

# Fertoz

23 June 2021

ASX RELEASE / MEDIA RELEASE

## Fertoz Granulator Update

### HIGHLIGHTS

- Granulator is expected to arrive at site in Montana on 5 July
- Site is now being made ready to install the granulator and begin trials. With almost 70% of Fertoz's fertilizer sales as granulated product, operating an in-house granulator is expected to significantly reduce costs, and importantly, allow the Company to offer "just-in-time" products
- Discussions are underway with various suppliers of additional products that can be granulated with the Company's phosphate, including granulating with our manufacturing partners' products: sulfur, humic, alfalfa and seed. These blends are most commonly requested and aid in yield, soil spacing and health, and now support reclamation and reforestation

Organic phosphate development company, Fertoz Ltd ("Fertoz" or the "Company", ASX: FTZ) is pleased to provide an update on the Company's granulation facilities.

Fertoz Executive Chairman Patrick Avery stated:

*"The granulator that we purchased with funds raised through the recent Rights Issue has now left the factory in China, and been delivered to port for loading onto a container ship. The ship is expected to dock west coast USA in early July, with delivery of the granulator to site in Montana on or around the 5<sup>th</sup> of July. Our partners are already preparing the sheds and site for installation of the granulator and we are engaged in discussions with various suppliers that can supply additional products to be granulated with our rock phosphate. With this revamp, our processing partner will be able to make powder products, in higher volumes, and granulated.*

*"Granulating our own products is expected to lead to a significant reduction in costs. We'll still utilise some contract granulation, but with growing demand for our top blends but also reforestation works and the increasing amount of organic farming around Montana, Oregon and Idaho, it looks like much of our granulated product will be used locally.*

*"As part of the installation, we are also investigating the potential to coat seeds with fertilizer to facilitate our drone reforestation works. This ties neatly into our new carbon initiatives, which are attracting a lot of inbound enquiries. As noted in our ASX announcement of 19 May 2021, we are in the midst of a major marketing campaign to mining companies in relation to planting and seeding their projects and calculating the CO2 sequestered. We've now begun to offer the use of drones to plant non-productive areas in farms, and then to use satellite and drone imagery to calculate the CO2 sequestered across the entire farm, regardless of crop selection. The ability to provide such services in conjunction with seeding and fertilizing and supplying various organic fertilizers enables us to reach more customers.*

ASX: FTZ



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#### Board of Directors

Executive Chairman  
Non-Executive Director  
Non-Executive Director  
NED/Company Secretary

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

#### Key Projects

Wapiti  
Fernie

Ownership: 100%  
Ownership: 100%

Fertoz Ltd

A.C.N. 145 951 622

*“We have also recently reached out to government groups in Colorado, Montana and Idaho in relation to reseeding and CO2 calculation services for national parks, abandoned civil sites and rehabilitation works around rivers and streams. We’ll keep investors updated on the opportunities in front of Fertoz as they progress.”*

### **Fertoz Granulation Facilities**

The Company’s granulator is currently sailing towards the USA, with expected delivery to port on June 25th, and at site soon thereafter. Although it will take a few weeks to install and commission the granulator, the Company has already investigated some additional equipment that will complement the granulator and enhance the Company’s new service offerings in reforestation works.

With almost 70% of the Company’s fertilizer sales as granulated product, the operation of an in-house granulator is expected to reduce costs and importantly, allow the Company to offer “just-in-time” products, i.e. to be able to produce granulated products on request. With ever-increasing consumer demand for organic foods, and a plethora of organic foods now available, farmers need to be able to quickly switch crops to meet market needs. Just-in-time deliveries of farm inputs allows farmers to focus on crop selection knowing that suitable tailored fertilizers can be manufactured within a few days.

With multiple partners supplying sulphur, humates, alfalfa, compost and combined with in-house production facilities, the Company will now be able to design and deliver custom granulated fertilizers within a few days.



Fertoz continues to work closely with a range of partners assisting farmers with their land management practices, with particular focus on sustainable agricultural practices including the use of organic input materials. The Company is helping the agricultural sector to move away from the use of synthetic fertilisers, adding carbon-rich materials to Fertoz rock phosphate to increase soil biomass.

Farmers are increasingly seeking to diversify farm incomes and are looking to organic markets and carbon sequestration as a means to boost productivity and profitability while improving overall soil health, which strengthens the farm's resilience to weather events and lessens the potential impacts of climate change.

Authorised by the Board of Directors.

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