

TELLUS HOLDINGS LTD

Sandy Ridge Project Update

What's Down the Track - Kalgoorlie WA

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www.TellusHoldings.com.au



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Competent Person Statement – Sandy Ridge Project

The information in this Report that relates to mineral resources (Indicated and Inferred – 3/11/2017) is based on information compiled by Continental Resource Management Pty Ltd ("CRM") Principal Geologist Mr Doepel (member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists). Mr Doepel has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the JORC Code (2012). For additional information refer to the Sandy Ridge - JORC media release (3rd November 2017).

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- Introduction
- Sandy Ridge Update
- Chandler Update
- Client Service Offering
- Local Opportunities



Vision	<ul style="list-style-type: none"> To be Australia's leader in world's best practice dual use geological repository solutions 	Services	<ul style="list-style-type: none"> Kaolin and salt sales Long term storage, treatment, recovery & permanent isolation of equipment & haz. waste
Strategy	<ul style="list-style-type: none"> Develop a portfolio of geological repositories Develop national hub & spoke logistics model Develop a portfolio of circular economy parks 	Sectors Serviced	<ul style="list-style-type: none"> 18 sectors (ABARE codes) Mostly from resources, manufacturing, government, utilities (power, water, gas, waste, communications)
Values	<ul style="list-style-type: none"> Safety Service People Sustainability 	Waste Accepted	<ul style="list-style-type: none"> Sandy Ridge: hazardous wastes, NORM & DSRS (LLW) Chandler: hazardous wastes, NO nuclear waste

Tellus' main projects

WA Gov.'s IWDF (ClayVault 50/50 JV)



Sandy Ridge (WA) ClayVault®



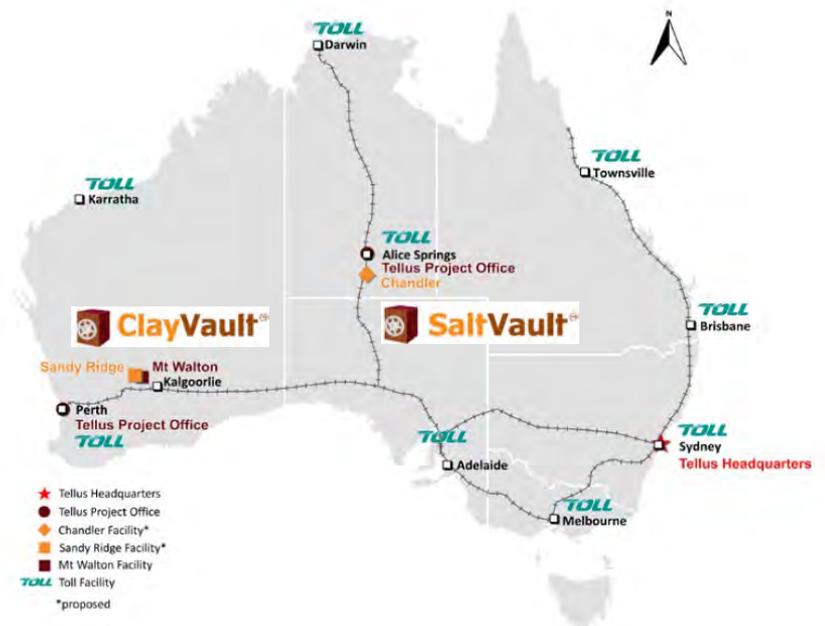
National Warehouses (Toll)



Chandler (NT) – SaltVault®



Project locations and “hub and spoke” logistical solution



IWDF (WA)

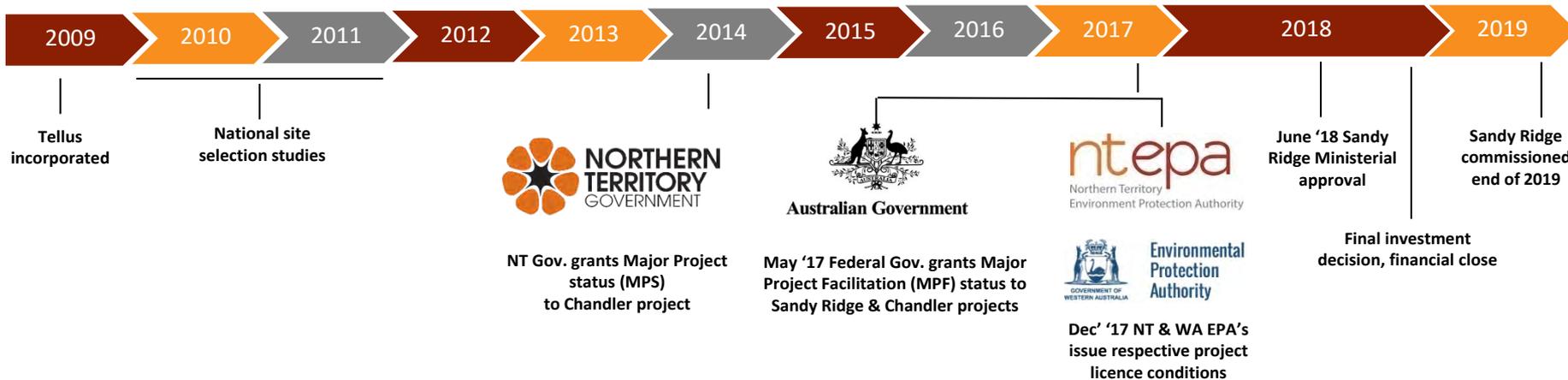
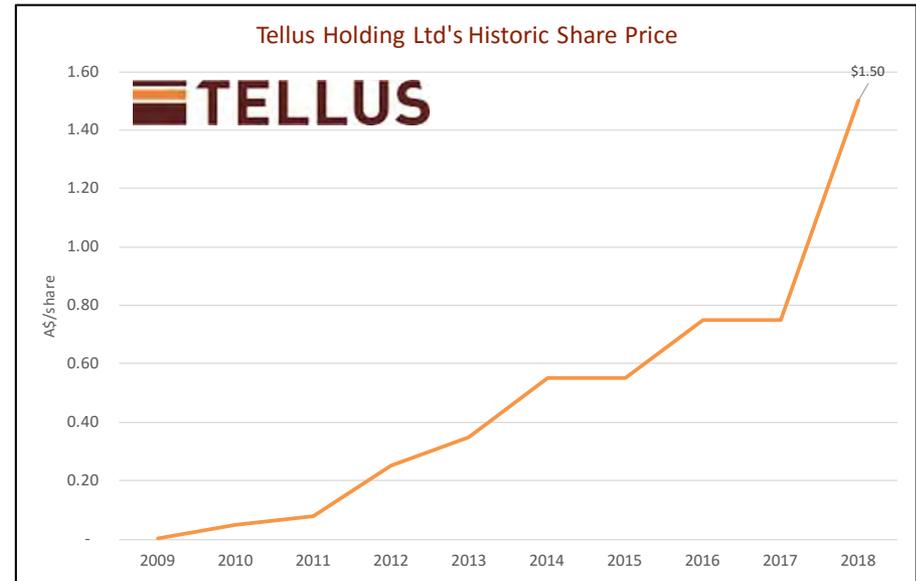
Tellus has 5+ years of JV project management of WA Government site

Sandy Ridge (WA)

5 + years of site studies, regulatory and social licence development, major approvals granted

Chandler (NT)

7 + years of site studies, regulatory and social licence development, major approvals granted



The Problem



Problem – national level

- Australia is one of the highest emitters of haz. waste per capita



Problem – forecast stockpile

- Annual hazardous waste market in 2015 was 5.3 M tpa & growing



Problem – legacy & emerging stockpile

- 1 Billion tonnes legacy stockpile
- Legacy waste growth ~ 40 M tpa
- Emerging wastes (e-waste, PFOS)



Problem - infrastructure

- Insufficient infrastructure at competitive price points to permanently solve the problem or recover valuable materials



The current situation

- Regulators and community demanding higher ESM and sustainability levels

The Proposed Solutions



Solution – sustainable infrastructure

- Tellus' can store or permanently isolate waste using ESM principals in geological repositories



Solution – best practice

- A "local" global best practice solution



Solution – recovery

- Tellus' sustainability parks designed to recover valuable materials and push materials back into the circular economy



Solution – jobs

- Creating more jobs



Solution – economy

- Diversifying the economy in regional areas

Waste Market



Market value

~ \$14.2 billion Australian waste market



Jobs in industry

~ 50,000 + jobs



Waste market growth rates

~ 7.0% pa growth rate since 2010 linked to population and GDP growth



Growth linked to GDP

- Haz. waste growing at 3 X GDP rate



Growth linked to population

- Haz. waste growing at 5 X population rate

ESM = Environmentally Sound Management





Sandy Ridge – Overview

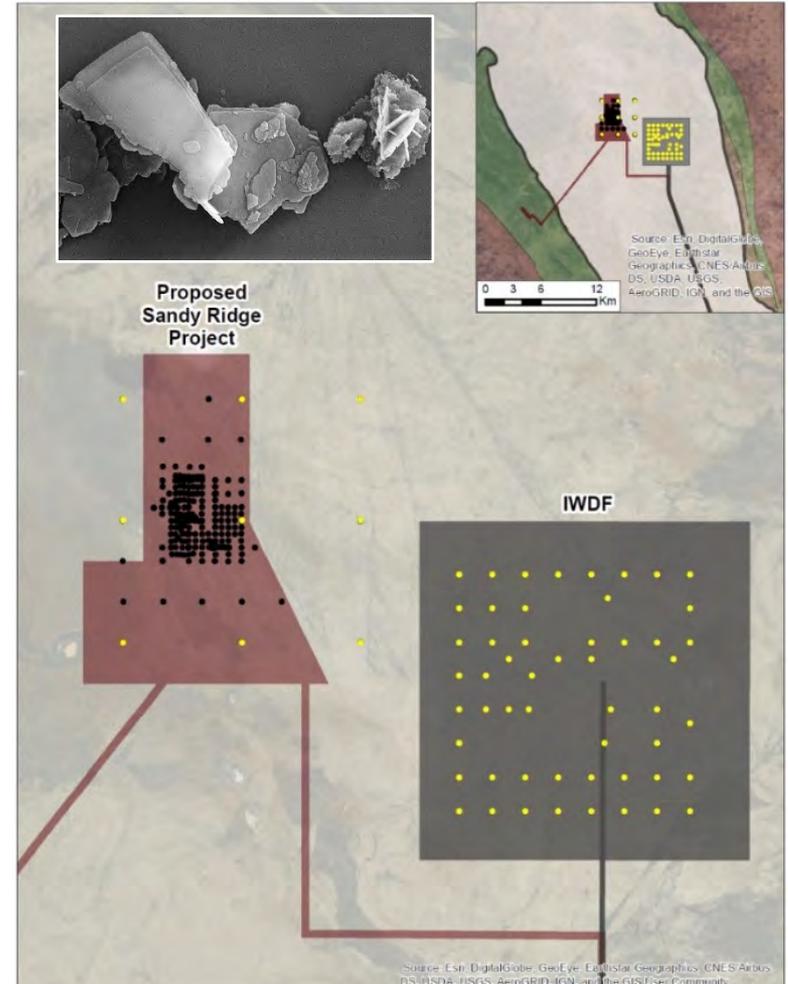
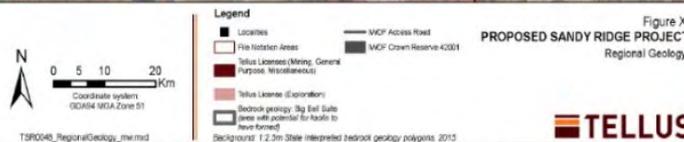
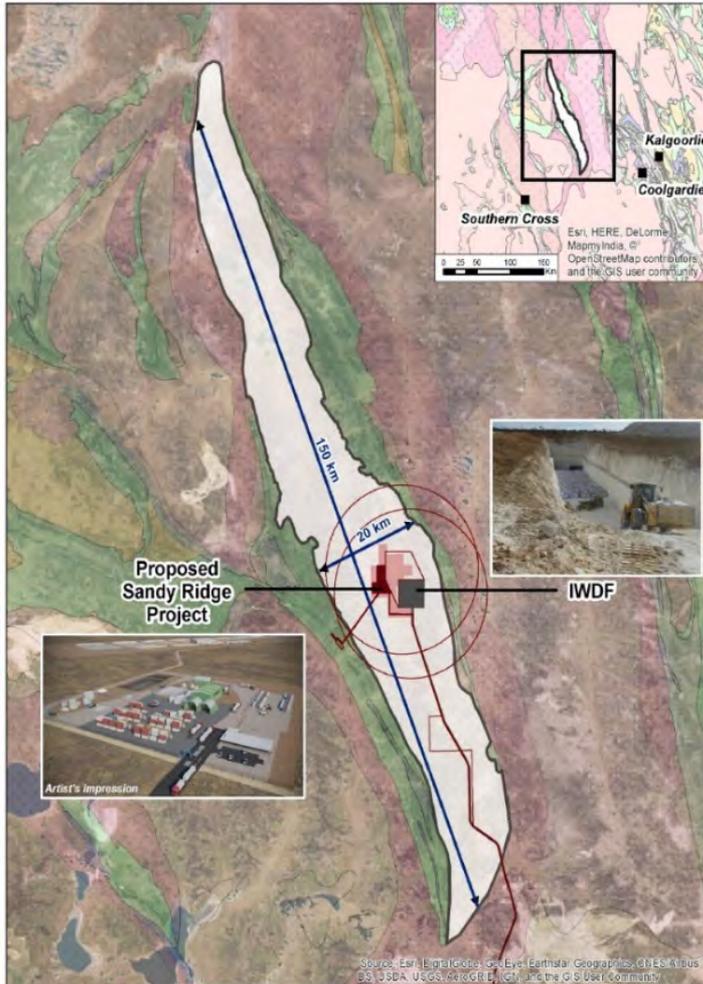
Category	Detail
Location	<ul style="list-style-type: none"> 140 km north west of Kalgoorlie, WA
Business	<ul style="list-style-type: none"> Pre-gate: Project management services Post gate: Waste storage, Treatment, Recovery and Permanent isolation services
Capacity	<ul style="list-style-type: none"> Mine 290,000 tpa kaolin clay Receive 100,000 tpa hazardous waste Build a 40,000 tpa kaolin clay plant (within 5 years) <ul style="list-style-type: none"> Kaolin clay used in environmental, paint & ceramics markets
Life of Project (“LOP”)	<ul style="list-style-type: none"> 1 year build and 25 year operational terms
Jobs	<ul style="list-style-type: none"> Build phase: 100 Operations phase: 80 jobs at peak (incl. contractors)
Accommodation	<ul style="list-style-type: none"> 71-man camp
Policy	<ul style="list-style-type: none"> Tellus has a policy of buying local and hiring local



Project Progress	Detail
Field Activities	<ul style="list-style-type: none"> 4 drilling programs (drilled 324 holes and 10,122m)
Pilot Activities	<ul style="list-style-type: none"> 39 t kaolin pilot plant produced 9t of processed kaolin Expression of Interests received for kaolin from 7 Asian countries
Community Stakeholder Meetings	<ul style="list-style-type: none"> Continuous engagement across all three levels of government (Federal, State and Local), politicians, neighbours, traditional owners and local communities
PER & BFS Contributors	<ul style="list-style-type: none"> BFS completed in October 2017 Over 40 parties involved in the BFS (local, national & international)



Sandy Ridge – Regional Geology & IWDF



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Sandy Ridge Project (WA) – 100% Tellus Owned



Sandy Ridge Project - Village













Sandy Ridge Project – Timing to Development



CORPORATE KEY DATES*	Finish
WA EPA Recommendation	✓
WA Ministerial Approval	✓
Development Approval (DA)	Eta Dec 2018
Granting of Mining Lease	✓
Preferred Financing Consortium Selected	✓
Final investment decision	✓
Commonwealth Approval	Estimate Nov. '18
Stage 1 Sandy Ridge facility enabling works** and order of long lead items	Dec.' 18 – Mar. '19
Stage 2 Sandy Ridge facility construction**	Apr. '19 – Jan. '20
Underground disposal – CHEM. and RAD waste <small>(Accept NEPM 75, issues Tellus PIC, subject to Sandy Ridge's waste acceptance criteria and NORM and DSRS to LLW - in containers in cell or shaft in cell)</small>	Feb '20 25 years

* Please be advised that these dates may be subject to change.. ** A staged construction is expected to begin before the end of the year and will be compliant with granted and pending regulatory approvals. **Acronyms:** CHEM = Chemical wastes (NEPM 75) that meets Tellus' waste acceptance criteria (WAC). DSRS = disused sealed radioactive sources. LLW = Low level activity (radioactive waste classification). NEPM 75 = Tellus can accept most of the 75 hazardous waste types described in Schedule A List 1 of the *National Environment Protection (Movement of Controlled Waste between States and Territories) Measure 1998* (NEPM). Please to refer to Tellus' WAC. NORM = Naturally Occurring Radioactive Material. RAD = Radioactive waste (LLW)





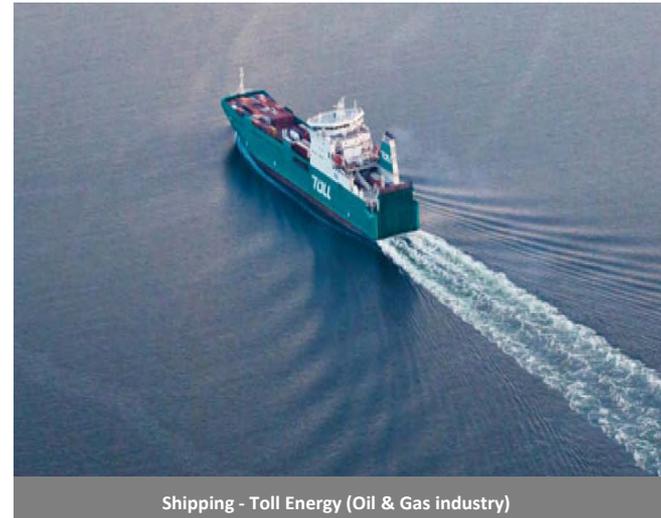
Road freight



Rail & Intermodal (air, sea, land)



Licensed Dangerous Goods Warehouse



Shipping - Toll Energy (Oil & Gas industry)



Sandy Ridge – Community Engagement

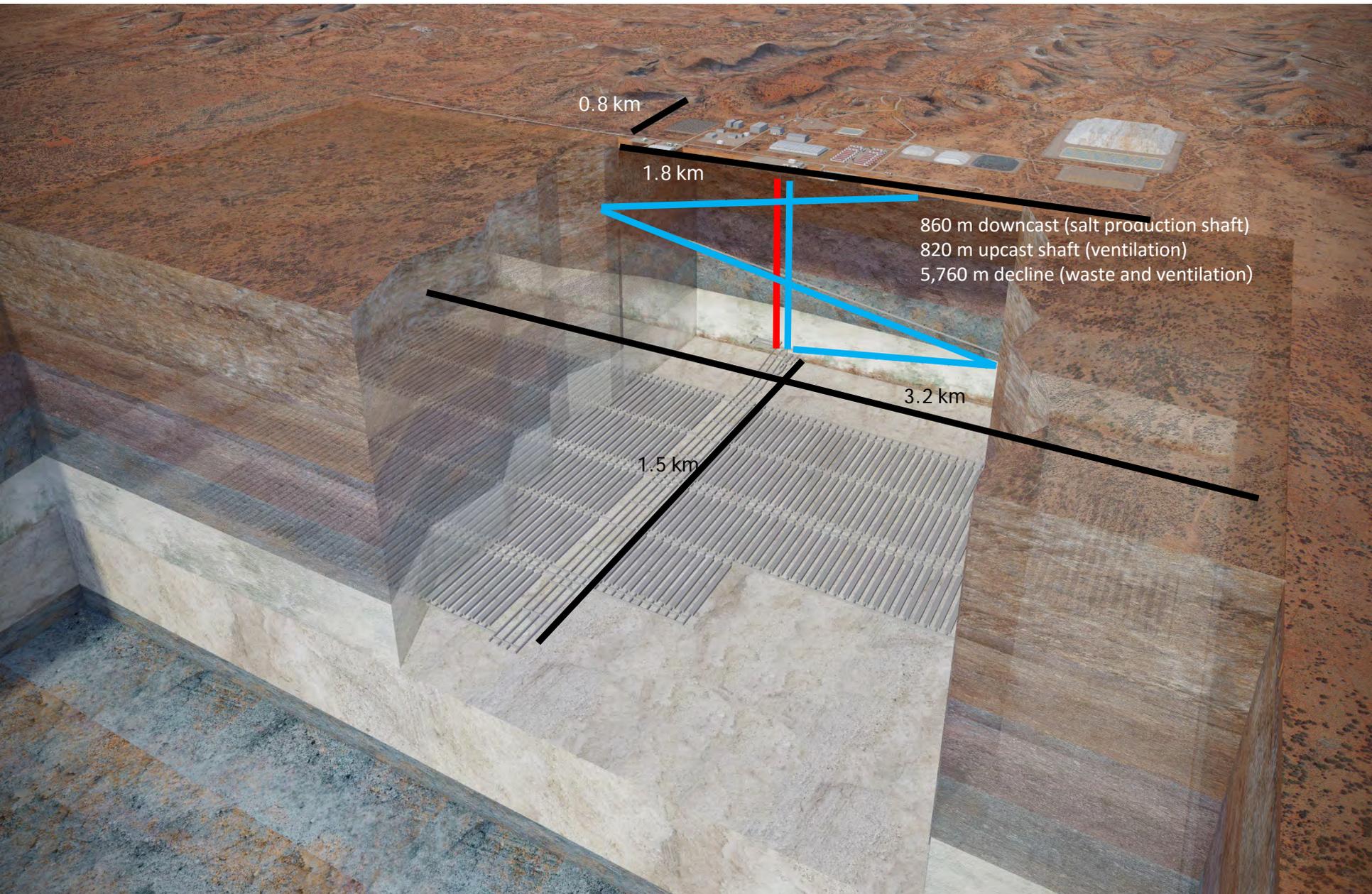








Chandler - Underground









Tellus PIC™



Chemical waste

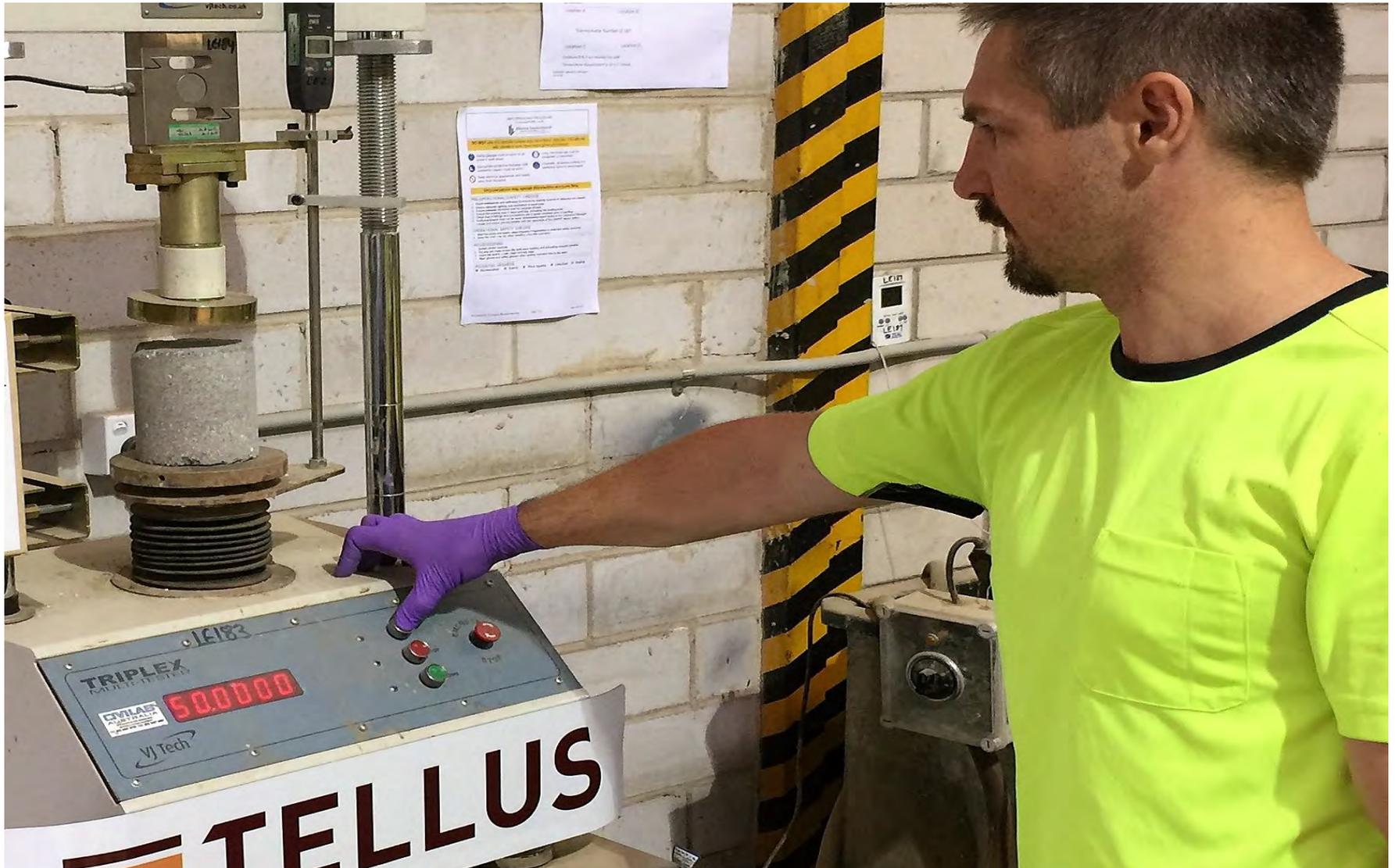


NORM and LLW radioactive waste



DSRS is currently under development and subject to necessary WA registration and licensing. NORM and CHEM materials have Ministerial Approval and, Tellus continues to obtain necessary approvals and licences for its waste operations

Client Service Offering – Treatment (Successful Liquid Immobilisation)



Government Social and Economic Policies



Diversifying the Economy



Jobs - Local & Indigenous

*Construction – 100
Operations – 80*



Royalties and Taxes



Jobs – Women and Youth



Community Investment



Training and Skills



Waste Infrastructure



Contracting

Local and Indigenous



Asian Trade



Innovation

Government Environmental and Haz. Waste Policies



Transport of Dangerous Goods Reg's

Prevents accidents and promotes safe transport



Haz. Chem. (OHS Reg's)

Reduce OHS risk in the workplace



Environmental Protection Reg's

Minimise adverse impacts on environment and human health and meeting national and international obligations



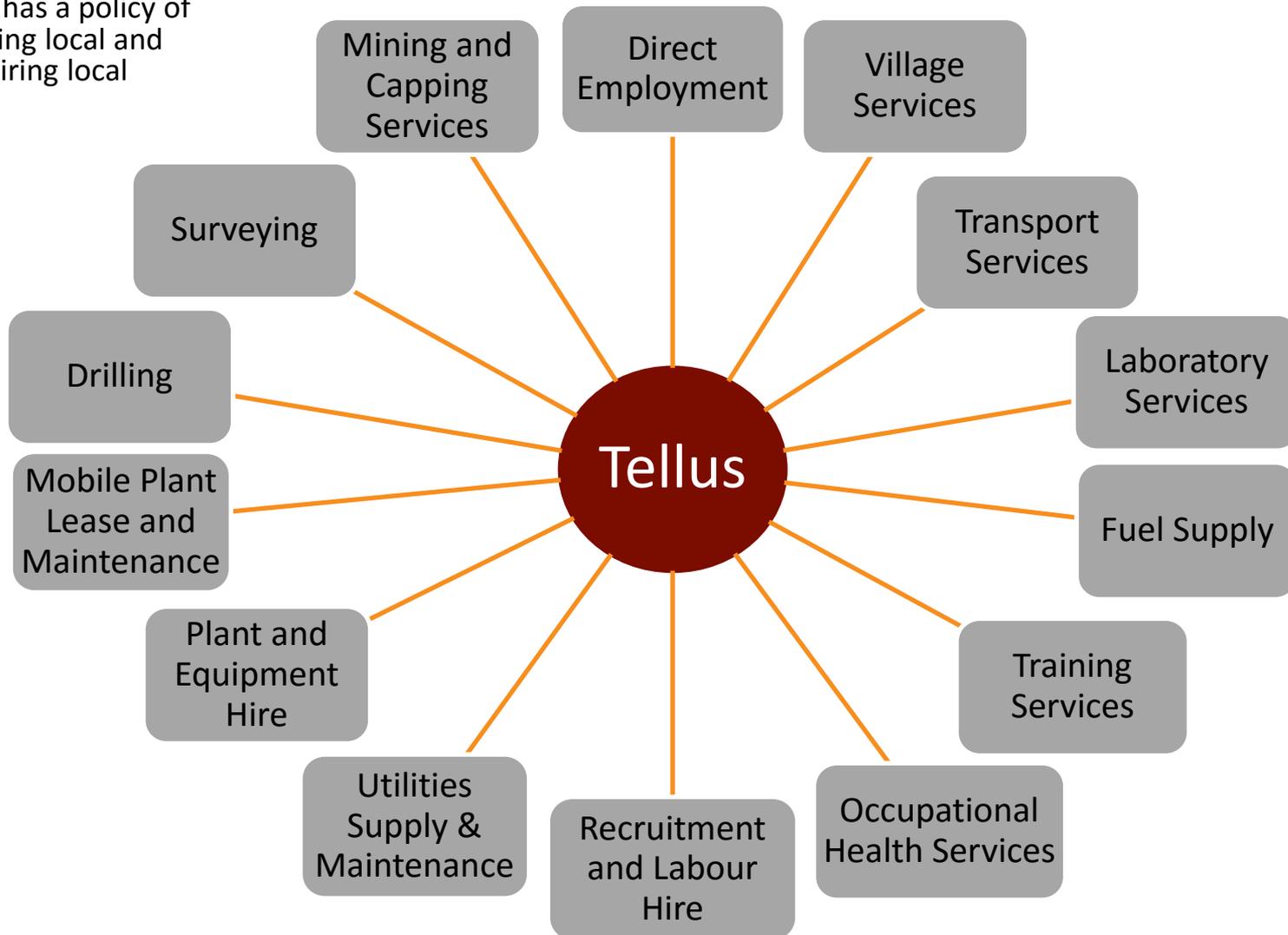
Product Stewardship Reg's

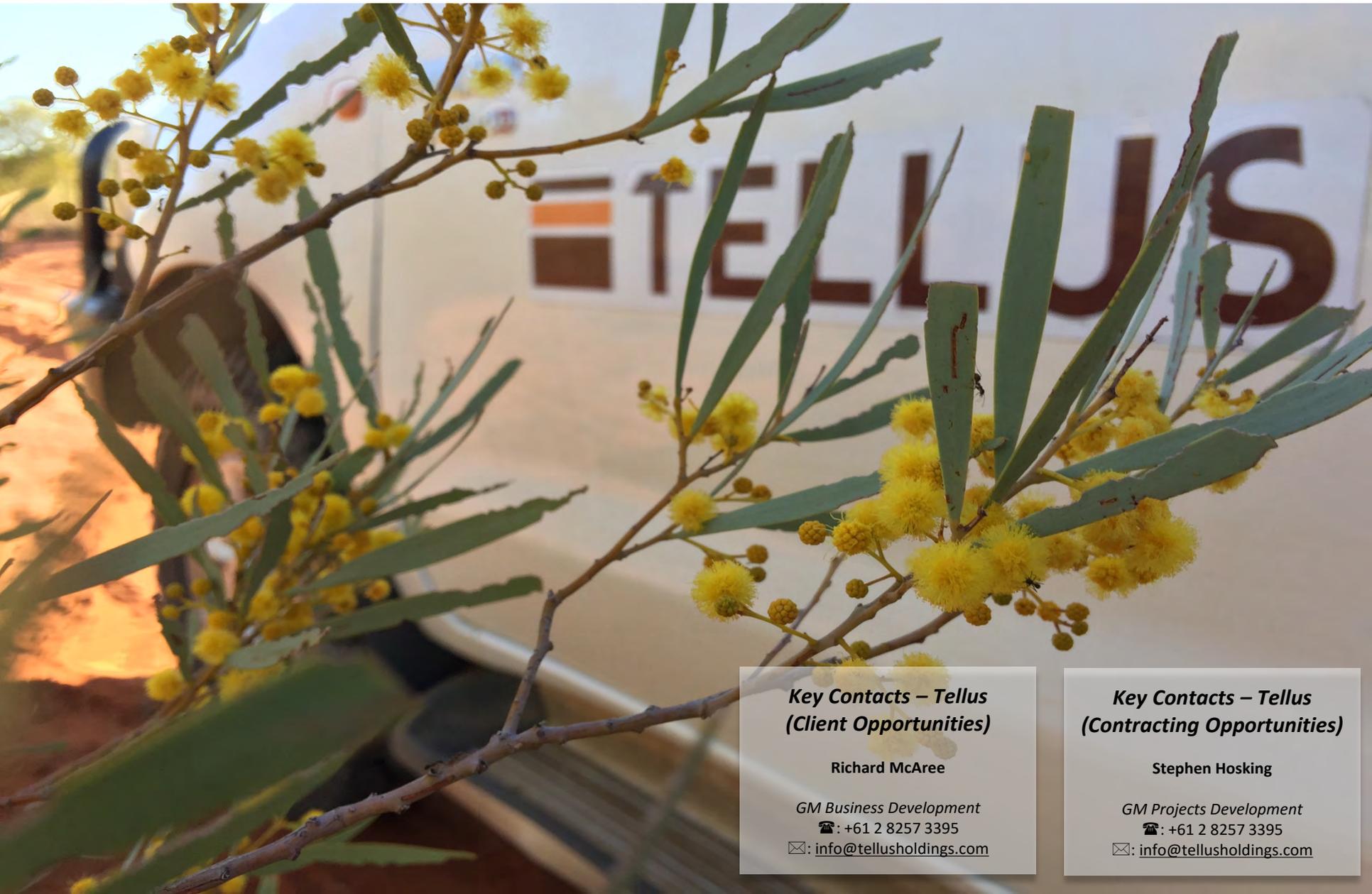
Waste oil, asbestos, e-waste, tyres, batteries, mercury, medicines



Sustainability

Tellus has a policy of buying local and hiring local





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