

FACTSHEET FAQ #1

Saint Elmo Project
September 2018

EPIC Environmental (Epic) are working with Multicom Resources Limited (Multicom) on the approvals process for the Saint Elmo Project



1. WHO IS MULTICOM?

Multicom Resources Limited (Multicom) is a Queensland based exploration and mining company focused on the discovery and exploration of world class mineral deposits, including the Saint Elmo Project. Multicom is committed to the development of high quality, low cost resource projects focused on growth through the long-term, sustainable extraction of 'multiple commodities' and through innovative entries into new markets. With the Saint Elmo Project, Multicom is seeking to capitalise on the increasing global demand for lighter weight and higher strength steels as well as an increasing global demand for renewable and reliable energy, making vanadium a valuable resource.

2. WHAT IS INVOLVED IN THE PROPOSED SAINT ELMO PROJECT?

The Project will involving strip mining up to 20 Mt per year where the mining panels would be sequentially backfilled and rehabilitated. There is no drill or blast required due to the sedimentary nature of the Saint Elmo deposit.

The maximum depth of resource is estimated to be 20 metres (15 meters on average) resulting in a shallow mining operation, which has the potential to provide safe, reliable and consistent mining techniques and production rates. It is understood that the groundwater is approximately 350m below the ground surface, therefore, the proposed mine depth will be well clear of the water table.

The beneficiation circuit is a very simple circuit comprising an ore feeder, combined scrubber and trommel screen, screening, cyclone sizing and thickening. The process plant will use proven technology which includes a pressure/temperature leach followed by the traditional vanadium pentoxide recovery process including solvent extraction, de-silication, ammonium metavanadate (AMV) precipitation and de-ammoniation.

3. WHAT ARE THE KEY STEPS IN THE PROJECT PROCESS, INCLUDING APPROVALS?

The key steps are:

1. Publication of Environmental Impact Statement (EIS) (including the Social Impact Assessment) expected later in 2018;
2. Public notification of the EIS, consultation and opportunity to comment;
3. Multicom to respond to submissions on the EIS;
4. EIS Assessment Report;
5. Construction expected to commence later in 2019;
6. Operations expected to commence from 2021.

4. WILL I BE ABLE TO SEE THE SITE FROM THE ROAD?

The Saint Elmo Homestead, located 5 km from the centre of the mining lease is the closest homestead to the Project. The most significant vantage point is the Flinders Highway; however this will be formally assessed as part of the EIS process.

5. WILL THERE BE A LOT OF DUST AND NOISE?

Earthworks and vehicle traffic associated with mining can generate dust, especially during dry weather. The moving nature of the proposed earthworks means that any one block of vegetation will only be exposed to significant levels of dust for a short period. Impacts from noise will be mitigated by adhering to sound construction principles as well as managing the activity appropriately. The mining type means it will not require blasting.

Additional studies have been undertaken to assess potential noise, vibration, dust and air quality (including odour) issues and to develop mitigation strategies particularly given the proximity of the Project to the Julia Creek township. Further information will be available on this as part of the EIS.

6. WILL THERE BE AIR EMISSIONS FROM THE PROCESSING PLANT?

The processing plant for vanadium is not like a refinery or smelter. However, additional studies have been undertaken to assess potential noise, vibration, dust and air quality (including odour) issues and to develop mitigation strategies particularly given the proximity of the Project to the Julia Creek township. Further information will be available on this as part of the EIS.

7. WILL THE MINE HAVE AN IMPACT ON GROUND WATER?

The maximum depth of resource is estimated to be 20 metres (15 meters on average) resulting in a shallow mining operation, which has the potential to provide safe, reliable and consistent mining techniques and production rates. It is understood that groundwater is approximately 350m below the ground surface, therefore, the proposed mine depth will be well clear of the water table.

As part of the EIS, further studies will be undertaken to increase the understanding of the local and regional groundwater systems, as this is a vital resource.

8. WHAT WILL BE THE IMPACT ON THE ROAD NETWORK?

All phases of the Project including construction, operation and decommissioning, will require the use of local and state roads, to access the site. An increase in the volume of traffic will be generated from the mining activity and the impacts of this are currently being assessed as part of the EIS.

9. WILL THERE BE JOBS FOR LOCALS AND HOW DO I GET ONE?

Initial estimates suggest that there will be more than 150 ongoing operational jobs for the life of the Project. In addition, there will be an estimated 250 construction jobs. These estimates will be considered and refined during the EIS process.

Multicom will target local employment, engagement and spending as a priority with a view to sustainably developing and growing the local workforce and businesses. The processes on how to apply for jobs during both construction and operations will be shared with stakeholders including the local community, as the Project moves closer to these phases.

The proximity to Julia Creek will facilitate benefits for the township from the stimulus to local businesses and other indirect flow on of economic activity. Multicom has been working with the Queensland Department of State Development to provide information to local businesses about how small businesses can be involved in the Project in the future.

Operations staff will be encouraged to reside locally in Julia Creek. It is also likely that there would be benefits to supply chains and flow on impacts for service hubs across the north-west region including Mount Isa and Cloncurry.

10. WILL THERE BE A FIFO WORKFORCE USED?

While Multicom will target local employment, additional workers may be required, particularly during construction. The use of any required Fly-in Fly-out (FIFO) and Drive-in Drive-out (DIDO) workers will likely utilise either the Julia Creek, Cloncurry or the Mount Isa Airports before transiting via road to site.

The mine location is approximately 25 km east of Julia Creek. A number of accommodation alternatives will be considered including accommodation villages and housing, taking into account responsible safe post-work travel distances.

Further information

If you would like to register as an interested stakeholder please:

- send your contact details to saintelmo@epicenvironmental.com.au ; or
- call us on 1800 270 844.

For more information on this project see <https://www.mcres.com.au/saint-elmo-project>

