




NEWS RELEASE

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SANDY RIDGE BULK SAMPLING DRILLING PROGRAM SUCCESSFUL

-  Sufficient raw sampling collected (42 tonnes) to produce 10 tonnes processed kaolin
-  Samples obtained using a 6" aircore drill to minimize environmental impact
-  Excellent mine planning information received from 87 close spaced drill holes

Tellus Holdings Ltd (Tellus) is pleased to announce the completion of a successful kaolin bulk sampling program at its Sandy Ridge project site located 140 kilometers North West of Kalgoorlie.

The main aim of this work was to collect sufficient mass of kaolinised granite feed (42 tonnes) for a pilot scale production plant, which will produce approximately 10 to 12 tonnes of kaolin product for bulk product evaluation by potential customers over the coming months.



Fig 1: Sandy Ridge 2015 bulk sample drilling program

Two ceramic resource areas were sampled using a Wallis Drilling 6" aircore drill mounted on a 6x6 truck.

87 holes were drilled to obtain a sufficient sample mass, and most of these were closely spaced around selected 2014 drill-holes of known grade. 6" aircore was selected in preference to large diameter conventional circulation drilling and auger-drilling alternatives, which greatly reduced the environmental impact of works undertaken, and eliminated overburden contamination in samples collected.

The bulk sample drilling was carried out in conjunction with resource and geotechnical drilling in late February and early March 2015, under the field supervision of Terra Search Pty Ltd.

"Bulk sampling and processing is a major milestone in any project, and at our Sandy Ridge project it enables practical kaolin pilot scale rather than desktop evaluation of the resource", said Duncan van der Merwe, Tellus' Managing Director.

"The data obtained from the pilot is essential to advancing project feasibility studies, and offers customers trialing the product ability to trial the product in their own facilities, providing a key milestone ahead of negotiating binding off-take arrangements with interested buyers."



About Tellus Holdings:

Tellus Holdings Ltd is an infrastructure project development company with a proposed dual revenue business model. This involves mining the commodities salt and kaolin and backfilling the voids left from mining with equipment, archives or long term temporary storage of waste. Tellus' business model mirrors world's best practice solutions operating in the UK, EU, USA and Canada. Tellus is developing the Chandler salt mine project in the Northern Territory (NT) and the Sandy Ridge kaolin mine project in Western Australia. Tellus' flagship 'Chandler Project' was recently awarded "Major Project Status" by the Northern Territory Government.

For further information:

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