

NEWS RELEASE 18-25**December 11, 2018****Chatham Rock Phosphate and Our Government - a 12 month Report Card**

WELLINGTON New Zealand – Chatham Rock Phosphate Limited (TSXV: “NZZ” and NZAX: “CRP” or the “Company”) wishes to advise that a year after first communicating with the incoming government it’s timely for the Company to reiterate the messages it has sent directly to key Ministers during this period.

We keep sending these messages as the benefits of this project include a well documented and established range of environmental and health related benefits as well as providing an obvious boost to our economy.

Chatham rock phosphate is already located here in New Zealand and doesn’t have to be imported from the other side of the world. Its ownership is also undisputed, unlike the rock being imported from the Western Sahara. And our permit area contains significant by-products including rare earths and other green minerals.

The area we would disturb during our mine life (less than 500 sq km in total or 30 sq km a year) represents less than a quarter of one percent of the Chatham Rise, a tiny area compared with the 19,000 sq km of the Rise bottom trawled annually in the area by the fishing industry with few identified ill-effects; the impacts on the seafloor are broadly the same.

Chatham is a really good news story which is why it’s worth repeating these messages again below. And it’s also why we will continue to request meetings with our key ministers in order to communicate these messages in person.

This project deserves to be supported by any government, in any country, and particularly so by the Labour/Green/NZ First coalition we have in New Zealand.

In summary it ticks all the boxes: environmental, health, ethical, security of supply, economic, regional development, rare earths and other green minerals

- ✓ Our rock is a proven reactive phosphate rock. Using it results in much less run-off into waterways and an improved soil profile compared with the effects of manufactured fertilisers.
- ✓ It’s an organic fertiliser with no additives and with the only processing being grinding and possible pelletisation
- ✓ It contains ultra-low levels of cadmium, a cancer-causing heavy metal with much greater concentrations in other rock phosphate deposits
- ✓ Being locally sourced and needing to be applied less frequently results in much lower carbon emissions (in effect increasing the present NZ electric vehicle fleet from 10,000 to 29,000 vehicles)
- ✓ It is New Zealand’s only significant source of phosphate and seabed extraction involves a far smaller environmental impact than that imposed on local overseas communities which mine phosphate
- ✓ The rock is within one day’s sailing distance and supply is far more secure (and more ethical) than phosphate rock imported from unstable regions on the other side of the world

- ✓ The project economics are attractive and Chatham will pay significant royalties and income taxes
- ✓ The project will generate new jobs in environmental monitoring, on the mining ship, in the home port and in the science and agricultural sectors
- ✓ Chatham rock phosphate has been independently shown to be as effective as other phosphate fertilisers used in New Zealand. We could provide the two fertiliser co-ops supplying most of New Zealand's fertiliser with a green fertiliser alternative to naturally complement their other products.

We repeat our request to meet and brief the key Ministers of this government in order to gain the support that this project so richly merits. It's good for the environment, good for the economy and good for New Zealand.

Regards

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