

Fertoz

3 December 2019

ASX RELEASE / MEDIA RELEASE

Fertoz continues to progress with new partnerships

HIGHLIGHTS

- Fertoz signs Distribution Agreement with South Dakota-based Soil Works LLC
- Renews partnership with Krezco organic phosphate rock producer based in Mexico
- Secures first sales of Krezco organic phosphate rock into Texas

Organic phosphate development company, Fertoz Ltd (“Fertoz” or the “Company”, ASX: FTZ) is pleased to provide an update on recent distribution agreements signed in North America.

Fertoz Executive Chairman Patrick Avery stated:

“We are pleased to update shareholders with recent progress on additional distribution and supply agreements. Our growth strategy has three key pillars – sell our organic fertilizer products direct to farmers to generate word-of-mouth advertising and referrals and to secure field trials; sell via major distribution partners that have farmer networks developed over a number of years in our key organic regions; and sell our products to third-party fertilizer manufacturers who want to develop additional organic product blends or who are not happy with their current phosphate supplier. Each of these takes time but to date we have executed on all three elements of our strategy.

“We are pleased to announce the appointment of a new distributor for Fertoz products – Soil Works LLC. Soil Works is based in South Dakota and gives us access to the growing organic markets there. Founder, Glen Rabenberg, is a well-known North American organic key-note speaker, and an organic farmer with a large social media following, primarily due to his podcasts on organic farming. Our agreement with Soil Works extends our footprint into The Dakotas organic farming areas.



“We are working steadily to extend our reach in the Pacific North West, the key farming areas in Western Canada, and the western United States. Our goal is to keep moving south along the western US states to establish distributors and partnerships in the largest organic producing state in the USA – California. We already have some exposure there, but we are keen to become a major player in the organic fertilizer market in California.

“We are also pleased to advise of the first sale of the Krezco organic rock phosphate we source from Mexico. A Texas-based organic farmer has acquired 20t for trial purposes. We expect to make more sales into Texas over the coming months as, like California, it is not impacted by the sometimes severe weather events that have impacted our growth to date.”

ASX: FTZ



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Board of Directors

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

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

Key Projects

Wapiti
Fernie

Ownership: 100%
Ownership: 100%

Fertoz Ltd

A.C.N. 145 951 622

The Company has now established multiple distribution points across key agricultural provinces in Canada and states in the USA (refer map below). Additional distribution and sales agreements are in the pipeline.

In addition, now that the sales channel has been proven, the Company is working to reduce costs to enable distributors to enjoy higher margins. With the sales representatives of most of the Company's distributors primarily paid on commission, Fertoz expects this effort to unlock meaningful sales growth.



Figure 1: Major distribution centres marked with ●

Justyn Stedwell
 Company Secretary
 On behalf of the Board of Directors

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