zealand
- Producing and marketing organic phosphate-based fertilisers with various additives in powdered, grit and granular form, sold by rail, truckloads through to retail packets
- A rapidly-growing distribution network providing direct access to organic farming hubs and communities

Share price: \$0.17, 24 May 2019

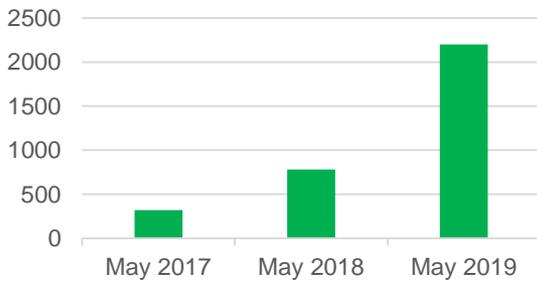
12-month share price and volume



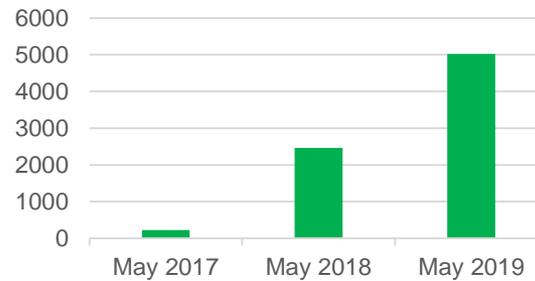
- Shares on Issue: 128m
- Market Capitalisation: \$22m
- Cash Balance: \$2.1m, 31 Mar 19
- % held by Board/Mgmt: 15%
- % held by Top 20: 45%

Improving KPIs

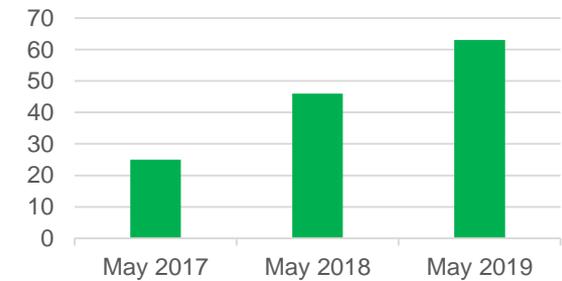
Website Hits/Month



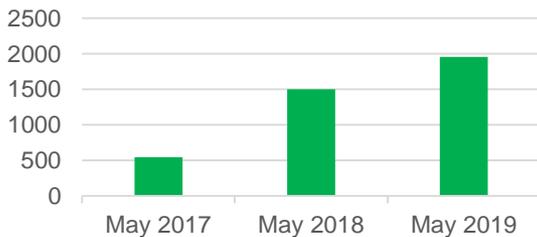
Organic Farmer Database



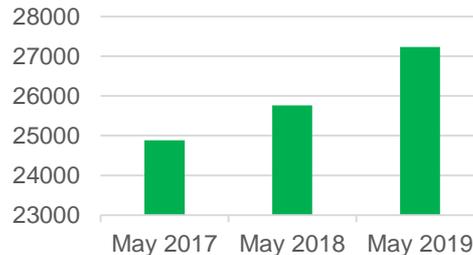
No. customers *



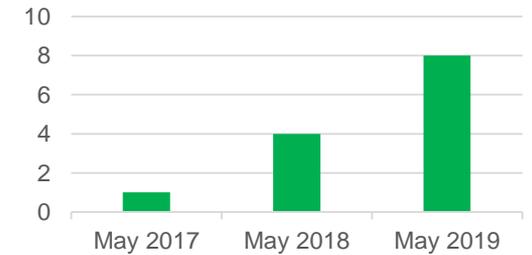
Last 12 months' sales (End March) A\$



No. Organic Producers



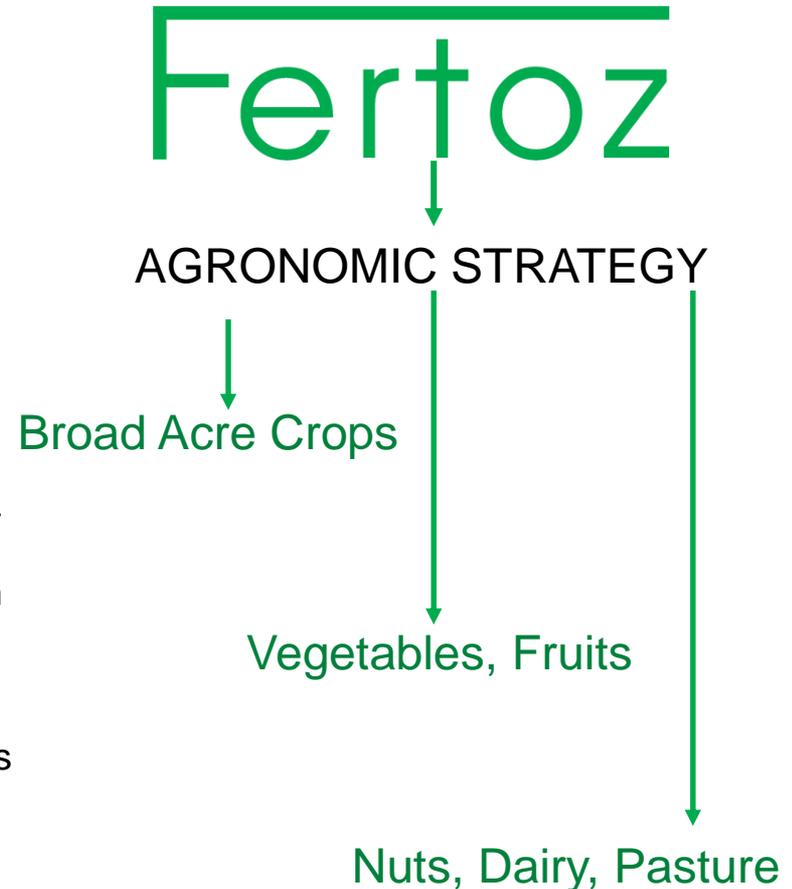
Exploration/Bulk Sample Permits



* Most customers are farm product distributors, with regular contact into thousands of end-users of organic inputs

Competitive advantages

- Fertoz has now secured most of Nth America's known high-availability phosphate resources and existing stockpiles – the remaining direct application rock phosphate resources are lower quality and would require many years of exploration and permitting
- Many customers have now passed their 4th year of trials – any competitors need to deliver consistent results, year after year, before organic farmers would consider a switch
- Fertoz has gained OMRI, ProCert, NOP, Washington and California organic registrations, for powder and granular blends, having delivered multiple lab and field trials across various crops and vegetables over the past 4 years
- Multiple road, rail solutions, product mix and product type/size – most competitors have limited range
- Rapidly growing distributor and partnership channels



Assets and Products

- Wapiti: 11,870 hectares of high-availability rock phosphate in British Columbia, 0.73 Mt inferred JORC resource and 0.81 Mt indicated JORC resource (1.54 Mt total)
- Fernie: 9,000 hectares in British Columbia and Alberta, bulk sample permits granted
- Stockpiles at Butte, Montana and Monterey, Mexico provide geographic spread



- FertAg 0-8-0
- FertAg 0-8-0g
- FertAg 0-8-0p
- Black Grit
- FTZee 0-7-0-2
- FTZee 0-7-0s
- FTZee 0-7-0p
- FTZee 0-7-0H
- FTZee 0-7-0Gy

Fertoz Fertoz Granular Rock Phosphate Sulfur Blend

0-20-0 with 90S

Guaranteed Analysis

Granular Rock Phosphorus (70% of blend):	
Total Phosphorus	20%*
Available Phosphorus	7%*
CaO	31%*
Granulated Elemental Sulfur (30% of blend):	
Sulfur	90%*

Organic Input Phosphate Fertilizer

* Information on the content and level of metals may be found on the internet at: www.aarfcso.org/metals



This rock phosphate should be incorporated in the soil at seeding or surface spread, as rock, or in blends, to provide vital phosphate for plant growth.

Net Weight Kg / lbs)	Lot # Batch
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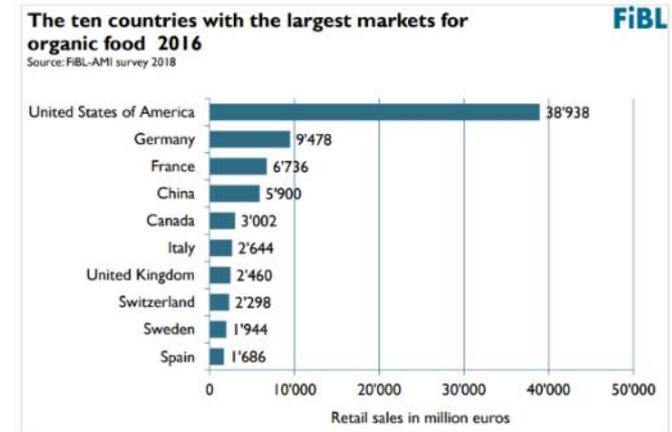
Contact Information: 726 413-4328
Fertoz International Organic Inc.
1055 West Georgia St., Suite 2100, Vancouver, BC, V5E 3P3, PO Box 11110



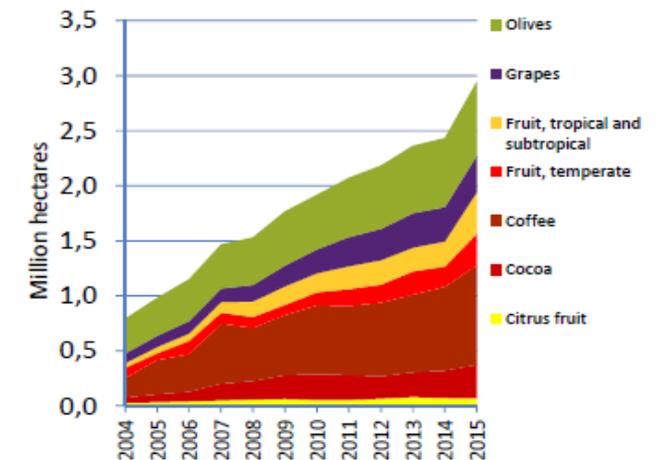
FertAg products contain 7% and 8% P, 95% available while Fertoz products contain 7% available P₂O₅

Organic market

- USA: US\$50bn pa in finished goods; >18,000 producers; >20% in California, then Iowa, Montana, Wisconsin, New York; competitors include Tennessee Brown, Soda Springs and Calphos
- Canada: US\$5.4bn pa in finished goods; ~5,000 producers; >75% in British Columbia, Alberta, Saskatchewan; competitors include Replenish, Biofert
- Australia: A\$2.4bn pa in finished goods; >4,000 producers; most in Qld, NSW, Vic, WA; competitors include Nutri-Tech and Bioag
- New Zealand: NZ\$600m pa in finished goods; >1,600 producers; competitors include Viafos and FertoCo



Development of organic permanent crops/crop groups 2004-2015
Source: FiBL-IFOAM-SOEL survey 2006-2017



North America

- FertoZ has meaningfully developed its distribution network, primarily in Canada, which now spans:
 - Federated Co-Op: 170 branches BC, AB, SK, Mn
 - Blairs: 10 branches SK
 - Thompsons Ag: 12 branches ON
 - Seven Springs: Va, USA
 - Ag Unlimited: Ca, USA
 - MOU's with Providence Grain, Limoges
- Supply Agreements: Humic Growth Solutions (Canada, USA)
- Third Party Sales: Pacific Recycling, BC



Australia/NZ

- Distribution network across Aust and NZ
 - E.E. Muirs & Sons, 2 branches Qld and Vic
 - Ruralco, 4 branches Qld and NSW
 - Norco Coop, 6 branches NSW
 - Independent distributors, 13 branches Qld, NSW, Vic, WA, Tas and NZ
 - Vasili Gardens – Melbourne (Retail)
- Moving FertAg product into the retail sector is expected to boost sales and brand awareness in Australia/New Zealand – first sales recently achieved in New Zealand and WA





Operating environment

- Spring sales impacted by:
 - Weather: Late/early snow, drought and rain led to delayed and in some cases cancelled orders
 - Delivery times: To compensate for weather events, farmers want same day or next day deliveries. We are developing the ability to deliver this to avoid missing potential orders
 - Competitor actions: some competitors have moved to present N-P-K analytical results based on different testing methods, reiterating the importance of emphasising Fertoz's best-in-class traceability and phosphate availability, up to 3x that of peers
 - Market awareness: There is a large addressable market of organic farmers who still do not know about Fertoz (or indeed any organic fertiliser suppliers). Those that do know us are frequently requesting organic N-P-K blends. With over 80% of organic growers using little to no inputs, the scope for growth with education is significant

Key Learnings

- We are working to stoke sales growth through:
 - Expanding our geographic reach into areas that have more growing seasons and are less prone to snow, e.g. California and the Southern US. We will support this spread by bringing in more account managers
 - Co-locating processed fertiliser at distributor sites to ensure same day or next day delivery – critical when weather events impact planting
 - Rebranding to 0-16-0, pending approval from regulators in Canada, USA, Australia and NZ
 - Marketing campaigns to increase market awareness of Fertoz and its product range, particularly in the booming cannabis sector
 - Developing and marketing an organic N-P-K product





2019 Outlook and Goals

- Forecast CY19 total sales at the low end of guidance range of 30,000 to 50,000t. Fertoz remains on track to exceed its target of 100%+ year-on-year growth in volume, revenue and cash receipts
- Progress more distribution agreements, particularly in expanded geographic areas, increasing marketing and brand awareness and mitigating weather impacts
- Progress co-location opportunities to enable faster delivery of products
- Progress Humic Growth Solutions supply agreements and gypsum sale rights in North America to drive growth
- Develop an organic N-P-K blended product, and expand into the fast-growing cannabis sector

Long Term Goal and Vision:

Build the largest organic input provider in North America.

It is a long-term, sale by sale, partnership by partnership ground game.

We are uniquely placed as an early mover in this space to deliver healthy growth with organic customers well into the future.

Disclaimer

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 Ferto 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.

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All statements other than statements of historical fact herein are forward-looking statements and include, but are not limited to: (i) estimates and projections of future phosphate prices; (ii) estimates and projections of future phosphate production and demand; (iii) estimates and projections of reserves and resources; (iv) estimates and opinions regarding geological and mineralization interpretation; and (v) estimates of exploration investment and scope of exploration programs. When used in this presentation, the words "plans", "expects", "anticipates", "budgets", "forecasts", "strategy", "goals", "objectives", "could", "should", "may", "potential" and other similar expressions relating to matters that are not historical facts are forward-looking statements.

All forward-looking statements herein are based on Ferto's or its advisors' current beliefs, as well as various assumptions and information currently available to them. These assumptions include but are not limited to: (i) continued growth in world phosphate; (ii) continued increase in personal incomes; (iii) continued increase in grain-intensive meat diets; (iv) continued decline in the agricultural land base; (v) the successful negotiation of native title access agreements for Ferto's exploration licences. There can be no assurance that such statements will prove accurate, and actual results and future events could differ materially from those anticipated in such statements, in particular, the estimates do not include input cost increases or phosphate price variations that could occur in the future.

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