

## NEWS UPDATE

24<sup>th</sup> October 2018

### TELLUS BOARD APPROVES SANDY RIDGE FINAL INVESTMENT DECISION

-  **Tellus Holdings board approves Sandy Ridge final investment decision (FID), subject to financial close**
-  **Declaration of FID allows the company to complete several conditions precedent required by the preferred funding partners**
-  **Financial close and a staged construction is expected to begin before the end of the year and will be compliant with granted and pending regulatory approvals**
-  **The formal facility commissioning is expected at the end of 2019 with first waste receipt on the surface possible prior to this date (subject to approvals)**

Tellus Holdings Ltd (“Tellus”) is pleased to announce that the Tellus board has approved the 100% owned Sandy Ridge facility’s final investment decision (FID), subject to financial close. The declaration of FID allows the Company to complete several conditions precedent, including the execution of the project and financing documents. Financial close and the start of a staged construction program is expected to begin before the end of the calendar year.

FID allows the Company to formally award major contracts over the next few weeks such as the Engineering, Procurement and Construction (EPC) contract, Project Management Contract (PMC) and other project development agreements required to build the facility.

Tellus is planning a staged construction program with stage one enabling works followed by stage two construction works. The role out of the two stages will be compliant with granted and pending regulatory approvals.



Fig 1: Sandy Ridge layout (artist impression)

“The Sandy Ridge FID is an important milestone towards the commissioning of the 100,000 tonne per annum, 25 year, near surface geological repository” said Tellus Managing Director, Duncan van der Merwe. “The Sandy Ridge facility will create a critical piece of sustainable infrastructure providing cost effective solutions for waste storage, recovery and permanent isolation services for our clients with legacy, operational and emerging waste problems”.

“On behalf of the Tellus team, we thank key stakeholders for making the Sandy Ridge FID possible. This includes key parties at a National, State and Local level. It also includes our clients, shareholders, financiers and the local community, which recognised the social, economic, and environmental benefits of the project”.

Tellus expects to create up to 100 jobs during the construction phase of the project and 80 jobs at peak operational manning supported by a 71-man accommodation camp. Tellus has a policy of buying local and hiring local and most opportunities that will be advertised will start during 2019.

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### **About Sandy Ridge**

Tellus is proposing to develop the Sandy Ridge facility, Australia's first dual open-cut kaolin mine and arid near-surface geological waste repository in a 70-million year- old kaolin clay bed with a 25-year operating licence, which is located 240 kilometres by road west north west of Kalgoorlie.

The proposal would involve mining up to 290,000 tpa of kaolin clay and receiving up to 100,000 tpa of Class IV and V waste ("hazardous waste") at the gate over 25 years. Only wastes generated within WA, other Australian States and Territories, and the Australian Exclusive Economic Zone can be accepted, subject to meeting the facility's waste acceptance criteria.

### **About kaolin clay**

The kaolin to be mined is suitable for applications in the ceramics, paint and environmental remediation industries.

### **About Geological repositories**

The mine voids created by the kaolin mining would then be used as a semi-arid, near surface waste geological repository. Geological repositories are facilities that can offer long term storage, treatment, recovery and permanent isolation of equipment and hazardous waste services.

Geological repositories provide the highest level of containment for hazardous waste (chemical waste) and low level radioactive waste (LLW) from the biosphere over geological time.

This is achieved through a combination of carefully selected active and passive control measures. This is known as a multi-barrier system that can permanently isolate waste from the biosphere.

### **About Tellus Holdings:**

*Tellus Holdings Ltd ("Tellus") mission is to contribute towards a cleaner Australia by developing a portfolio of geological repositories that provide waste storage, recovery and permanent isolation solutions plus complementary salt and clay products to our clients.*

*This dual revenue model involves mining the commodities kaolin clay and rock salt in thick dry remote beds which creates world's best practice geological repositories. The voids created by mining are then used to store equipment, archives and waste using a multi- barrier system as part of an integrated safety case. Tellus plans to permanently isolate hazardous waste using environmentally sound management (ESM) principles that protect the environment and human health.*

*Tellus also uses long-term storage that supports the circular economy by placing like-with-like materials for operational safety reasons and to create opportunities for the future recovery of valuable materials. Tellus' business model mirrors overseas solutions operating in the UK, Europe and North America.*

*Tellus is developing the proposed Sandy Ridge facility in Western Australia (WA) and the proposed Chandler facility in the Northern Territory (NT). Both Sandy Ridge and Chandler were awarded Major Project Facilitation Service by the Australian Government and Chandler was awarded Major Project Status by the NT Government.*

### **For further information:**

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