

NEWS RELEASE 20-04

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Chatham comments on TTR Court of appeal decision

WELLINGTON New Zealand – Chatham Rock Phosphate Limited (TSXV: “NZP” and NZAX: “CRP” or the “Company”) wishes to comment on the Court of Appeal decision released on Friday 3 April relating to the Trans-Tasman Resources (TTR) proposal to recover iron-sands offshore the West Coast of the North Island of New Zealand.

While the TTR appeal was disallowed, the decision provides useful guidance to CRP, and to any other party that may propose to recover valuable resources from the seabed within New Zealand’s EEZ.

This is because the evolving case law (of which this decision is part) is providing more certainty about how the EEZ Act will be interpreted, and will help guide CRP to frame an application that can meet the rigorous environmental impact tests that our phosphate recovery process will be subjected to.

The decision is in no way a show stopper for CRP, or indeed for the seabed mining industry in New Zealand, regardless of whether or not it is appealed by Trans-Tasman Resources. Rather, it provides direct guidance on the tests which must be applied to the project design, and resulting impacts. CRP will be working closely with its engineering partners to ensure the project design can meet these rigorous tests.

In conjunction with the guidance above on the impact tests applied to the extraction process, CRP will reiterate in its application that the use of Chatham Rise sourced rock phosphate has a number of positive environmental, ethical, security of supply and food safety outcomes, including:

- Much lower run off into waterways when applied as a direct application fertiliser and a resultant significantly healthier soil profile
- Much lower carbon footprint than imported rock phosphate
- It’s a “home grown” product, right on our doorstep and not imported from a disputed territory on the other side of the world
- Very low cadmium levels, important as high cadmium levels can cause cancer

We are confident that our phosphate recovery process will have minimal, localised and temporary impacts on a tiny fraction of the Chatham Rise seabed and these environmental impacts will be more than offset by the environmental, ethical, security of supply and food safety benefits listed above.

The project, which already has a granted mining permit, will also generate significant economic benefits while paying tens of millions of dollars in Crown royalties, income tax, and port charges.

CRP is a local company owned by hundreds of mums and dads who have supported this company for more than a decade as they view it as a healthy, ethical and profitable project that will benefit New Zealand and all New Zealanders.

For further information please contact:

Chris Castle
President and Chief Executive Officer
Chatham Rock Phosphate Limited
64 21 55 81 85 or chris@crpl.co.nz

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