

Media Release

28th June 2010

APPROVED FOR RELEASE

Successful desktop study

Key points:

- ➔ Successful scoping study completed by Coffey, SolTech and North Rim
- ➔ Study confirms significant potential of salt caverns for energy and waste storage
- ➔ Study confirms significant potential of salt for potash mining
- ➔ Recommendation to move to prefeasibility study

The Board of Tellus Holdings is pleased to advise that they have received an independent technical desktop study by Coffey Projects (Australia) Pty Ltd, Coffey Environments Australia Pty Ltd, Coffey Mining Pty Ltd, Coffey Commercial Advisory Pty Ltd, North Rim Explorations Ltd (Canada) and SolTech Projects Inc (Canada) ("The Consultants") on the suitability of a possible project area for underground energy storage, waste disposal and potash mining.

The study confirmed that the initial data from seismic and core wells taken from the proposed Salt Member (project area) houses salt formations, as seen in the core well logs, that are suitable to develop salt caverns for energy storage and waste disposal. In addition the salt contains multiple horizons of potash with grades ranging up to 64%.

Recommendation to move to prefeasibility study and as part of the approval application process commence with a detailed environmental assessment and community engagement. With the Coffey studies into the potential for potash mining, waste management and energy storage, the Tellus Directors now have sufficient information to justify the acquisition of salt deposits similar to those studied.

About Tellus Holdings

Tellus Holdings Pty Ltd ("Tellus") is an Australian-owned mining company adding value to underground rock salt. Tellus is the parent of a group of companies involved in the mining, processing and sale of industrial and edible salts, fertilisers and minerals. Potential complementary businesses include storage in voids created by mining and warehouse storage.

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