

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Aug 25, 2015) - [DuSolo Fertilizers Inc.](#), (TSX VENTURE:DSF)(OTC PINK:ELGSF)(FRANKFURT:E6R) ("DuSolo" or "the Company") is pleased to provide a corporate update for its Brazilian operations.

After a longer than anticipated rainy season, the Company has been excavating and processing Direct Application Natural Fertilizer ("DANF") product at Bomfim since June. DANF product sales, however, have been less than anticipated due to soft fertilizer demand in Brazil. This is a result of weaker crop prices, the lower purchasing power of the Real and delayed credit availability from the government to farmers and agri-businesses.

"In light of the current market conditions in Brazil, and the effect it has had on the Company's performance, DuSolo's new board and management have undertaken a strategic review of all operations," said Darren Bowden, CEO of DuSolo. "In the coming months, the Company plans to implement a number of sales and production strategies in an attempt to increase revenues, while managing its production costs. DuSolo's long term focus remains unchanged, as we continue to build the Company into a domestic Brazilian phosphate producer."

The following strategic initiatives will be undertaken:

- Drawdown of Bridge Loan facility. Funds have already been received and will be used as working capital as DuSolo begins to accept forward sales contracts.
- Plans to reconfigure Bomfim Processing Plant in order to increase DANF product output without installing additional hammer mills, saving the Company C\$400,000.
- Looking at alternative sales strategies, including forward sales contracts and expanding sales into other regions in Brazil.

Sales

Year to Date, 2015, DuSolo produced and sold the following amounts of DANF product (all figures are in tonnes):

Mine Production	Plant Production	Delivery of Sales	To Be Delivered
52,931	29,939	7,373	3,363

Of the 81,100 tonnes in signed commitments, approximately 3,290 tonnes of product has already delivered, and an additional 3,363 tonnes will be delivered in the short term. All of these contracts are still in good standing, though buyers have been slow to perform due to the market conditions described above.

To smooth upcoming sales revenue, the Company will implement a number of sales strategies in order to ensure that DANF product sales continue, including accepting forward sales contracts, while continuing to receive proceeds from sales on delivery.

Operations

The material processed to date has come from the Santiago project ("Santiago"). Further analysis and characterization has confirmed that mineralization at Santiago is softer and more fine than previously thought. This has led to the primary screen being under utilized and the secondary screen being over loaded causing a production bottleneck. DuSolo, at minimal cost, will reconfigure the Bomfim Processing Plant ("the Plant") to better handle this material.

The reconfiguration includes a plate change in the existing hammer mills to increase final product top size from 1.5mm to 2mm, which has already been completed. In addition, the screen decks will be resized to redirect material to different stockpiles, reducing rehandle and increasing primary and secondary screen efficiency. Once both of these changes are in place, the Plant is expected to achieve a sustainable throughput of 80 tonnes per hour versus the current maximum of 60 tonnes per hour.

The optimization of the Plant will allow for higher production, without having to install the additional hammer mills as previously planned. This will result in a C\$400,000 savings for DuSolo. The Company will complete the reconfiguration in September, and expects DANF product inventory stockpiled to meet September sales demand. The Plant is expected to recommence production with the new screens and mills for a short period in October in order to test the upgrades and build sufficient product stock to meet low season sales.

Other Phosphate Opportunities

DuSolo maintains its focus on growth through building its operations, as well as assessing new phosphate opportunities in other regions of Brazil. The Company is of the opinion that current market conditions in the fertilizer market are temporary and are likely to improve in the mid to long term. It is therefore evaluating investment opportunities created by the weakness in phosphate demand, and looking to expand into new agricultural areas in Brazil as part of its strategy to become a mid-tier Brazilian fertilizer producer.

ABOUT DUSOLO

[DuSolo Fertilizers Inc.](#) is focused on developing a fully integrated process to produce phosphate based fertilizers within the Cerrado region of Brazil as part of a nationwide effort, incentivized by the government, to increase supply of domestically sourced fertilizers and achieve agricultural self sufficiency.

The Company's shares are publicly traded on the TSX Venture Exchange under the symbol DSF, on the OTC Pink Sheets under the symbol ELGSF and on Frankfurt Stock Exchange under the symbol E6R.

On behalf of DuSolo Fertilizers Inc.

Darren Bowden, CEO

Forward-looking statements

Certain information contained in this press release constitutes "forward-looking information", within the meaning of Canadian legislation. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur", "be achieved" or "has the potential to". Forward looking statements contained in this press release may include statements regarding the future operating or financial performance of DuSolo which involve known and unknown risks and uncertainties which may not prove to be accurate. Actual results and outcomes may differ materially from what is expressed or forecasted in these forward-looking statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Among those factors which could cause actual results to differ materially are the following: market conditions and other risk factors listed from time to time in our reports filed with Canadian securities regulators on SEDAR at www.sedar.com. The forward-looking statements included in this press release are made as of the date of this press release and DuSolo disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation.

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Contact

[DuSolo Fertilizers Inc.](#)

(604) 331-9853

ir@dusolo.com