SAINT ELMO PROJECT Newsletter

May 2019

Epic Environmental Pty Ltd (Epic) are working with Multicom Resources Limited (Multicom) on the approvals process for the Saint Elmo Project (the Project), including the Environmental Impact Statement (EIS).



REGIONAL EVENTS

In addition to formal consultation on the Saint Elmo Project, Multicom and Epic are attending events throughout the North West Region over April, May, June and July. This is providing a great opportunity for the Project team to be able to informally talk to people across the region, and where possible, support major events which provide an economic boost for the local economy.

April

As well as sponsoring the 25th Dirt and Dust Festival, Multicom CEO, Shaun McCarthy, took on the South32 Julia Creek Senior Triathlon. Shaun described the triathlon as being one of the hardest races he's ever done – with the hot conditions, a brutal headwind and all those pesky flies. On behalf of Multicom, congratulations to the Dirt n Dust team for a fantastic event in its 25th year.



Figure 1: End of the Swim Leg (Picture credit: Queensland Country Life)

May

With the Julia Creek Campdraft going ahead despite the recent flooding, Multicom was proud to provide sponsorship to the event. Congratulations to the event organisers and all participants in what was a great three days of competition and community (Figure 2).



Figure 2: Early Morning Preparations (Picture courtesy of Julia Creek Campdraft Facebook Page)

On 30 May, MineX, outback Queensland's premier mining expokicks off in Mount Isa. Multicom CEO, Shaun McCarthy will be presenting on the Saint Elmo Project at the Department of State Development's MineX Industrial Breakfast. Both Multicom and Epic will then have booth's at the expo, so drop in and see the team and get the latest updates on the project.

June

On 5 June, Epic Environmental will present an update on the Project to the Townsville Enterprise Mining and Resources Industry Forum.

July

Multicom CEO, Shaun McCarthy, will present to the Mining and Energy Services Council Project Briefing and Networking event in Townsville on 22 July.







ONGOING BASELINE STUDIES

In February 2019, Epic submitted the draft EIS including the Social Impact Assessment (SIA) to the Government who are assessing it against the Terms of Reference. Based on preliminary comments and development of Multicom's Prefeasibility Study for the Project, Epic are providing additional details on water and waste, prior to release for public consultation. The 6-week public consultation period is now expected to be later in 2019. This does not affect the overall project timeline with construction still expected to commence in 2020, ahead of first vanadium production in 2021.

While the EIS is being finalised, Epic are continuing to conduct regular surface and groundwater monitoring studies with monitoring carried out in March and May 2019 (see details also in Factsheet: Saint Elmo Project Baseline Studies).

While normally there are very limited surface water features available within the Project area, during the March 2019 sampling, the team was able to sample from all five of the monitoring points, which is normally not possible:

- Flinders River,
- Julia Creek,
- · Spellary Creek,
- · Alick Creek, and
- A dam located within the Project area.

The Project has five monitoring bores intersecting the water table installed across the Project area. While historically only one bore provided water samples, even post February 2019 flood, the sampling team found that bores had temporarily recharged and quickly discharged again by late March with only one bore yielding water during the sampling event.



Figure 3: Soil Sampling, Saint Elmo Station, May 2019

Additionally, in May, Epic has undertaken soil studies across the mine lease area (MLA100162). These studies will help describe soil variability, chemical and physical properties, and relationships between soil, landform and vegetation. Understanding the different soil types and how the erosion rates for these vary, will help inform the management strategies for stripping, stockpiling and rehabilitation practices for the Project.



Figure 4: Soil Sampling, Saint Elmo Station, May 2019

The Epic team spent five days in the field undertaking this detailed sampling (Figure 3 and Figure 4). The laboratory results will be available in around a months' time and will be incorporated into the EIS.

Further information

If you would like further information on the Project, please:

- Email saintelmo@epicenvironmental.com.au; or
- Freecall 1800 270 844; or
- Visit https://www.mcres.com.au/saint-elmo-project