

FACTSHEET Newsletter #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

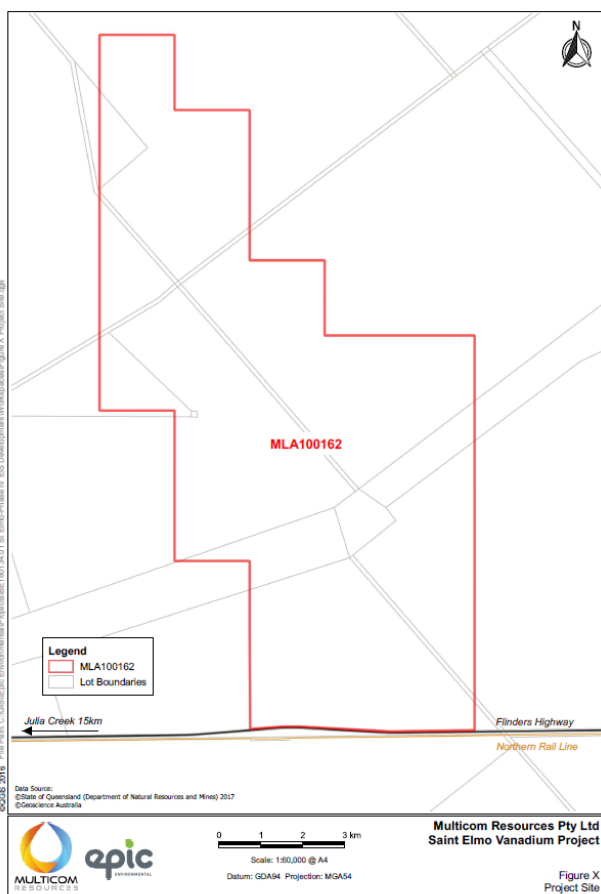
The Saint Elmo Project is 100% owned by Multicom and is situated 25km east of Julia Creek in Queensland's North West Minerals Province, with first production of Vanadium Pentoxide targeted for early 2021. Multicom is currently progressing the permitting, approval and development of its Saint Elmo Project. It has lodged the Mining Lease Application, is well advanced on an Environmental Impact Statement (EIS) and is progressing with a Pre-Feasibility Study.

ABOUT THE SAINT ELMO PROJECT

The Project area has been historically used for cattle grazing on unimproved pastures. The area is dominated by black soil plains characteristic of the Mitchell Grass Downs Bioregion.

The recovery of vanadium from the Project area is based on a number of key attributes, which sets it apart from traditional, hard-rock vanadium mines.

- The sedimentary nature of the deposit will mean it does not require any drill or blast to assist with excavation (with both ore and waste being free-dig material).
- During the early years of mining, the mine plan will target the outcropping coquina and shale (unoxidised) deposits, limiting the volume of overburden that is required to be mined, resulting in a low strip ratio.
- 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; and reduce the risk of encountering ground water.
- Following strip mining, the panels would be sequentially backfilled and rehabilitated.
- The beneficiation circuit is a very simple circuit comprising a ROM feeder, combined scrubber and trommel screen, screening, cyclone sizing and thickening.



The Project will use proven processing 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.

Once the Project is fully developed, the initial target production is 10,000 tonnes of V₂O₅ per annum, with the possibility of scaling up to 30,000 tonnes, subject to market conditions over a mine life of up to 30 years. This would require strip mining of 20 million tonnes of material per year (run of mine), within the 8,882 hectare area covered by Mining Lease Application 100162.

COMMUNITY PARTICIPATION

Multicom, with its environmental consulting partner Epic, is developing a comprehensive Environmental Impact Statement (EIS). Engagement within the McKinlay Shire, where the proposed Project will be located, has commenced. Collectively we will be establishing a suitable social framework in which Multicom integrates its operations and employees with the existing community.

Multicom and Epic are currently talking to members of the community, prior to the release of the EIS later this year. This is to understand any concerns that you may have about the Project, so that these can be addressed where possible. There are a number of opportunities through the approvals process for the community to be involved where it is possible to provide feedback. Stakeholder events will also be held throughout the EIS process, when it is available for public comment.

As part of this process, Multicom and Epic will be holding a public information session on Wednesday 19 September, 2018 in Julia Creek. Any interested member of the community is invited to attend to learn more about the proposed Saint Elmo Project and have the opportunity to provide feedback and ask questions.

The Project is designed to include initiatives that result in community benefits, environmental enhancements and the efficient use of water, power and reagents from the development phase. Multicom will target local employment, engagement and spending as a priority with a view to sustainably

developing and growing the local workforce and businesses. This will extend across the north west region of Queensland to reflect the long term strategy for Multicom to grow its business in this region.

Stakeholders are encouraged to participate to ensure that your views, concerns and opinions are heard. Information will be provided by newsletters, through the website, letters, emails, community meetings and one on one discussions. We welcome your feedback and questions.

You are Invited

Wednesday 19 September 2018

4:00 – 6:00 pm

Light refreshments provided

Julia Creek Civic Centre

29 Burke St, Julia Creek, 4823

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.m cres.com.au/saint-elmo-project>

