

Sandy Ridge Project Update - June 2019

- ❑ Air dome manufacturing completed in St Louis (USA) and in transit via ship to Fremantle port
- ❑ Modular buildings fabrication 80% complete
- ❑ Pre-gate enabling infrastructure upgrades and maintenance works continue as planned
- ❑ EPC contractor continues to progress detailed design and procurement of sub-contracts
- ❑ Mt Dimer aerodrome upgrade commenced with completion planned for later this month.

Engineering, procurement and project management

Tellus' EPC Contractor (GR Engineering Services Ltd) is progressing to plan with detailed design 90% completed and procurement planning of sub-contractors and suppliers ongoing.

Long lead procurement – air dome

Manufacturing has been completed in St Louis (USA) and 15 containers are in transit to the Port of Fremantle.

The following is a brief summary of our recent activities at our Sandy Ridge Facility.

Overview

Sandy Ridge is Australia's first dual open-cut kaolin mine and arid near-surface geological waste repository in a 70-million-year-old kaolin clay bed which is located 240 kilometers by road west north west of Kalgoorlie. The two staged works under contract will align with regulatory approvals.

Stage one enabling works

Stage one enabling works at the Sandy Ridge are continuing as planned. Stage two (construction) will commence in line with a lease approval.

Stage two construction works

Stage two construction works include the remaining engineering; procurement; construction; commissioning and performance testing of the Sandy Ridge facility site. This includes infrastructure and mining of the first open cut kaolin pit (waste cell).



Fig 1: Tellus' air handling unit pre-assembly



Fig 2: Arizona's manufacturing facility assembling Tellus' fabric building system



Long lead procurement – modular buildings

Manufacturing of modular buildings is progressing to plan at Fleetwood Australia's facility in Perth, with 80% of the village and office buildings fabrication now completed.



Fig 3: Tellus accommodation units under fabrication at Fleetwood's facility in Perth

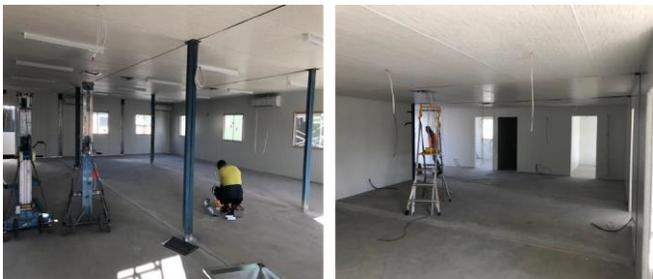


Fig 4: Tellus accommodation units

Mt Dimer aerodrome

Tellus working in conjunction with local contractors have begun upgrading the Mt Dimer Aerodrome to ensure minimal travel time to and from Sandy Ridge.

These works will ensure the aerodrome meets the Civil Aviation Safety Authority (CASA) requirement for the type of aircraft used by Tellus for both the construction personnel in the short term and for our operational staff in the longer term.



Fig 5: Mt Dimer airstrip upgrade

Investing millions in road, rail and air infrastructure

Tellus is committed to the safety of its staff and the local communities where it operates. Tellus is investing millions of dollars in upgrading and maintaining regional, state owned infrastructure.



Fig 6: Mt Walton road upgrade

Becoming a supplier

Tellus supports the long-term, economic sustainability of the regions in which we operate. Consistent with Tellus' "buy local hire local" policy, Tellus is pleased to support local WA businesses. Learn more >>

https://www.tellusholdings.com/about_us_work_with_us.html

Community investment

One way Tellus makes a positive contribution in the Goldfield communities that we operate in is through our Community Investment program, which supports local projects and initiatives. To find out more visit >>

https://www.tellusholdings.com/society_community_investment.html

Employment and training opportunities

For information on employment, training & development and indigenous participation opportunities please visit >>

https://www.tellusholdings.com/job_index.html

Tellus values

Tellus is a values based business. Our core values are safety, service, people and sustainability.



email info@tellusholdings.com

www.TellusHoldings.com

TELLUS