

San José Valdeflórez:
FOUNDATIONS AND CLARIFICATIONS



**SAN JOSÉ
VALDEFLÓREZ**



San José Valdeflórez is a state-of-the-art integrated mining industrial project aimed at processing lithium from the Valdeflórez site in Cáceres, the second largest deposit ever found in the European Union. The mined ore will be processed entirely in an adjacent plant, until it is converted into lithium hydroxide, an essential component ready for the manufacture of rechargeable lithium-ion batteries, and in particular the lithium-ion batteries used in electric vehicles.

It is a sustainable industrial mining project that is respectful of people and the environment. Its raison d'être lies precisely in the promotion of electric mobility and the consequent reduction of CO2 emissions. And it does so with the best practices in the mining and processing industry, offering maximum respect for the environment and an absolute and unequivocal commitment to the health of professionals and citizens of Cáceres. It is an integrated project that complies scrupulously with European and Spanish legislation and that adapts to the demanding requirements of a market such as the European one, aware of and committed to sustainability in all its facets: economic, cultural, urban, health and environmental.

The company has always opted for transparency and honesty in its communication with citizens and administrations. In addition to dozens of presentations and communications, we have addressed the queries of numerous private citizens interested in learning first-hand about a project that, due to its unique characteristics, is a pioneer in the European Union. All have been treated with diligence and rigor, promoting a data-based analysis.

However, from the beginning a neighbors' platform that opposes the project and calls itself 'Salvemos la Montaña' (Save the Mountain) has released false information about San José Valdeflórez. Misrepresented or directly false data and lies that have been disseminated to the population and to administrations; today, to the European. Given these events, we have repeatedly sought dialogue with them in order to answer their questions and clarify the wrong information that, unfortunately, they continue to spread today. We have only had negative responses to our meeting proposals.

Knowing that this platform is now transferring these falsehoods to the European institutions, we are forced to clarify the erroneous information that they have poured against San José Valdeflórez:



/// General foundations

- **The company has always offered maximum transparency.** From the company, various online communication channels have been opened, the project has been presented to the political, economic and social sectors of the city, the region and the country, and we have responded the queries of numerous private citizens interested in getting to know the first hand a project.
- **Health, an absolute priority for San José Valdeflórez.** There is no report worldwide that links lithium production to any potential health problem, neither for workers nor for the population. No specific doubt has been transferred to us in this regard. (*Ref. Appendix, section 2*).
- **San José Valdeflórez does not pose any threat to tourism or to the city's historical and cultural heritage.** There are no reports linking industrial development in Cáceres with the decrease in touristic activity. We believe that, in any case, the injection into the local economy would boost the rest of the city's activities, including the service sector. Furthermore, the project is not visible from the city center and, above all, it does not affect at all the obligations that come with being recognized as a UNESCO's World Heritage Site.
- **Cáceres has built its wealth around mining throughout History.** Cáceres has a rich mining tradition, which has been key in the economic development of the city since the 19th Century. Aldea Moret, one of the most symbolic neighborhoods in the city, was born in the heat of a mining operation that now the City Council seeks to turn it into a new tourist resource. The Valdeflórez site, where the project is proposed, housed a tin mine that was in operation until the 1970s, old industrial buildings and waste remain on site.
- **The company has always complied with the law.** The company has always scrupulously respected the regulations in force at the local, regional, national and European level regarding the environment, mining, urban planning, etc. Given the claims made by the platform on which the company is accused of not having respected the law, we clarify that:
 - All the technical work that the company has carried out, including the surveys, has been carried out with the necessary permits and always complying with the law. The company has provided the public administration with evidence of the actions carried out.
 - The company has always acted in accordance with the law in all administrative processes. The error that forced to revert the investigation permits was a defect in the form that the Junta de Extremadura itself incurred, which did not respect the times of public exposure. There has only been the maximum willingness from the company to collaborate with the regional government to ensure that all legal procedures are scrupulously respected.

/// Technical clarifications

Likewise, in relation to the technical and environmental aspects that have been alluded to in previous communications of the platform and that are still reflected in its graphic materials, we want to show that:

- **It is an industrial mining project.** San José Valdeflórez is not an exclusively extractive project, but in its communications, the platform deliberately omits references to the industrial part, which entails 83% of the investment, multi-decade full time skilled employment and the ability to attract companies related to electric mobility to Cáceres and Extremadura, with what this would suppose as an industrial boost before the transition towards clean energy. (Ref. Appendix, section 1.1.1).
- **The project does not have evaporation ponds.** The platform accuses the project of using these types of ponds, common in mining operations in South America, which require large amounts of water and occupy a large area. These ponds do not exist nor are they even used in the 'hard rock' type of extraction proposed in San José Valdeflórez. (Ref. Appendix, section 1.1.5).
- **The pit is smaller than that depicted in their communications.** The open cut size is 4 to 5 times smaller than what has been disseminated from the platform and has even been reduced thanks to the advances introduced with the prefeasibility study, which has allowed improvements to be incorporated into the project. Representations of this "mega pit" made by the platform and relayed by some politicians are a gross exaggeration of the reality, despite very precise dimensions of this pit are publicly available and have been communicated directly to the platform. (Ref. Appendix, sections 1.1.3 and 1.2)
- **The tailings do not take up the dimensions indicated by the platform.** The tailings, the accumulations of waste from mining processes, have been magnified in their extent in the communications of this neighbors' group (Ref. Appendix, section 1.1.4). Thanks to the latest study of improvements, its volume and surface area have even been reduced, which are now up to 51% less than in previous versions of the project. In addition, the platform speaks of a type of slurry ponds that are completely different from the dry tailings projected in Cáceres, which are simply crushed rocks allowing ongoing rehabilitation and replanting of vegetation over the life of the project. (Ref. Appendix, section 3.3).
- **Use, recycling and reuse of water.** Aware that this is a valued commodity in the area, the company is obliged and committed to comply to some of the strictest environmental legislation. Thus, water used in internal processes will be recycled and reused, for which a large investment will be made in a reverse osmosis plant (Ref. Appendix, section 3.4). Work continues to minimize the consumption of external water, which will come predominantly from the Cáceres wastewater treatment plant. In addition, the company is seeking to improve the aged municipal water infrastructure, for the benefit of the project and the community.

- **The aquifer Calerizo will not be affected.** The project facilities do not sit on top of this Cáceres aquifer, a karst reservoir that is not used as a drinking source for the city, despite what the platform maintains. In any case, the waterproofing of the land and its own composition ensures that there will be no filtration from the project to the aquifer. (*Ref Appendix, section 3.5, Image 10*)
- **The project does not adversely impact air quality.** The project does not generate any type of toxic dust or residue, so it cannot affect air quality or health, since it is totally inert dust -crushed rock-. In any case, mitigation measures will be applied (road irrigation, vegetal walls, etc.) to avoid dispersion. Likewise, a report by the Spanish Meteorological Agency (AEMET) has confirmed that the winds blow predominantly from the west, in the opposite direction to the city from the project (*Ref Appendix, section 3.2*)
- **Continuous rehabilitation.** Another environmental fact ignored by the platform is the rehabilitation, which will be continuous and will minimize the impact by covering the tailings with vegetation from the start of operations. In addition, a strict flora and fauna surveillance program will be carried out to guarantee the preservation of environmental values (*Ref Appendix, section 3.5, Images 10 to 12*).
- **Full restoration at the closure of operations.** An ambitious investment of over 16M€ is contemplated for the total recovery of the mining area after the 19 years of extraction. Some successful examples of rehabilitation from all around the world have been presented as potential options, but the final decision will be agreed with the socio-economic agents of the city in order to satisfy the needs of Cáceres and its inhabitants. (*Ref Appendix, section 3.6*) The factory will also be completely dismantled after the 11 additional years of industrial activity.

All the issues addressed in this report refer to the allegations made by 'Salvemos la Montaña' in their multiple public initiatives, as included in the **APPENDIX**. The communication campaigns have highlighted the violation of numerous ethical principles: misleading and deceptive representations of the project, deliberate misrepresentation of data, an a questionable use of children In an attempt to invoke sympathy, etc.

All this is coming from a group that rejects the European strategy of creating a value chain for batteries in the EU and embraces other radical ideas including the belief that the alternative to traditional Internal Combustion Engine is not Electric Vehicles but (sic) "reducing travelling".

This large volume of erroneous or omitted data and information out of context, as well as their letter addressed to the President of the European Commission, has led us to make this document for clarification. We believe that this use of false data deliberately mislead to influence citizens and their public representatives.

Furthermore, in a letter addressed to the Prime Minister last October, the Platform proclaimed that they would "defend" the mountain "with votes", which the company could only interpret as a deliberate form of pressure on the political class. Pressures and lies that, we believe, have conditioned politicians of different signs including the Mayor of Cáceres, who himself has aligned his public representation of the project to many of the Platform's message. This is to the detriment of the impartiality that we understand must exist in the technical review phase of a project of this nature.

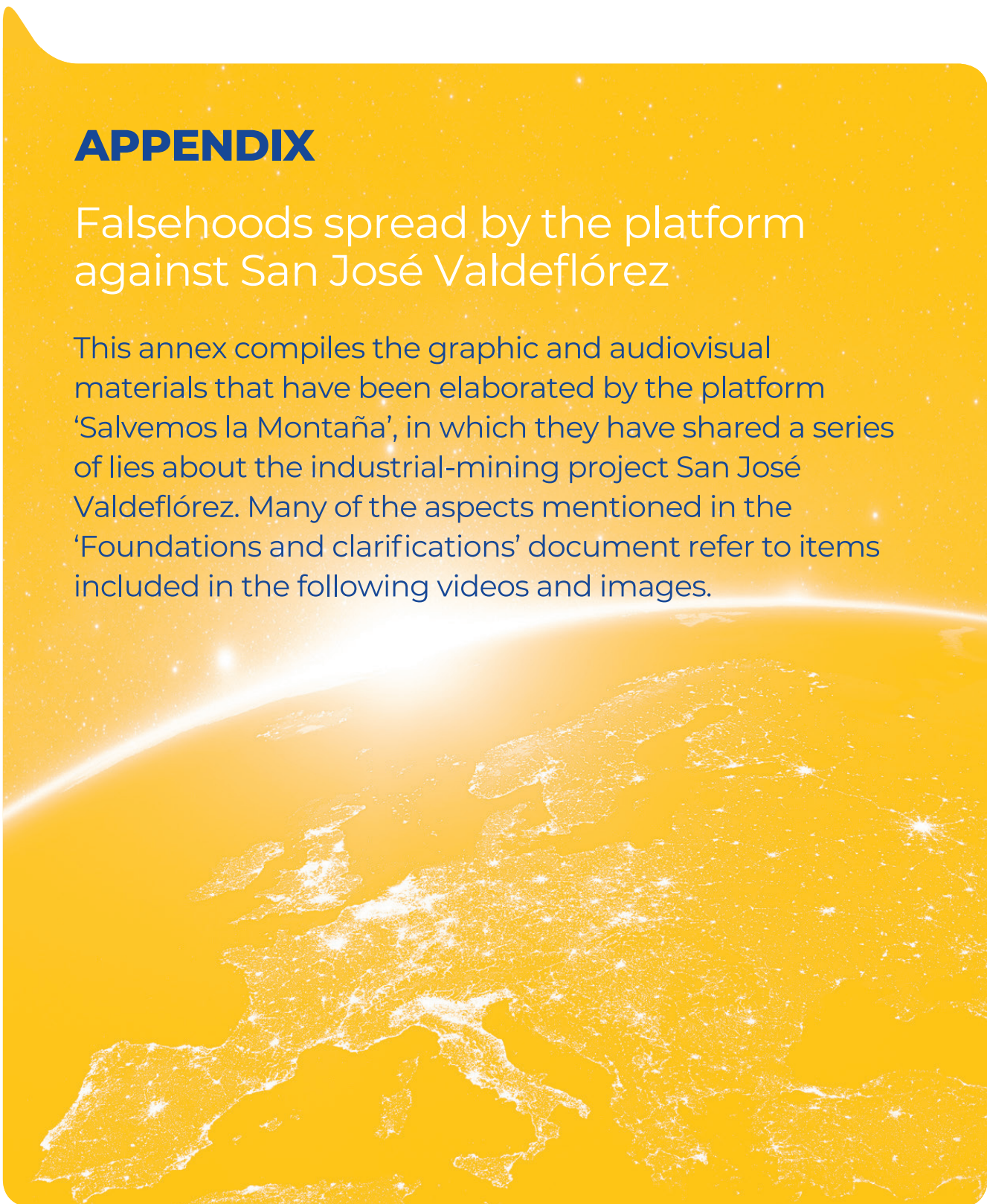
With their attitude, they are denying an opportunity to generate employment and wealth that could make Cáceres and Extremadura a new axis of strategic development linked to electric mobility and an example of sustainable growth that allows respect for the environment to be combined with a determined commitment to clean technologies that are already changing the world.

In Cáceres, on the 16th of June, 2020

APPENDIX

Falsehoods spread by the platform against San José Valdeflópez

This annex compiles the graphic and audiovisual materials that have been elaborated by the platform 'Salvemos la Montaña', in which they have shared a series of lies about the industrial-mining project San José Valdeflópez. Many of the aspects mentioned in the 'Foundations and clarifications' document refer to items included in the following videos and images.



1. Misleading visual material by 'Salvemos la Montaña'
2. Videos of 'Salvemos la Montaña'
3. The ignored reality of the project

1 /// Misleading visual material by 'Salvemos la Montaña'

The following images, full of lies and misleading information, have been edited by 'Salvemos la Montaña', distributed to the Media, and are still being used in all their channels and campaigns. The key to this first image, in the following page, compiles the most relevant lies.

1.1 False map of the project



Image 1: Representation of the project made by 'Salvemos la Montaña'

Key in the following page

Key (legend) to Figure 1.1

1. **No mention to the industrial side:** deliberate omission of the industrial part of the project, which accounts for 83% of the investment, and most of the jobs. The number is near to where the downstream facility would be located.
2. **Full size of the project:** the platform and some politicians have spread the inaccurate data of the project being "1,200Ha", when in reality is 210Ha.
3. **Open-pit size:** depicted also 4 to 5 times bigger than it has been projected. Real proposed size can be seen overlapped in white.
4. **Tailings (waste):** also depicted with an exaggerated size.
5. **No evaporation ponds:** not used in this type of extraction.
6. **No mention to rehabilitation:** the tailings will have an ongoing recovering of vegetation throughout the whole life of the project.
7. **Existing unrelated pit:** for size-comparing purposes. See image #3.

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1.2 Exaggerated open pit



Another twisted image shows a different angle of the grossly exaggerated open-pit, depicted as if it was attached to the Sanctuary. Their photoshopped editing has even erased the surrounding valley.

Painted in white, the real size of the pit, as seen with the accurate perspective. Large evaporation ponds have also been added, while having nothing to do with lithium mining from rock.

Image 2: Misleading representation of the size of the open pit.



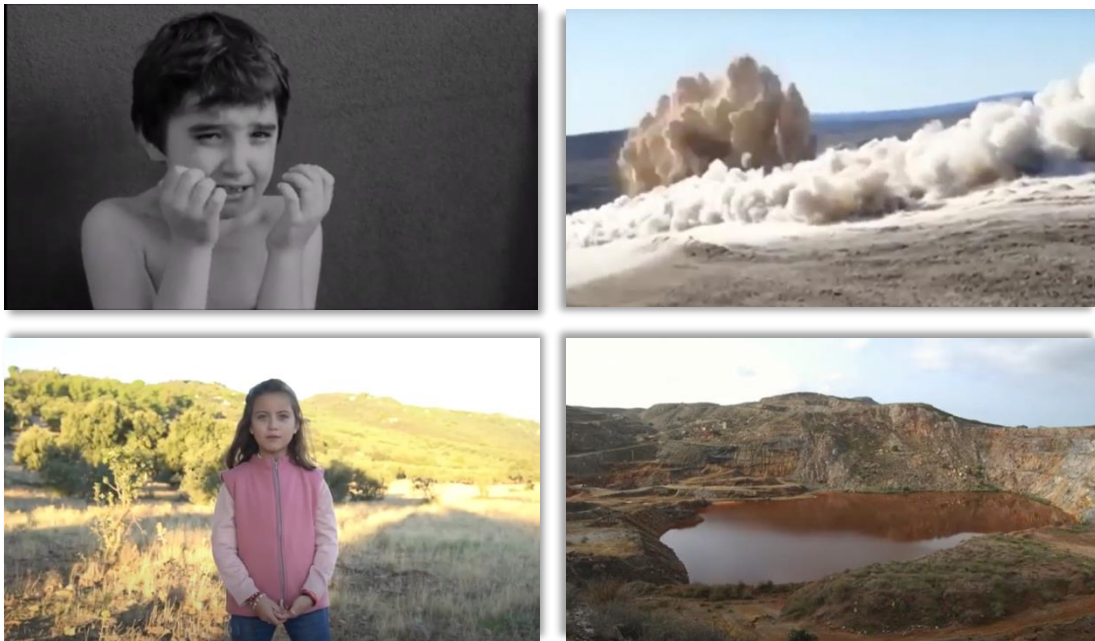
Image 3: True dimensions of the open pit. Circled in white, the size of the platform's depiction. In yellow, true proposed size.

Note the size of the unrelated pit, here placed in the bottom right of the project, and in the upper left of Image

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2 /// Videos of 'Salvemos la Montaña'

A selection of the most relevant audiovisual pieces, shown from newest to oldest. In order to respect the maximum accuracy, please note that the dates just reflect when the platform's channels (YouTube or Facebook) updated each video.



Not numbered. Screenshots from videos edited by 'Salvemos la Montaña'. In addition to the use of children, the platform has included misleading images of different extractive projects

In Spanish, with English subtitles where available.

- 6th of June, 2020: [The Health of Cáceres is threatened](#). 'Salvemos la Montaña' STM accuses San José Valdeflórez of damaging health with polluting explosions, dust and smoke, toxic chemicals, depletion of aquifers, etc. All false and with examples of mining operations that have nothing to do with what is proposed in the project.
- 3rd of November, 2019: [My name is Montaña \(from Cáceres to Moncloa\)](#). Addressed to the Prime Minister, using children as an emotional tool. They present once again false explosions and siren sounds. The girl poses a dichotomy ("we fight against climate change or a mine is made in Cáceres") that does not correspond to reality.
- 7th of October, 2019: [Mine 'San José': Out of Cáceres! Go home, Infinity Lithium!](#) False data of the dimensions and impact of the project with blasting sounds that do not correspond
- 12th of February, 2018: [Happy Three Wise Men's Night?](#) The platform uses a shirtless child and make up a tragic story without any basis to refer to alleged health and environmental problems.

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3 /// The ignored reality of the project

This section brings light on the real images and figures of the project by addressing some of the aforementioned distorted information with the real data of San José Valdeflórez.



Image 4: Digital representation of the industrial facility to convert the lithium. / SJV

3.1 Dust and noise management:

The surrounding hills and valleys will act as a natural barrier. However, in order to comply with best practices, advanced best mitigation measures will be set in place in Cáceres. Water trucks (as seen in Image 5) and mist cannons will humidify the ground to avoid the dust to blow away, especially in the driest months. It must be noted that any potential dust coming from the pit is inert and is simply crushed rock that has not been treated with any chemical.

Additionally, the vegetal wall built around the project will minimize the dispersion of dust and will reduce the noise impact.



Image 5: Dust suppression.



Image 6: Vegetal wall.

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3.2 Winds:

An external report commissioned by the Spanish Agency of Meteorology (AEMET) confirms that winds in Cáceres blow from the west-southwest most of the time, 38.1% of the total. The direction of the winds, which remain homogeneous throughout the year, helps to blow away from the city the possible dust in suspension. The study, which collects measurements from 2008 to 2019 and was shared in a public [press release](#) on the 30th of January, 2020.



Image 7: Representation of the predominant winds in Cáceres. / Source: AEMET.



Image 8: Dry stack tailings.

3.3 Tailings:

The proposed dry-stack tailings (left, **Image 8**) are just piled crushed rock and allow to be covered in vegetation. The slurry ones referred by the platform do not exist in the project. How this system ensures filtrations are not possible was subject to a [press release](#) on the 12th of December, 2019.

3.4 Reverse Osmosis Plant:

An investment of up to \$10M has been proposed to build a reverse osmosis plant, that would maximize the reuse and recycle of all the water used in the internal process. The definitive feasibility study will incorporate improvements in the consumption of water.



Image 9: Reverse Osmosis Plant. Example.

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3.5 Continuous rehabilitation:

These digital reproductions of the project show the continuous revegetation of the tailings. After setting a waterproof layer that also protects the aquifer, the crushed rock is piled on then covered by grass, bushes, trees, etc. / SJV



Revegetation on tailings. The waterproof layer (just placed on **Image 10**) is the first step before piling the waste crushed rock in dry stack tailings (**Image 11**) and allows a continuous rehabilitation of the ground (**Image 12**).

3.6 Restoration options:

An investment of 16M€ is contemplated for the total recovery of the mining area. Some successful examples of rehabilitation from all around the world have been presented: an open-air concert hall (**Image 13**), a lake (**Image 14**), or an amphitheater (**Image 15**), are presented as some successful options from around the world. A detailed [press release](#) was shared on the 9th of January, 2020.



Image 13: Dalhalla Auditorium, Sweden.



Image 14: Elora Lake, Canada.



Image 15: Quarry Amphitheater, Australia.