

NEWS RELEASE

20th August 2015

MINING LEASE APPLICATION LODGED FOR SANDY RIDGE

-  **Tellus Lodges Mining Lease Application with the Western Australian Government**
-  **Step closer to getting regulatory approval, investment, jobs and cashflow**

Tellus Holdings Ltd (“Tellus”) has lodged a Mining Lease Application (MLA) with the Western Australian Government for the Sandy Ridge kaolin mine project, 140km North West of Kalgoorlie.

The MLA covers an area within E16/440 and encompasses a well-defined zone of high quality kaolin, suitable for use in the ceramics, fibreglass and paint industries. The area contains the proposed surface processing plant, open cut mine workings and associated surface infrastructure.

Tellus in 2015 has completed a 146 hole (3,743 metre) resource and bulk sample drilling program in the area covered by the MLA. A 35 tonne pilot processing program was conducted earlier in the year and kaolin samples have now been sent to prospective customers.

Prefeasibility work, including detailed engineering design, cost estimates and scheduling, is nearing completion.

Water investigation drilling and environmental baseline studies have been conducted to support the Public Environmental Review (PER) which is currently being undertaken.

“Lodgement of the MLA is the next step in the regulatory process and brings the project closer to a potential mining project with its associated investments, jobs and cash-flow,” said Tellus Managing Director Duncan van der Merwe.



Fig 1: Sandy Ridge conceptual mine layout



About Tellus Holdings:

Tellus Holdings Ltd is an Australian 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 waste. Tellus plans to store like-with-like materials, so as to create opportunities for the future long term, temporary storage, treatment and recovery of valuable materials or permanent isolation of waste. Tellus' business model mirrors world's best practice solutions operating in the UK, Europe, 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 awarded Major Project Status by the Northern Territory Government.

For further information:

Visit: www.tellusholdings.com.au or contact:

Duncan van der Merwe	Managing Director	Tel: +61 (0)2 8257 3395
Corporate and Chandler Project: Jane Munday	Michels Warren Munday (Media)	Mob: +61 (0)427 880 083
Sandy Ridge Project: Cameron Morse	FTI Consulting (Media)	Tel: +61 (0)8 9485 8888