

## VHM submission to AEMO

VHM Ltd is a mining company finalising the approvals process for a significant rare earths and mineral sands project in northwest Victoria. The asset is one of the world's largest, rare earth element (REE) deposits with an accompanying world-class mineral sands resource. VHM is in the advanced stages of development of its Goschen Rare Earth and Mineral Sands Project which is northwest of Kerang. The Goschen project has been granted 'Major Project Status' recognition from the Australian Government, which recognises projects that are significant to the Australian economy. The Goschen mine has a 20 plus year life with further tenements available depending on market demands.

As a mining company VHM are committed to sustainability and one of the attractions to Kerang is the high level of renewable energy developments underway and proposed. VHM's preference is to utilise either local renewable generation suppliers (i.e. wind and solar farms in the region that could supply power directly) and/or enter into a Power Purchase Agreement or other commercial arrangement for the supply of renewable energy. However, both of these alternatives require direct grid connection, and the existing powerlines in the near vicinity of the Project are unable to supply adequate power.

It was determined that inclusion of a powerline in the Environment Effects Statement from the Mine Site area to a point in the grid which would provide high reliability was not feasible for the following reasons:

- Uncertainty on the optimal connection point given the potential future works being currently planned on the network; and,
- Timeline to assess connection point and optimal route and then engage with relevant landowners.

For this reason, an on-site 11MW dual fuel power plant is the preferred option for the Project. However, it is a commitment by VHM that assessment and planning on a grid connection will commence as soon as practicable, with the aim to have the mine site supplied predominantly by renewable power sources as soon as possible after commencement of operations.

**VHM is very supportive of renewable energy and believes that with the level of development proposed in Kerang that the VNI West transmission line needs to be closer to Kerang to better service the Murray River Renewable Energy Zone and provide further scope for commercial energy developments. VHM has a vision for future technology growth that is dependent on affordable green energy.**

Demand for high-grade, ethically sourced rare earths and critical minerals has grown exponentially, and as the world transitions to renewable energy and a low-carbon global economy, demand for neodymium (Nd), praseodymium (Pr), dysprosium (Dy) and terbium (Tb), as well as zircon (Zr) and titanium (TiO<sub>2</sub>), will continue to grow. Dysprosium, neodymium, praseodymium and terbium oxides are high-value minerals used in the permanent magnets of EV traction motors and wind power generators. *The mine near Kerang will be a key player in the international market for these high value minerals.*

Kerang has a reputation for being a great place to do business and VHM strongly believes that energy generation in Kerang is dependent on a strong and accessible transmission network that will support new investments in the energy, mining and manufacturing sectors that will have State and National significance.

Thank you for the opportunity to provide this submission,

Bernie Hyde

**EGM - Operations Readiness**

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