

NEWS RELEASE 17-32

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Chatham joins Safer Phosphates

WELLINGTON New Zealand – Chatham Rock Phosphate Limited (TSXV: “NZP” and NZAX: “CRP” or the “Company”) advises that we have joined joined Safer Phosphates, an organization created to promote the use of safer phosphates. The organization has been formed by stakeholders concerned about the potential health risks posed by heavy metal content in phosphate and includes other phosphate producers or near producers such as Arianne Phosphates, PhosAgro PJSC of Russia and Foskor of South Africa.

As Chatham announced recently the EU executive proposed the limit be set at 60mg/kg, falling to 40mg after three years and 20mg after 12 years under planned rules for fertilisers carrying the CE mark. It was agreed that producers need longer transition periods before the introduction of the lower limits.

These limits are significantly lower than the voluntary limit of 280 parts per million imposed in New Zealand.

The European Environmental Bureau, a 140-strong network of organisations, welcomed the outcome of the vote, noting “farming remains the last major bastion of cadmium exposure”.

Cadmium is a carcinogen and also linked to osteoporosis, kidney failure, heart disease, and fertility problems, said Faustine Bas-Defossez, in charge of agriculture policy at EEB. “Around 910,000 adults in France alone exceed tolerable intake limits of cadmium by 90%,” she said.

The reduced cadmium limits will affect a significant proportion of traded rock phosphate including rock sourced from Egypt, Israel, Boucraa & Youssoufia (Western Sahara/Morocco), Senegal, Togo, Tunisia, Nauru and Christmas Island.

According to Chatham Rock Phosphate managing director Chris Castle “rock from these sources will not be able to be sold in Europe unless the existing high levels of cadmium have been removed. Even if this is possible it will add another layer of costs.

“The good news is that cadmium levels in Chatham Rise rock phosphate are among the lowest in the world.”

About Safer Phosphates

Safer Phosphates is a collaboration of several current and pending producers, as well as other stakeholders, to share knowledge and address concerns about potentially harmful

contaminants such as heavy metals that are present in some phosphate-based fertilizers. The goal is to improve the understanding of the potential risks and promote solutions that optimize healthier fertilizer choice to support food security and sustainable agriculture.

About Chatham Rock Phosphate

Chatham Rock Phosphate is the custodian of New Zealand's only material resource of environmentally friendly pastoral phosphate fertiliser. Our key role is connecting the resource with those who need it.

Using this phosphate will support sustainable farming practices, including healthier soils and reduced accumulation of the heavy metal cadmium, reducing carbon emissions and dramatically lowering runoff to waterways and shrinking fertiliser needs over time.

The resource represents one of New Zealand's most valuable mineral assets and is of huge strategic significance because phosphate is essential to maintain New Zealand's high agricultural productivity.

New Zealand's current access to phosphate is vulnerable to economic and political events in the six countries controlling 98% of the world's phosphate reserves, with 85% of the total in the Western Saharan state of Morocco.

Chatham takes very seriously the responsibility vested in it through its mining permit to use the world's best knowledge and technology to safely extract this resource to help sustainably feed the world.

Our initial environmental consenting process independently established extraction would have no significant impact on fishing yields or profitability, marine mammals or seabirds.

For more information contact Chris Castle on 021 55 82 85 or chris@widespread.co.nz or check out www.rockphosphate.co.nz

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