

Media Release

28th October 2011

APPROVED FOR RELEASE

Tellus Completes Private Placement

Key points:

- ➔ Tellus announces successful capital raise with Driftwood Capital
- ➔ Board approves budget to develop the project portfolio

Tellus is pleased to announce the completion of a capital raise via the issue of new ordinary shares with sophisticated and professional investors by way of a private placement. Proceeds will be used to complete studies and secure regulatory approval for the company's main project in the NT plus working capital to develop opportunities in WA and QLD.

Commenting on the capital raise, Tellus MD, Duncan van der Merwe, noted *"Tellus has been working with Driftwood Capital over a number of months to prepare and execute a staged capital raise for the business. Raising private capital in these difficult financial markets has been a challenge but through the commendable effort from the Driftwood and Tellus team, the stage one capital injection equips us to implement our stated strategy and transform the company and we were delighted with the institutional interest we got for the stage two placement"*.

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.

For further information:

Visit: www.tellusholdings.com.au or contact Duncan van der Merwe, Managing Director Tel: +61 2 9241 7678.

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