

Fertoz

8 April 2020

ASX RELEASE / MEDIA RELEASE

Fertoz Secures Multiyear Supply Agreement and LOI for JV with Diversified Fertiliser Distributor

HIGHLIGHTS

- Fertoz signs detailed Letter of Intent and structure for JV with Phosul LLC, along with a new multiyear Supply Agreement
- Phosul LLC is a subsidiary of Propeat, a diversified provider of commercial fertilisers, with a multi-line production facility in the heart of farm country in eastern Idaho
- PhoSul is a patented, enhanced rock phosphate and sulfur product which targets organic producers
- Supply Agreement targets 1,000 tons of product sales in the first year

Organic phosphate development company, Fertoz Ltd (“Fertoz” or the “Company”, ASX: FTZ) is pleased to advise that the Company has secured a new Supply Agreement combined with a Letter of Intent to establish a joint venture with PhoSul LLC.

Based in Sugar City, Idaho, PhoSul is a subsidiary of Propeat LLC, which is a leader in the manufacturing, processing and supply of natural and sustainable agricultural products offering the most efficient nutrient delivery methods to the plant with less impact to the environment. Propeat produces and markets a range of commercial fertilisers for turf, horticulture and ag, and in partnering with Fertoz is seeking to meet growing demand for organic inputs.



Fertoz has agreed to supply its high-quality, high-availability rock phosphate for use in PhoSul, which is a patented fertiliser blend of phosphate and specialty sulfurs. PhoSul is granulated for ease of application and formulated to enhance the natural biological conversion process of phosphorus availability.

The parties are targeting 1,000 tons of sales in the first year of the agreement, which will run year-to-year and renew automatically.

This agreement represents the latest development in a fruitful relationship between the parties, which has seen PhoSul act as Fertoz’s distribution partner for several years. With PhoSul part of the broader

ASX: FTZ



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Board of Directors

Executive Chairman
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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

Pocock group of companies which provide contract production and trucking services, Fertoz sees opportunities for deeper collaboration spanning more of the fertiliser value chain.

PhoSul Director, John Pocock, said:

“We are seeing good success with Propeat on the commercial fertiliser side and wanted to develop a line for organic production. We studied many possibilities but selected Fertoz for their high quality rock phos. Additionally, Fertoz is really strong in marketing, organic registrations, education and outreach, which are key in launching new products. We will be working closely together to make, educate and sell a range of organic products. We have been toll processing some of the Fertoz branded products and hauling both raw materials and finished products, and they are a good company to work with.”

Fertoz VP of Sales for Western North America, Derek Squair, said:

“We are excited about this partnership. We have signed a detailed Letter of Intent, and are finalising our JV, to cooperate at all levels: commercial products through Propeat, organic products in the PhoSul line, and also manufacturing, trucking, warehousing and development of new products. This agreement will support our existing work with some major producers of organic and sulfur products to broaden our product lines and increase volumes. While we have worked with the Pocock companies for some time, we think this JV will strengthen all areas.”

Following the first production run in Q2 CY20, the parties will trial PhoSul initially in Idaho and neighboring states, with Fertoz to lead the sales efforts of these products.



Propeat’s stand at the Montana Green Expo in January 2020

For further information, please contact:

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