

MT CATTLIN PROJECT – FREQUENTLY ASKED QUESTIONS

Where is the mine site located?

The mine is planned for a site approximately 2km outside Ravensthorpe.

What benefits will the project bring the region?

The capital cost of the project is around \$68 million, and it is expected to generate between 75 and 100 new jobs.

It is also expected to deliver flow-on effects in the construction, retail, property and business service sectors, including additional jobs and demand for local goods and services.

What will the product be used for?

Galaxy's product will ultimately be used in lithium ion batteries for electric and hybrid cars, delivering significant environmental benefits.

When will work on the project start?

Construction is expected to start in August this year, with first production scheduled for the third quarter of 2010.

Does spodumene product have any health risks?

The product is non-toxic and is not listed in the Australian Government Safety and Compensation Council Hazardous Substances Information System (HSIS) as a hazardous substance.

A comprehensive wet screening process will be used to eliminate any dust particles.

Galaxy's product will be coarse and dust-free, eliminating the potential for irritation or discomfort that can arise from direct or chronic exposure to dust arising from more finely ground spodumene.

The wet screening process will be undertaken at the mine site under controlled conditions and the dust-free product transported to port for export.

Spodumene product has been exported from Bunbury port for 30 years without incident. It is not regarded as a "specified substance" by the Department of Environmental and Conservation.

It is also important to note that the health risks associated with lithium *metal* are not applicable to spodumene product.

We'll be providing more detailed information on our processes and the product, and answering any questions the community may have as the proposal takes shape over the coming months.

Is spodumene carcinogenic?

No. The National Toxicology Program of the US Public Health Service does not list spodumene as a carcinogen or potential carcinogen, nor does the Occupational Health and Safety Administration or the International Agency for Research.

Spodumene product is non-toxic and inert.

What dust and odour emissions are associated with spodumene product exports?

There wouldn't be any dust associated with the exports due to wet screening removal of fines during the processing of the product at the mine site.

This means that:

- a) The particles are coarse (between 0.5-6mm) rather than very fine; and
- b) The product is wet when it is transported and loaded to reduce any dust.

The product is odourless.

However, given the previous issues with other products at the port, we'd expect to be part of a robust monitoring program.

How much would you be exporting?

We're looking at around 150,000 tonnes per annum, starting in late 2010. This is around three quarters of the amount that goes out through Bunbury each year.

What upgrades will be made to the port?

The need for any upgrades is something we'll be assessing over the coming months and will obviously form part of any approvals process.

What independent monitoring and assessment will you have in place?

We'll be working with all the relevant government agencies to determine those processes as the proposal progresses.

We recognise the community is concerned about other products and although spodumene product is inert and non-toxic, we'll be establishing an open and accountable relationship with local stakeholders as the project progresses.

How do you plan to involve the community?

We recently completed our Definitive Feasibility Study which determined the project was viable. As we continue planning over the coming months, we intend to provide detailed information on the project, as well as liaising with community groups, local government and government agencies.

Given exports are not planned to commence until late 2010, we are seeking to proactively engage with the community early in the project's development.

Have these exports already been approved?

The exports will be subject to an assessment process, led by Department of Environment and Conservation, with input from local authorities and the Department of Health. We'll be working with the Esperance Port Authority throughout that process and will keep the community informed.

How many trucks will be needed to get the product to port and what will their route be?

We expect only around six truck movements per day to take the product to the outskirts of the town, and then twice a month, we would have a period of around 10 truck movements per hour over a 10-12 hour period to take the product in for loading.

This is expected to be a very minimal increase in existing traffic.

The route and addressing any community issues will form part of our management plans and the approvals process.

Will there be any special handling or transport requirements?

We don't believe so, given the inert and non-toxic nature of the product. However, this is something that will be considered as part of the approvals process.

How would any spills or contamination be cleaned up?

We will have emergency management plans in place, but it is important to note that the product is dust-free and will be damp when it is exported, which will allow us to manage any such incidents with minimal impact on the surrounding environment.

Will the product be stored at the port before it is exported?

At this stage, we're looking at a number of options, including trucking it to a storage shed outside town and then taking it to port for loading when required.

Discussions are also ongoing with the Port Authority with regard to storage of the product within the Port boundary.

This is one of the issues we will be considering as part of our further planning.

February 2009