

Contact information

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About the Company

Chatham Rock Phosphate (CRP) aims to be the premier supplier of direct application phosphate to the New Zealand and global agricultural sector. We are passionate about the benefits of direct application fertiliser to sustainable farming and agricultural practices.

Our objectives remain to:

1. Achieve consent of the Chatham Rise project and develop the asset
2. Diversify our product mix to include other phosphate resources
3. Maintain our involvement at the forefront of the marine minerals sector to leverage our expertise as a project pioneer
4. Develop a pathway for CRP products for the agricultural and retail sectors

CRP holds an offshore mining permit over part of the Chatham Rise, east of New Zealand's mainland, with significant seabed deposits of rock phosphate. The current Exclusive Economic Zone environmental consenting regime came into force in June 2013 and CRP's initial application was among the first considered by the Environmental Protection Authority. It was declined in 2015 and CRP is currently planning to resubmit in 2018.

Licence Information

Mining Permit **MP55549**
Issued 2013
for 20 years
Area 820 km²

Exploration Licence: **MPL50270**

Marine Consent: **Resubmission planning underway**

The mining permit area of is 450 km east of Christchurch, at a depth of around 400 metres on the Chatham Rise and in New Zealand territory. Estimated reserves are 23.4 million tonnes.

We are planning for an operational start two years after receipt of a Marine Consent and completing a mining contract (to include arrangements for a vessel to undertake the mining).

CRP's mining permit assumes an initial mine life of 15 years. We anticipate investigations during this initial mining phase may identify additional areas for mining. An additional permit would be needed to mine outside the permitted area.

Sharemarket Information as at 30 April 2017

Stock Exchange Code	TSX-V NZP	NZAX CRP
Share price	\$C.58 (\$NZ0.61)	\$NZ0.45
Market capitalisation	\$C8.2m (NZ 8.7m)	\$N6.3m

CRP is also listed on the Frankfurt Stock Exchange with ticker code 3GRE

Shares on issue	14,096,771
Financial year end	31 March
Industry sectors	Mining, agriculture

History of the licence area

The deposit, formed 7 to 12 million years ago, was discovered by New Zealand scientists in 1952 and extensively explored during the 1960s, 1970s and 1980s by a range of private and public sector scientists.

An estimated \$70 million in current dollar terms was spent on at least seven different voyages, each involving several weeks. The data collected means the deposit is now very well defined. The best-sampled area of 380 km² has a resource of 23.4 Mt.

The price of rock phosphate has risen dramatically (at one time 10-fold) over recent years, peaking at \$500 a tonne in 2008 before falling back to \$90 a tonne. The price in recent years has been \$US101-200 per tonne, depending on grade and other rock attributes.

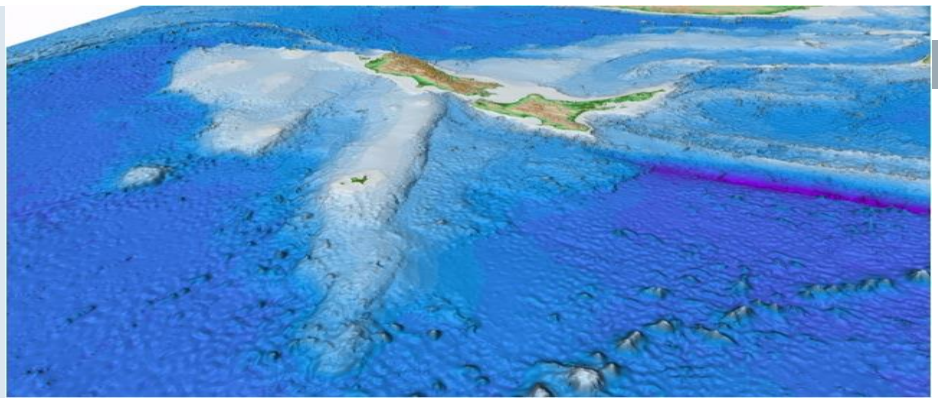
Extraction techniques have improved radically in recent years and extraction costs are expected to be substantially lower than the comparative cost of buying rock phosphate from the other side of the world and shipping to NZ.

Mineral extraction and construction is now routine in shallow seas.

Nautilus Mining has estimated hard rock mining costs of \$US50 to \$US65 a tonne at depths of 2,000 metres and North Island iron sands are expected to be extracted from offshore deposits (at shallower depths) for \$US4 to \$US15 a tonne.

JORC compliant resources

- Inferred Resources of 80 million tonnes at an average grade of 290 kg/m³ for a contained 23.4 million tonnes of phosphorite
- Additional exploration potential is in the order of 40 million m³ with 8 to 12 million tonnes of contained phosphorite at grades between 200 and 300 kg/m³



Timetable

2017	Resubmission planning
Q3 2018	Marine consent application submitted
Q3 2019	Marine consent granted
2 years after grant	Commence Mining

Key Chatham project selling points

For more detail see <http://www.rockphosphate.co.nz/projectinfographic/>

Return on investment	<ul style="list-style-type: none"> ✓ Annual earnings of \$99m before royalties and tax ✓ Mining costs equal to current shipping cost
Benefits for environment	<ul style="list-style-type: none"> ✓ Low run-off to lakes and rivers ✓ Very low cadmium ✓ Much lower carbon footprint ✓ Contribute to farm environmental sustainability and financial returns, through improved soil health and resilience
Ethical, secure supply	<ul style="list-style-type: none"> ✓ NZ can have own supply without depending on other countries ✓ NZ wouldn't export environmental footprint to countries where mining phosphate involves social and environmental distress
Taxes, jobs and knowledge	<ul style="list-style-type: none"> ✓ \$35m a year in taxes and royalties ✓ High-value, knowledge-based jobs and businesses ✓ NZ world leadership in valuable marine technology exports ✓ Marine environment knowledge identifies conservation priorities



First hearing recap:

Main public concerns

- Removal of seabed and associated biota (e.g. corals)
- Impacts of the sediment plume on the adjacent environment and deepwater fisheries
- Interactions with marine mammals and seabirds
- Trophic impacts
- Mining inside a Benthic Protection Area (fishing bottom trawling prohibited)

But independent experts agreed that:

- Marine mammals unlikely to be affected
- Sea birds unlikely to be affected
- Major fish stocks unlikely to be affected
- Primary food chain productivity unlikely to be affected
- Toxicology effects in water column will be very low
- Uranium not an issue

2015 Decision-making Committee's summary

- Damage to the benthic environment
- Modest economic benefits compared to environmental effects
- Significant effect on Benthic Protection Area
- Proposed adaptive management wouldn't address fundamental concerns

The Facts

- Damage to the benthic environment is not permanent and is limited to one tenth of 1% of the Chatham Rise
- The economic benefits were required to be established before the mining permit was granted by NZ Petroleum and Minerals in 2013. As well as being highly profitable the project creates jobs in ports, agriculture, environmental monitoring, and scientific research
- Environmental benefits include reduced carbon emissions, lower run-off into waterways and significantly lower levels of cadmium. These benefits were ignored by the DMC
- Only 5% of the Central Chatham Rise Benthic Protection Area would be affected
- The DMC failed to grasp how the proposed adaptive management regime would operate



EEZ Act purpose:

To *promote the sustainable management of the natural resources* of the exclusive economic zone and the continental shelf.

The EPA's overarching objective includes contributing to the management of the environment and natural and physical resources.

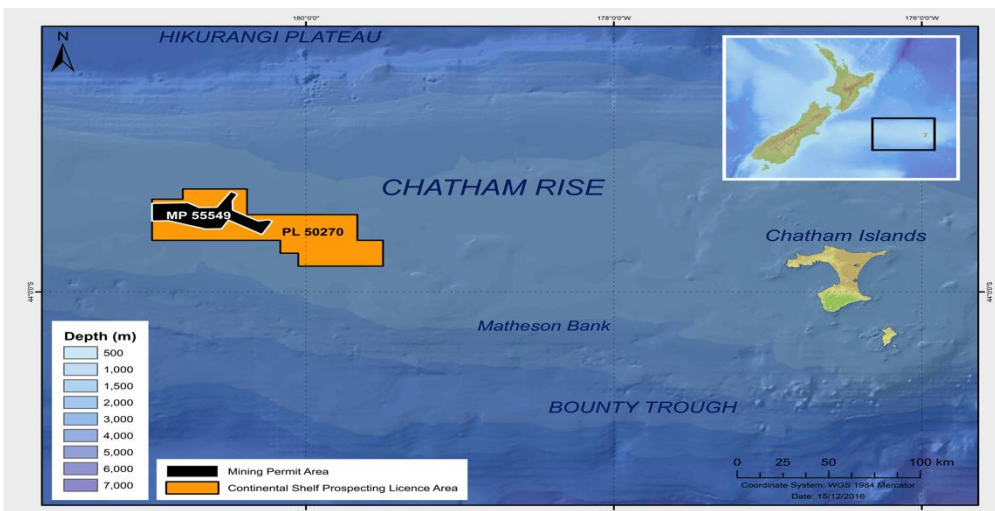
The way forward

CRP is reviewing the entire project and will revise aspects as necessary.

We will consult with stakeholders (Government, industry, Maori and other relevant interests) and build this input into our reapplication. We're evaluating what additional scientific research may be necessary.

Our new Environmental Impact Assessment will clarify uncertainties, risks, effects and benefits and reconsider appropriate conditions and the role of adaptive management. Adaptive management is a systematic approach for improving outcomes by reducing uncertainties, through learning from management outcomes.

We believe the application process should look for solutions to any problems that are identified.



Key Financials for the year to 31 March in \$NZ

	2016	2015	2014
Net finance income	4,337	3,981	16,146
Admin expenses	(641,812)	(2,542,585)	(1,441,547)
Profit/loss before tax	(817,898)	(27,350,407)	(1,428,245)
Total non current assets	4,209,597	3,967,676	22,061,781
Total current assets	543,943	292,156	815,810
Total assets	4,753,540	4,259,832	22,877,591
Total current liabilities	990,559	1,000,099	1,252,207
Equity	3,762,981	3,259,733	21,625,384

Diversification Strategy

CRP is focusing on areas of the consenting process that need fixing to provide more confidence we will receive an environmental consent next time.

We are also broadening our investor appeal by diversifying both our portfolio of interests and our access to capital markets through listing on the TSX-V market in Toronto and Frankfurt bourse.

As well as holding five marine applications in Namibia, we are developing relationships with other players in the market, maintaining our relationship with Boskalis, looking at other projects and entering the phosphate trading market.

The Team

Directors

Robert Goodden (chair) - appointed 2013
 Chris Castle (President & CEO) - appointed 2004
 Dr Robin Falconer - appointed April 2013
 Jill Hatchwell - appointed November 2008
 Linda Sanders - appointed November 2008
 Justin Cochrane – appointed February 2017

Executives

Chris Castle - President & CEO
 Ray Wood - Chief Operating Officer
 Robin Falconer - Principal Scientist
 Najib Moutia - VP Strategy and Sales
 Cam McKenzie - VP Technical Services

Expert Panel

Ko de Blaeij
 Prof. Cees van Rhee
 Prof. Jim Johnston
 Dr Hermann Kudrass
 Dr Leo Condron
 Dr Alec Mackay

Highlighting the investment opportunity

