



Greetings!

We are excited to share that 2014 was another exciting year!

In September of 2014, we celebrated our first eighteen months of successful operations of the Southgate Organic Material Recovery Centre (OMRC) with an Open House event. It was attended by over 130 representatives from Ontario municipalities, agricultural associations, soil and crop advisors, local businesses, politicians, OMAFRA, the MOE, and area growers. We have now surpassed our second, full year of fertilizer production at the OMRC.

Here are some additional highlights from 2014;

- Safely diverted over 75,000 cubic meters (16.5 million imperial gallons) of organics from numerous, SW Ontario communities for conversion into our federally registered, LysteGro™ biofertilizer product.
- Sold and applied over 94,000 cubic meters (20 million imperial gallons) of LysteGro™ to approximately 8,000 acres of farm land (see full story on the flip-side of this newsletter).
- Conducted third-party trials to demonstrate the value and performance of the LysteGro™ fertilizer product and its ability to help offset costs and replenish soil health.
- Commissioned the on-site deployment of Lystek's patented and proven technology at the new Wastewater Treatment Plant in Elora, Ontario.
- Designed, built and commissioned another on-site deployment of Lystek technology in the City of North Battleford, Saskatchewan – on budget and a full year ahead of schedule.
- Achieved a total of eleven (11) full-time positions at the OMRC, hired our first U.S. employee, and added more staff at head office.
- Continued to support a wide variety of community causes, local sports teams and events including the Gorman Barn Fire Fund, Dundalk Fall Fair, Holstein Rodeo, Grey Bruce Farmers Week, Shelburne Lacrosse, Dundalk Christmas Cheer, Markdale Soccer, Wheelchair Athlete & many more.
- Between the taxes paid and our unique, revenue-sharing agreement with the Township, Lystek became the largest, single, commercial tax and revenue contributor to Southgate
- Presented Southgate Mayor Anne-Marie Fosbrooke a revenue-share cheque for \$20,000 at the March 4th, 2015 Township Council meeting.



PAC Update

To date, there have been 20 Public Advisory Committee (PAC) meetings. The most recent was held on February 17, 2015 at the Organic Material Recovery Centre (OMRC) at 191 Eco Parkway, Dundalk, ON.

The PAC was formed to facilitate the open flow of information, ideas and constructive input between local residents and Lystek with respect to the development and ongoing operation of the OMRC. Today, the PAC continues to function and serve in this role as part of its' ongoing operational approvals as set out by the Ministry of the Environment (MOE).

The PAC consists of members of Southgate, Lystek and Township council. Members voluntarily participate because they care about the community and want to fully understand the technology and related considerations. Meetings occur quarterly. The next one is scheduled for May 26th at 7 p.m.

As a reminder, should you wish to pose questions about the Southgate OMRC, they can be directed, in writing, to the PAC Chairperson, Stephen Redmond. Stephen is a certified crop advisor, a former Environmental Specialist with the Ontario Ministry of Agriculture Food and Rural Affairs (OMAFRA) and a former resident of Dundalk. He can be reached at stevered@isp.ca. Mr. Redmond will make sure that questions are discussed amongst the PAC group and replied to a timely manor. PAC meeting minutes are available for viewing at www.southgate.ca or www.lystek.com

Those interested in membership should contact the Chair (info above) or Dave Millner, C.A.O for the Township of Southgate at dmillner@southgate.ca.



We hope you enjoy getting caught up with us through this newsletter and encourage you to keep checking our web site at www.lystek.com for more exciting news and updates.

Here's to a happy, productive and prosperous 2015!

Kevin Litwiller
 Director of Business Development
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LysteGro™ Biofertilizer = Value & Performance

Lystek utilizes its innovative technology to process biosolids and other organics to produce a high quality, pathogen free, nutrient rich, liquid fertilizer product, LysteGro™. The product is registered as a fertilizer with the Canadian Food Inspection Agency (CFIA) and is currently utilized by growers throughout Ontario as a commercial fertilizer replacement and/or supplement. LysteGro™ has become extremely popular due to the high concentrations of Nitrogen (N), Phosphorus (P) and Potassium (K), while also providing valuable micronutrients and organic matter.

Value

On a per 1,000 imperial Gallon (imp. Gal) basis, LysteGro™ provides 60 lbs of Total Nitrogen (approximately 75 % of which is the organic form, meaning the N will be released slowly throughout the growing season), 90 lbs of phosphate (P₂O₅) and 35 lbs of Potassium oxide (K₂O). OMAFRA standards for nutrient availability state that at least 30% of the organic N will be released within the first growing season, with 40% and 90% availability of P and K, respectively, in the first growing season. Based on current market costs of chemical fertilizers, LysteGro™ has a value of approximately \$50/1,000 imp. Gal in the first growing season and approximately \$95/1,000 imp. Gal overall. Note that these values do not consider the additional benefits derived from the significant concentrations of other nutrients, such as Sulphur (16 lbs/1,000 gal), Calcium (46 lbs/1,000 gal) as well as Iron, Magnesium, Zinc, Copper and others that are also inherent in LysteGro™.

Application Methods

As stewards of the environment and advocates of Best Management Practices, we require our application contractors to inject LysteGro™ into the soil to avoid run-off potential. Application rates are determined based on soil sampling results and crop requirements. In addition, Lystek follows the Nutrient Management Act as a guideline to ensure the fertilizer is applied appropriately.

Yield and Performance Studies

In 2014, yield and performance studies were conducted by Deb Campbell of Agronomy Advantage www.agronomyadvantage.ca at several LysteGro™ application sites. The studies were intended to provide a broad demonstration of the effects of LysteGro™ on yield indicators, plant health and soil nutrient concentrations. Overall trends further indicate that LysteGro™ is an effective fertilizer on high fertility sites, performing equally as well as commercial fertilizer; and, on sites with low soil fertility, the product outperformed commercial fertilizers.

In addition, soil samples collected at the end of the growing season demonstrated significantly higher concentrations of P, K, Zinc, Iron, Copper and Sulphur in several of the locations where LysteGro™ was applied vs. commercially fertilized areas. Plant health and yield indicators throughout the study demonstrated good plant health in comparison to commercial fertilizer applications; even though test weights for crops were typically higher where commercial fertilizer was applied.

The lower test weight is likely a result of improved late season nutrition resulting in a less mature plant when frost and cold weather shut down plant growth.

Overall, the studies demonstrated that LysteGro™ can replace commercial fertilizer and provide the required nutrients for a successful crop, provided application rates are adequate and N credits for the applications are properly accounted for. The studies also demonstrated that LysteGro™ functions as a soil builder through increased organic matter content as well as P, K and micronutrient concentrations.

Successful 2014

Although 2014 was a challenging year in terms of weather conditions, more than 94,000 cubic meters (equivalent to over 20,000,000 imperial Gallons) of LysteGro™ were applied to just under 8,000 acres of farm land in Grey, Simcoe, Dufferin and Wellington Counties. In short, demand far exceeded supply. In the spring, the product was applied in advance of corn, canola, and soybean all of which showed excellent results, especially when the material was applied to low fertility ground. Note, however, that application of LysteGro™ in the spring prior to soybean can result in excess vegetative growth due to the additional N, likely requiring additional management of the system (albeit with good yield results). Therefore, application of LysteGro™ in the fall, prior to soybeans, is recommended. Through the summer months the product was successfully applied to hay and pasture ground resulting in significant yield increases. This success is expected to lead to additional applications to hay and pasture ground during the 2015 summer season. Following wheat harvest, in late summer, was a busy time of year, with many acres covered, despite the difficult weather conditions. Applications continued when and where appropriate, throughout the 2014 fall season.



Upcoming Year

2015 is anticipated to be an even better year than 2014. We project that approximately 110,000 cubic meters (24 million imperial Gallons) of LysteGro™ will be applied to about 9,000 acres throughout the region. We are also planning to participate in several, additional crop studies in Southern Ontario, including a trial with the Georgian Central Soil and Crop Improvement Association (Grey, Bruce, Dufferin and Simcoe counties) where LysteGro™ is applied prior to corn.

If you are interested in using LysteGro™ please contact:

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**Growers who use LysteGro™ in the fall
receive a 10% discount on cover crop seed
from General Seed Company**