

26 September 2014

Chandler Awarded Major Project Status

Key points:

- ➔ Northern Territory Government grants Major Project Status to Chandler Project
- ➔ Tellus and the government to sign a Project Facilitation Agreement
- ➔ Acknowledges the significant community and economic benefits of the project
- ➔ Provides whole-of-government facilitation to ensure timely regulatory approvals

The proposed Chandler salt mine project has been awarded Major Project Status by the Northern Territory Government.

Tellus Holdings and the NT Government will sign a Project Facilitation Agreement (PFA) that acknowledges the significant economic and community benefits of the project.

The agreement provides whole-of-government facilitation and support as Tellus moves through the regulatory stages of the project.

It commits both parties to working together to ensure the efficient and timely delivery of the project.

Under the agreement, Tellus also agrees to maximise the local benefits of the project, such as training, local employment, business opportunities and Indigenous development opportunities in Central Australia.

The proposed salt mine is near Titjikala, 120 kilometres from Alice Springs in Central Australia.

“In June the Tellus Board approved the project proceeding to the next stage after successful drilling, technical and commercial studies and strong interest from potential clients,” Tellus Holdings’ Managing Director Duncan van der Merwe said.

Chief Minister, Hon Adam Giles MLA signing PFA



“We have started the final stage of studies for our Environmental Impact Statement and Definitive Feasibility Study and will shortly lodge a Mineral Lease Application with the Northern Territory Government. The studies will coincide with the next stage of community engagement,” he said.

Based on the current feasibility study assumptions, the project has a capital expenditure of \$464 million and has the potential to provide 280-350 jobs during construction and 180 jobs during operation.

“Major project status is important to us in de-risking the project, which is important for our investors, customers and other stakeholders,” he said.

“It is also important from the government’s perspective in showing its support for a mine that could potentially bring a lot of investment, business opportunities and become one of the biggest private employers in the Alice Springs region,” he said.

“The final investment decision will be made once we complete the bankable feasibility study, obtain regulatory approvals, secure commercial agreements and access funding for the construction stage. Being awarded Major Project Status helps facilitate the final decision,” he said.

Most of the rock salt from the underground Chandler mine will be railed to Darwin and exported from East Arm Port to industrial and edible salt markets in Asia, with some salt available to support niche speciality businesses in Alice Springs and the domestic market.

The voids left in the mine will be used to store equipment and archives or safely store, recycle or dispose of industrial waste, such as aluminium salt fluxes from the mining industry, drilling muds from oil and gas industry, asbestos, pesticides and herbicides from the agricultural industry. Uranium, nuclear, bio-hazardous and unknown wastes will not be accepted.

The Chandler project has the potential to grow and diversify the economy within the Northern Territory and could potentially be Australia’s longest life mine.

About Tellus Holdings

Tellus Holdings Ltd ("Tellus") is an Australian project development company. Tellus’ flagship projects are a proposed underground rock salt mine with a complementary backfill business supporting the resource sector in the Northern Territory and a proposed kaolin mine with a complementary backfill business supporting the resource sector in the Western Australia. The commodity business involves the sales of salt and kaolin to Asia. The proposed complementary backfill business involves the safe recycle, recovery, storage and disposal in voids created by mining - as is common in the UK and European Union, the USA and Canada.

For further information on Tellus:

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