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## JULIA CREEK PROJECT

Vanadium  
Oil Shale



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# Julia Creek Renewables Project Update

## Highlights

- QEM is currently undertaking a process to obtain non-binding indicative bids to develop, own and operate up to 1GW of renewable energy, consisting of a hybrid of wind and solar farm ("Renewables Project").
- The Renewables Project will be immediately adjacent to the Company's Julia Creek Vanadium and Oil Shale Project ("JCP").
- QEM will shortlist non-binding indicative offers by 30 June 2023.
- The Renewables Project has the potential to provide cheaper power for the JCP and play a key role in decarbonisation.
- Outcomes will form crucial components of the Pre-Feasibility Study for the JCP.

QEM Limited (ASX: OEM) ("**QEM**" or "**Company**") is pleased to provide a market update regarding the potential renewable energy project ("**Renewables Project**") adjacent to the Company's flagship Julia Creek Vanadium and Oil Shale Project ("**JCP**").

QEM Managing Director, Gavin Loyden said, "Last year we placed wind and solar measuring equipment on site at Julia Creek knowing that a minimum of 12 months live data would be required by any party that had an interest in building a large-scale renewables project in the area. The intent of that investment was to attract interest in developing a project that could provide cheaper renewable power to the JCP. It seems this strategy has achieved that preliminary goal and although there is some way to go in the process, these early investments made by QEM have the potential to bear fruit. These are non-binding offers but prove the interest is there, and the CopperString announcement back in March this year has assisted in providing a level of certainty to the market."

## Wind and solar monitoring

In May 2022, solar monitoring equipment was installed on site at the JCP, and a 163 mt tall meteorological mast fitted with anemometers and other measurement instrumentation was commissioned in July 2022 (ASX announcement 29 July 2022; ASX announcement 27 October 2022).



*Images: QEM's solar and wind monitoring equipment onsite at Julia Creek*

### **Renewable power generation studies**

The objective of the wind and solar data gathered over the past year is to further inform the renewable power generation optimisation study conducted by global engineering consultant GHD, which includes up to 1GW of hybrid solar/wind generation capacity (ASX announcement 28 January 2022).

Additional studies have been conducted over the past year to further de-risk the hybrid wind/solar farm. Environmental assessments, topographic surveys, preliminary flood modelling and geotechnical studies were completed at potential locations of wind turbines.

These studies form a crucial component of the Pre-Feasibility Study for the JCP.

### **Announcement of CopperString 2.0 - Acquisition by Queensland Government**

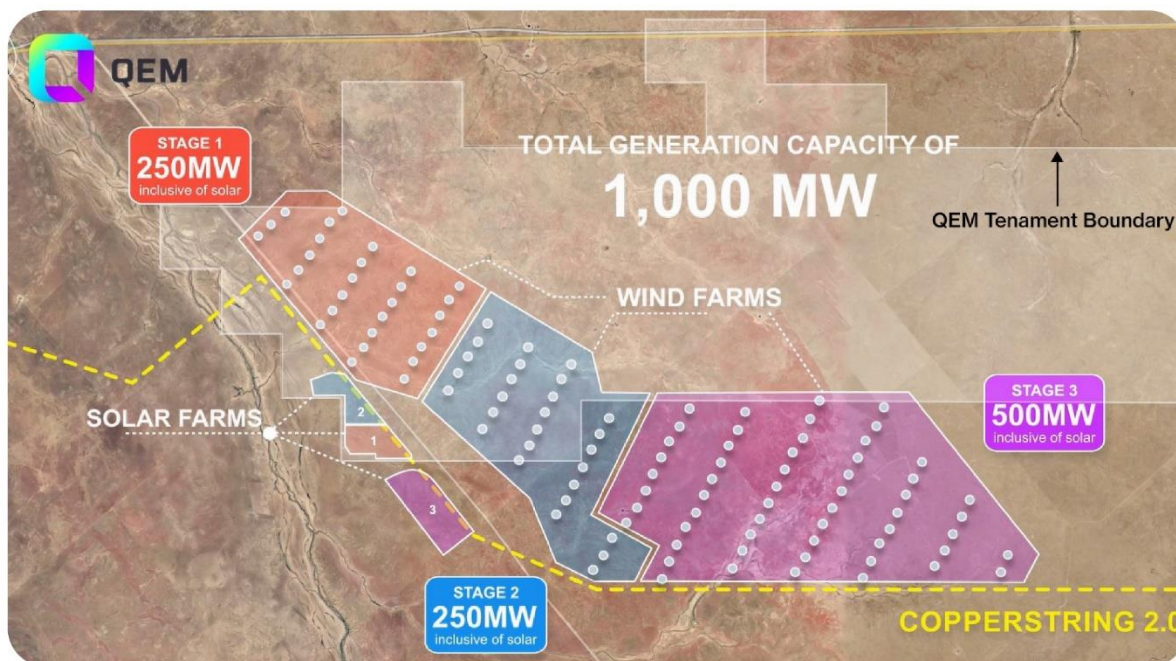
On 7 March 2023, the Queensland Premier Anastasia Palaszczuk released a joint statement with the Queensland Treasurer Cameron Dick, Resources Minister Scott Stewart, and Energy Minister Mick de Brenni announcing that the Palaszczuk Government will deliver the 1,100 km CopperString project to unlock Australia's largest renewable energy zone and more than \$500 billion dollars in new critical minerals in North Queensland. Early works on the \$5 billion project will start this year with construction planned to commence next year.

<https://statements.qld.gov.au/statements/97314>

CopperString will connect vast renewable wind and solar resources with critical minerals mining and processing in the North West Minerals Province ("NWMP"). "CopperString is the most significant investment in economic infrastructure in North Queensland in generations. Unlocking affordable renewable energy and our critical minerals will benefit Townsville, Mount Isa and every town in between – unlocking thousands of jobs and billions in investment," said Queensland Premier Annastacia Palaszczuk.



Construction is expected to support 800 direct jobs over six years and thousands of new jobs in critical minerals mining, manufacturing, and construction of renewables. Publicly owned transmission business Powerlink will lead work on the project.



*Image: Proximity of CopperString to QEM's tenements*

### **Update in relation to potential renewables project**

QEM recently established a data room containing relevant information pertaining to the renewables project to allow interested parties to formulate indicative non-binding offers to build, own and operate the hybrid wind/solar farm in Julia Creek.

As noted in the image above, the potential wind/solar farm is conceptually envisaged to be constructed on a progressive three stage basis.

QEM has to date received a number of non-binding indicative offers from global developers as part of this initial process and the reception and analysis of the non-binding indicative offers is expected to close at the end of June 2023. Following closure of the indicative bid stage, the Company will then undertake an assessment (in conjunction with its advisors) of the non-binding indicative offers received prior to commencing a further due diligence process with the aim of ultimately proceeding to a binding bid stage with select short-listed parties.

QEM notes that definitive contractual terms will need to be ultimately agreed at the conclusion of the due diligence process with the selected party and accordingly, at the time of this announcement, there is no guarantee that any counterparty offer will ultimately become binding, and accordingly investors should not place any undue reliance on the potential renewables project.

The Company will continue to keep the market fully updated in respect of the process for the potential renewables project.

ENDS

*This announcement was authorised for release on the ASX by the Board of QEM Limited.*

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**ABOUT QEM**

QEM Limited (ASX: OEM) is a publicly listed company which is focussed on the exploration and development of its flagship Julia Creek Project, covering 250km<sup>2</sup> in the Julia Creek area of North Western Queensland.

The Julia Creek vanadium / oil shale project is a unique world class resource with the potential to utilise and deliver innovative and sustainable energy solutions, through the production of energy fuels and vanadium pentoxide. QEM strives to become a leading producer of liquid fuels and in response to a global vanadium deficit, also aims to become a leading supplier of high-quality vanadium pentoxide, to both the nascent energy storage sector and the Australian steel industry.

This globally significant JORC (2012) Mineral Resource of 2,850 Mt @ 0.31% V<sub>2</sub>O<sub>5</sub> is one of the single largest ASX listed vanadium resources and represents a significant opportunity for development. The resource is comprised of 360Mt @ 0.29% V<sub>2</sub>O<sub>5</sub> in the Indicated category and 2,490Mt @ 0.31% V<sub>2</sub>O<sub>5</sub> in the Inferred category, with the added benefit of a contingent (SPE-PRMS 2018) in-situ oil resource of 79MMBBLs of Oil equivalent in the 2C category, and 696MMBBLs in the 3C category, contained within the same ore body.

The tenements form part of the vast Toolebuc Formation, which is recognised as one of the largest deposits of vanadium and oil shale in the world and located less than 6km east of the township of Julia Creek. In close proximity to all major infrastructure and services, the project is intersected by the main infrastructure corridor of the Flinders Highway and Great Northern Railway which connects Mount Isa to Townsville.

\*The information in this announcement that relates to the mineral resource and contingent resource estimates for the Company's Julia Creek Project was first reported by the Company in its IPO prospectus dated 20 August 2018 and supplementary prospectus dated 12 September 2018 (together, the "Prospectus") and the subsequent resource upgrade announcements ("Resource Upgrade") dated 14 October 2019 and 7 April 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus and Resource Upgrade, and in the case of estimates of Mineral Resources and Contingent Resources, that all material assumptions and technical parameters underpinning the estimates in the Prospectus and Resource Upgrade continue to apply and have not materially changed.