

ASX RELEASE

Tellus Resources Ltd is an Australian-based oil, gas and mineral exploration company with licences in Utah, Madagascar, South Australia, Queensland and New South Wales.

Directors:

Robert Kennedy (*Chairman*)

Carl Dorsch (*Managing Director*)

Neil Young (*Non-Executive Director*)

Issued Shares:

298,848,295 ordinary shares

Tellus Resources Ltd

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EXPIRY OF PERFORMANCE RIGHTS

Tellus Resources Limited (“**Tellus**” or “**Company**”) wish to advise that the following unlisted rights over ordinary shares in the Company are due to expire tomorrow:

Exercise Price	Expiry Date	Number of Rights
Nil	31 December, 2014	15,000,000*

* 15,000,000, when production testing of PEL 105 in either open or closed hole that can demonstrate an immediate flow capacity for the well in excess of a sustained minimum of 100 BOEPD for a period in excess of 7 days. Such test must be certified by a relevant expert in the field being either an independent consulting reservoir engineer or the contracted testing company, provided that such threshold is achieved on or prior to 31 December 2014;