





NEWS UPDATE

30th September 2019

TELLUS CONTINUES TO PROGRESS CHANDLER PROJECT REGULATORY APPROVALS WITH VARIATION LODGED TO REDUCE PROPOSED ENVIRONMENTAL FOOTPRINT

-  Tellus has lodged a variation to the Chandler Project with the NT EPA
-  Variation reduces the proposed environmental impact with an expected 35% reduction in project footprint
-  The variation includes a proposed A\$60 million (M) upgrade to Maryvale road funded by Tellus and a proposed A\$7 M development of an inter-modal transit station at Brewer Industrial Estate
-  Tellus has lodged a Notice of Intent with the NT EPA for the proposed inter-modal transit station at Brewer Industrial Estate

Tellus Holdings Ltd (Tellus) is pleased to announce it has lodged a variation to the Chandler Project and has also lodged a Notice of Intent with the NT EPA for the proposed inter-modal transit station at Brewer Industrial Estate. The variation to the project proposes to reduce the environmental impact footprint by approximately 35% and if approved, has potential benefits including Maryvale road upgrade, Brewer industrial estate development.

The variation reflects the response to feedback given during the Chandler project Environmental impact statement (EIS) and subsequent community, stakeholder and government engagement sessions in Titjikala, Alice Springs, Darwin and Canberra; whereby Tellus committed to further investigate the option to upgrade and use Maryvale Road as the primary access route to/from the proposed Chandler Facility and to investigate alternative sites for the proposed intermodal Apirnta Facility.



Fig 1: Community engagement session at the proposed Chandler project site.

The next steps in the regulatory approval process include completing a Traffic Impact Assessment, Traffic Management Plan and Social Impact Assessment for the proposed change to Maryvale road usage and upgrade. In relation to the proposed development of and Inter-modal transit station at Brewer Industrial Estate the next steps include submitting a Development Application and Statement of Effect to NT Department of Infrastructure, Planning and Logistics. A summary of the variations are detailed below.



Summary of proposed variation to the Chandler Project

Variation to the configuration of the Chandler Project

A variation to the Chandler Project has been submitted to the Northern Territory Environment Protection Authority (NT EPA) in accordance with Clause 14A of the NT Environmental Assessment Administration Procedures. The variation removes the private haul and access roads (the Chandler Haul Road and the Henbury Access Road) and the supporting surface storage and transfer facility (the Apirnta Facility).

It is proposed that access to/from the from the proposed Chandler Facility during construction and operation would be via an upgrade of the existing Maryvale Road and a portion of Chambers Pillar Road.

Ancillary infrastructure in the form of an inter-modal transit station would now be developed at an off-site location proposed at Brewer Industrial Estate. The key changes to the Chandler Project as assessed in the EIS are presented in Table 1 and Figure 2 below.

Table 1 Chandler Project as assessed in the EIS versus the variation to the Chandler Project

Key proposed infrastructure	Chandler Project (assessed in EIS)	Varied Chandler Project (subject of Clause 14A Variation)
Chandler Facility (including Accommodation Village)	✓	✓
Apirnta Facility	✓	×
Chandler Haul Road (approx. 30 km)	✓	×
Henbury Access Road (approx. 60 km)	✓	×
Partial upgrade Maryvale Road and portion of Chambers Pillar Road (used during construction)	✓	×
Full upgrade Maryvale Road and portion of Chambers Pillar Road (used during construction and operation)	×	✓
Off-site inter-modal transit station for salt and storage materials /future circular economy park	×	✓
Temporary storage during construction at Chandler Facility	×	✓

Comparison of environmental, social and economic impacts – Chandler Project EIS versus variation to the Chandler Project

The purpose of the Clause 14A Variation Notification was to provide a comparison of the environmental, social and economic risks, impacts and benefits associated with those reported in the C handler Project EIS versus those that would result from the proposed variation to the Chandler Project.

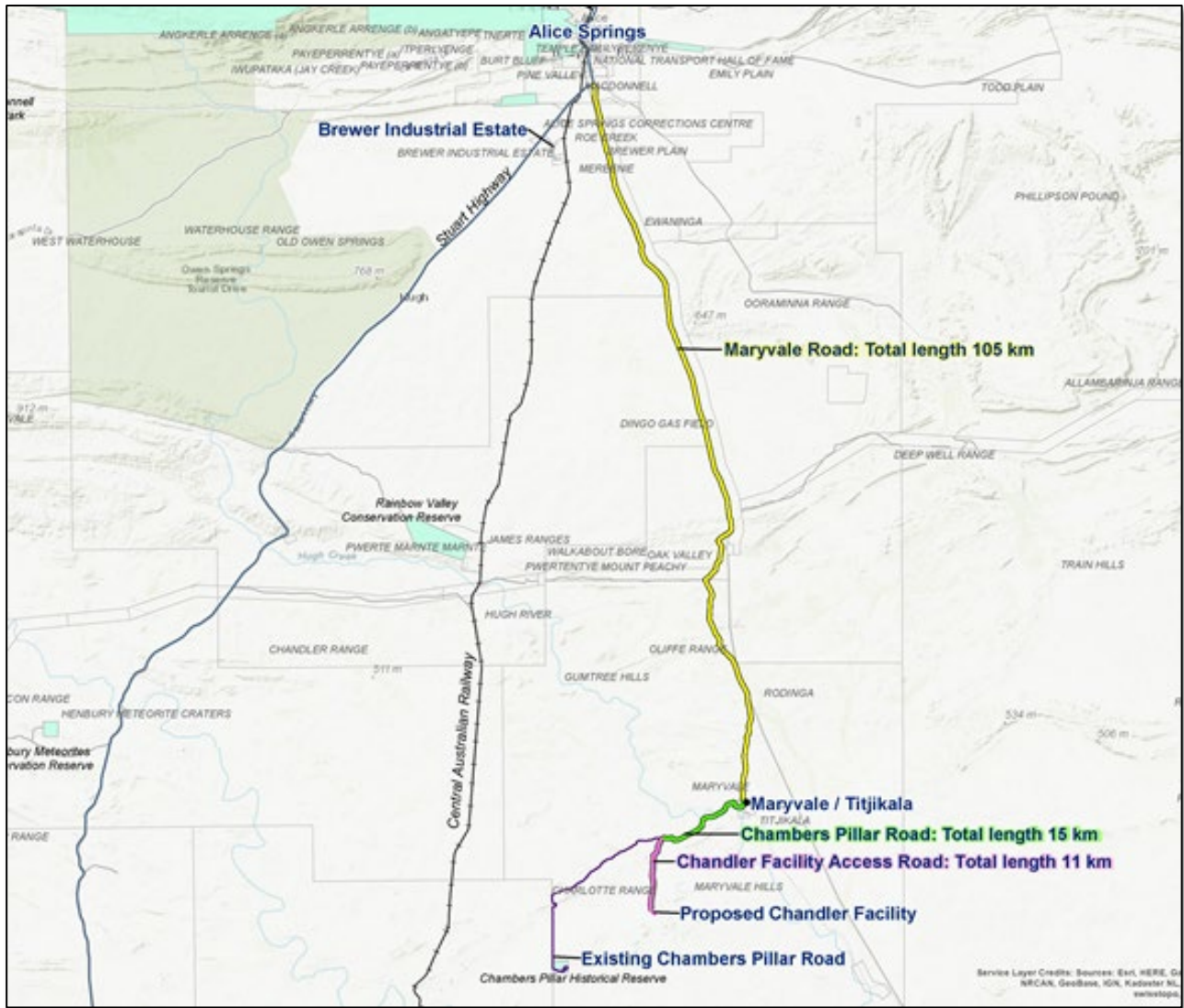


Fig 2: Proposed new road access

Proposed reduction in environmental impacts

The proposed variation to the project configuration would result in an approximate 35 percent reduction of disturbance footprint; from approximately 895 hectares proposed in the Chandler Project EIS to 577 hectares for the variation to the Chandler Project. It is expected that this would, in turn, result in fewer environmental impacts to biodiversity, groundwater, surface water, historic and cultural heritage, human health and safety, bushfire, landscape and visual amenity, biting insects and greenhouse gas emissions. Risks would remain the same for closure and rehabilitation, noise and vibration, public health and food, environmental offsets and cumulative impacts.



While there would be no change in the volume of traffic generated during construction, operation, closure and rehabilitation of the variation to the Chandler Project, there would be a change in access to/from the proposed Chandler Facility from those reported in the EIS. The change in access to/from the Chandler Facility would result in traffic numbers increasing on Maryvale Road and a portion of Chambers Pillar Road. A Traffic Impact Assessment is currently being prepared to quantify the impact on Maryvale Road/Chambers Pillar Road. Traffic Management Plans will also be prepared for the variation to the Chandler Project.



Fig 3: A Traffic Impact Assessment is currently being prepared for the variation to the Chandler Project

Additional social and economic benefits

The social and economic benefits associated with the variation to the Chandler Project would be similar, but potentially greater to those presented in the Chandler Project EIS. An estimated comparison of the benefits are summarised in Figure 4. There would also be potential additional benefits to the community of Titjikala, associated with bitumen sealing higher and medium risk sections, upgrading lower risk sections and using Maryvale Road for access to the Chandler Facility as part of the variation to the Chandler Project. These potential additional benefits are described in Figure 5. A Social Impact Assessment is currently being prepared to quantify the social impacts for the variation to the Chandler Project.

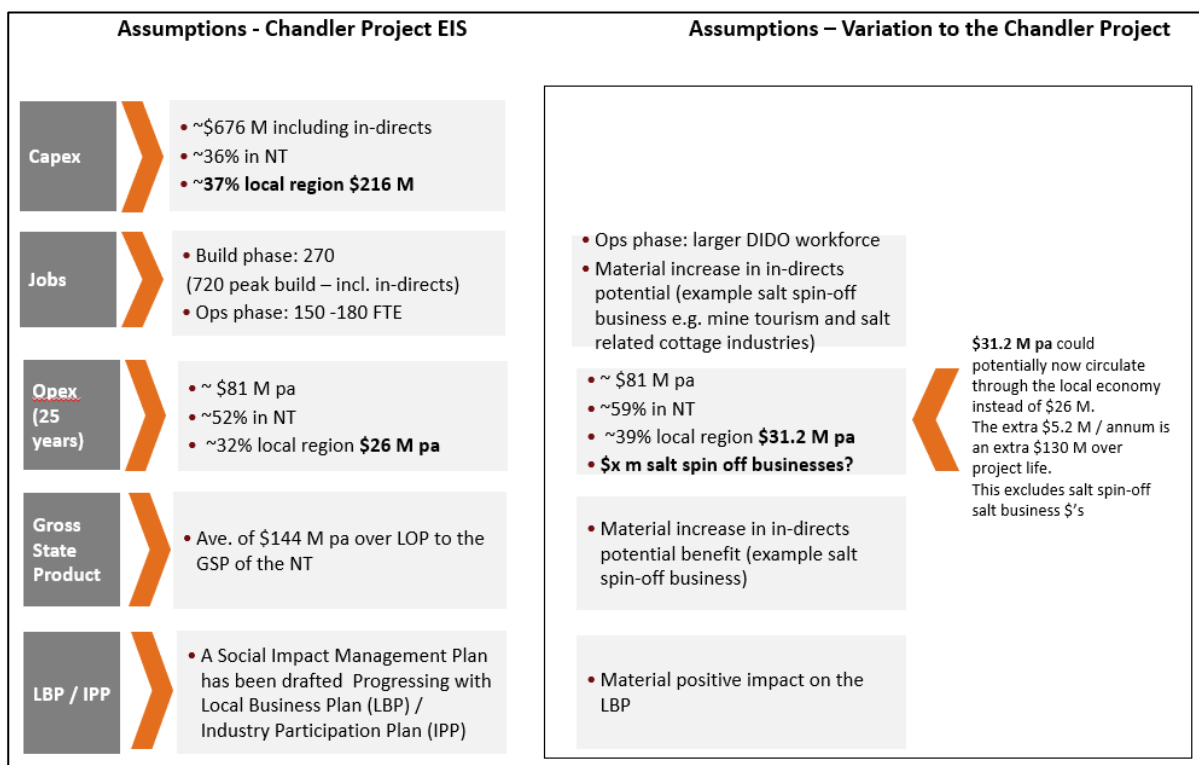


Fig: 4: Social and economic benefits of the variation to the Chandler Proposal¹

¹Refer to Economic & Social Impact report for the original Chandler EIS assumptions, compiled by Acil Allen Consulting, for Tellus, for the Proposed Chandler Facility EIS https://www.tellusholdings.com/pdf/2017/ch-eis/ch-eis_a-u_economic-and-social-impact-assessment.pdf



Figure 5 below illustrates some of the benefits specific to the Maryvale road variation.

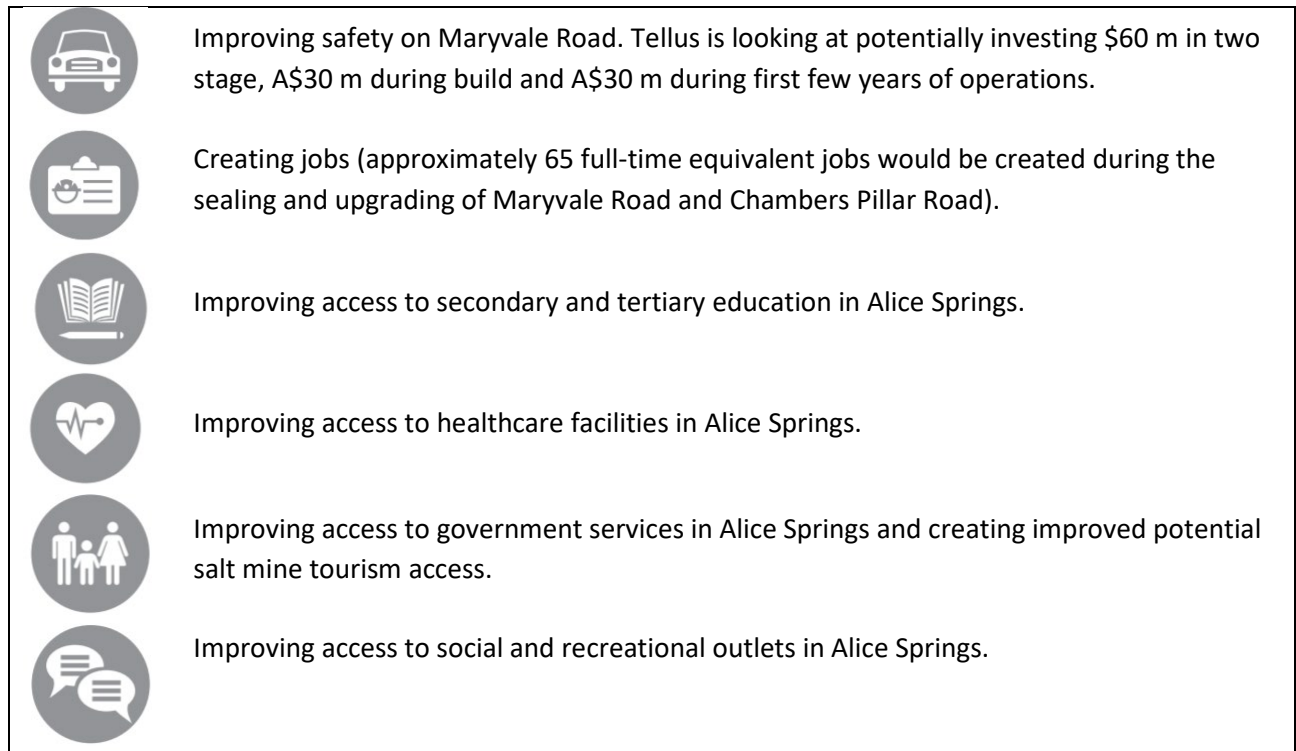


Fig: 5: Potential benefits relating to upgrade of Maryvale road

Proposed inter-modal transit station at Brewer Industrial Estate

Tellus has lodged a Notice of Intent (NOI) for a proposed inter-modal transit station to be located at Brewer Industrial Estate with the NT EPA for consideration under the *Environmental Assessment Act 1982* (EA Act). The proposed configuration of the inter-modal transit station is provided in Figure 6 below.

The NT EPA has considered the NOI and has decided that the proposed inter-modal transit station is 'unlikely to have a significant effect on the environment and does not require assessment under the EA Act' in the form of an EIS'. This decision is in accordance with Clause 8(2)(b) of the Environmental Assessment Administrative Procedures.s

A Development Application supported by a Statement of Effect (SoE) will be prepared for the proposed inter-modal transit station in accordance with Section 46 of the *Planning Act 1999* (NT) and submitted to the NT Department of Infrastructure, Planning and Logistics (DIPL).

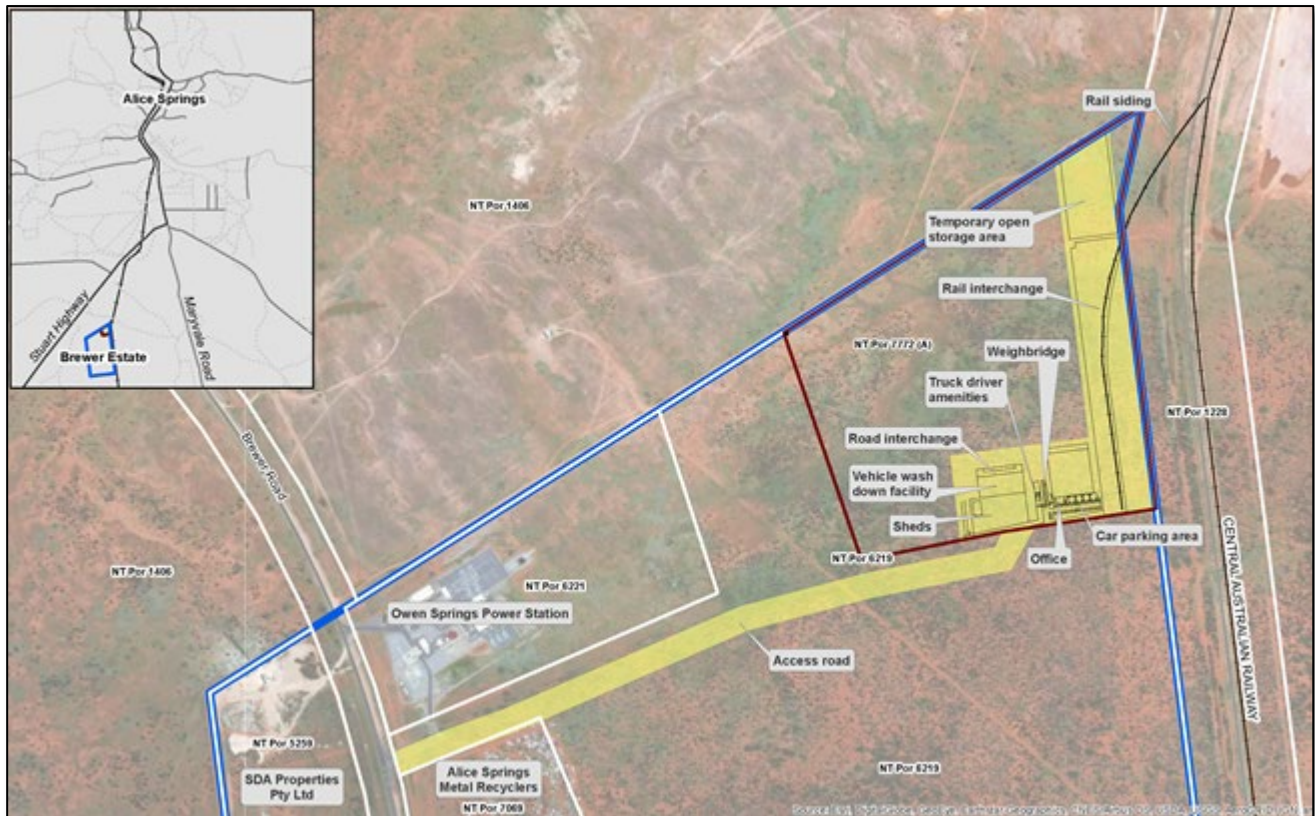


Fig 6: proposed Brewer Intermodal (potential A\$7m investment)

About Tellus Holdings:

Tellus Holdings Ltd ("Tellus") is an infrastructure development company in the business of creating economic, social and environmental value from waste, clay and salt resources. 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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