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ASX RELEASE / MEDIA RELEASE

Fertoz Expands Organic Footprint in North America with Two New Agreements

HIGHLIGHTS:

- Fertoz signs distribution agreement with Parrish and Heimbecker (P&H), one of Canada's largest grain and fertilizer businesses
 - Fertoz signs distribution agreement with Sylvite to improve the Company's distribution in eastern Canada and the northern USA. Sylvite has been an agricultural input provider in these areas for more than 40 years
 - Five-year distribution agreements with Sylvite and P&H expected to generate sales of 5,500 tons in year 1 (combined), ramping up to 27,000 tons (combined) by year 5
 - Agreements will see Fertoz products distributed through more than 100 additional retail outlets
 - Fertoz will work closely with both new distribution partners to develop value added organic sustainable products, as well as marketing, agronomic studies, and grower outreach
 - New distribution agreements will provide better logistics and product blending capability as Fertoz expands its customer base
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Organic phosphate development company, Fertoz Ltd ("Fertoz" or the "Company", ASX: FTZ) is pleased to announce it has signed new agreements with two of the largest fertiliser suppliers in Canada. The agreements will allow for broader regional coverage and greater producer access to Fertoz's organic nutritional inputs.

Fertoz has signed distribution agreements with Parrish and Heimbecker Limited (P&H) and Sylvite to expand its footprint in Canada and northern USA. As these companies are seeing increased trends among their customers toward organic and sustainable agriculture, both are looking to meet customer demand and expand their businesses further into the organic sector by supplying organic inputs.

P&H is the largest family-owned milling company in Canada, with roots in the agricultural industry dating back more than 100 years. The company is growth oriented, diversified and vertically integrated, with operations in grain trading, handling and merchandising, crop inputs, flour and feed milling.

With 30 retail locations across western Canada, P&H is well-positioned to supply organic fertilisers in densely populated organic farming regions in British Columbia, Alberta, Saskatchewan and Manitoba. P&H is establishing operations



to custom blend organic fertilisers at Wilson Siding in Lethbridge, Alberta; a service that is currently minimally offered in the region. This is a strategic starting location, centered in an area of a wide range of crops, soil types, conventional, organic and sustainable ag practices. Fertoz is well-placed to support these goals, with ore supply and value-added products available nearby in western Alberta, eastern BC and Montana, USA.

Sylvite, founded more than 40 years ago, is a full-service agricultural supplier in wholesale, agriculture and transportation with extensive offerings of high-quality agricultural fertiliser products. Allied operations in Canada and the United States have allowed Sylvite to play a significant role in moving fertiliser across the eastern seaboard. With 13 locations of its own and partnerships with 47 others through the Sylvite alliance, Sylvite is the largest supplier of conventional inputs in Ontario with a distinct growing interest in organics.



These new agreements will benefit Fertoz customers through:

- Providing better access to Fertoz products through local and regional retail outlets.
- Facilitating the development of a range of sustainable and organic product offerings.
- Choice of various size and packaging options ranging from bulk and totes to 25lb and 50lb bags.
- Custom blending services to achieve desired nitrogen, phosphorus, potassium, sulphur and calcium ratios according to soil requirements.
- A full range of ag services, such as storage, load out, blending, spreading, and grain management, offered by these partners.

Fertoz VP, Sean Gatin, said:

“We are impressed with P&H and Sylvite’s strategic view of the growing need for sustainable and organic products. They both see this driving increasing demand across the Prairies for organic inputs, and thus we are pleased to begin partnerships with both these companies.”

“Fertoz goes beyond supplying simple rock phosphate products to also offer value-added products tailored for high value crops, soil types and return for the grower. We’ll work jointly with P&H and Sylvite on marketing, organic registrations, and grower education and outreach.”

Products

Fertoz will supply P&H and Sylvite with products blended from elemental sulphur, potash, nitrogen and the Company’s main product and base ingredient: rock phosphate mined from properties owned and leased by Fertoz in Canada, USA and Mexico. The parties plan to enhance the product lines with specialty blends including humics and gypsum, and there are long range plans to include microbes and biologicals.

Volumes

The distribution agreement signed with P&H targets sales goals of 5,000 tons in year 1, 10,000 tons in year 2, up to 25,000 tons per annum in the 5th year of the five-year agreement.

The distribution agreement signed with Sylvite targets sales goals of 500 tons in each of years 1 and 2, 1,000 tons in each of years 3 and 4, and 2,000 tons per annum in the 5th year of the five-year agreement.

Both parties and Fertoz have expressed an intent to renew based on initial success.

Strategic Rationale

These distribution relationships will leverage Fertoz's expertise in mining, manufacturing, product marketing, placement and networking, enhancing the Company's reach by adding more than 100 retail outlets to further increase adoption of its organic input product. Fertoz aims to help farmers in Canada to increase the profitability of their operations. The addition of the P&H bulk blend shed at Wilson Siding, Alberta will validate Fertoz's ability to service large acre organic farms in a comprehensive and efficient manner.

While phosphate fertilisers are a staple in every farmer's input strategy, use of organic inputs to this point have been limited. Fertoz understands that in order to create more benefit to growers, it needs to provide wide ranging NPKS solutions. Fertoz will be systematic in rolling out this product line in conjunction with partners and distributors and will provide field data and research as it moves to increase the adoption curve.

With established operations in North America and Australia, Fertoz continues to grow its customer base, with the start of shipments from its stockpile in Mexico to south-east USA as market awareness of its very high-availability phosphate products continues to increase. The Company is also targeting revenue growth via online sales through its website, www.fertoz.com, in the current quarter.

Authorised by the Board of Directors

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Board of Directors

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Non-Executive Director	J. Chisholm
Non-Executive Director	R. Wilkinson
Company Secretary	J. Stedwell

Key Projects

Wapiti	Ownership: 100%
Fernie	Ownership: 100%
Fertoz Ltd	A.C.N. 145 951 622