



PRESS RELEASE

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UNLOCKING LITHIUM AT THE SALTON SEA

California-based EnergySource Minerals successfully develops lithium extraction technology platform

OCTOBER 14, 2019 (IMPERIAL VALLEY, CA) -- California-based EnergySource Minerals has developed a technology platform to extract battery-spec lithium from California's Salton Sea geothermal brine.

"EnergySource Minerals has successfully completed a feasibility study for the extraction and production of lithium from geothermal brine and is now proceeding toward a commercial lithium extraction initiative called Project ATLiS," said EnergySource Minerals CEO and President Eric Spomer.

"We have de-risked the project through an extensive engineering and piloting effort, utilizing commercially-viable techniques while collaborating with industry-leading partners. We envision an operation that will bring meaningful growth to the domestic lithium market, right when global demand is forecast to rise dramatically."

Companies have been operating on the Salton Sea geothermal resource area for over 50 years where geothermal brine plants offer 24/7 renewable energy. The brine is also rich in critical minerals needed for energy storage and electric vehicles. To date, lithium and other minerals have yet to be extracted for commercial use from the Salton Sea.

Pending detailed engineering and construction financing, Project ATLiS will lead the way, extracting lithium from the brine that already flows through the 55 MW geothermal Featherstone Plant, developed and operated by EnergySource, a sister company to EnergySource Minerals.

As a part of Project ATLiS, EnergySource Minerals will deploy its proprietary technology platform, Integrated Lithium Adsorption Desorption (ILiAD). ILiAD technology was derived from a blend of existing, mature and commercially-proven techniques used in lithium and adjacent industries in a novel arrangement.

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EnergySource Minerals will produce battery-spec lithium products from geothermal brine while having the smallest land use and carbon footprint in the industry. The small footprint will correspond to lower capital and operating costs that are highly competitive against the industry's cost curve. Pilot trials confirm impurity removal rates of greater than 99.9% and over 90% lithium recovery. Battery-spec materials have been produced at pilot scale, in close collaboration with industry partners.

"It's off-the-shelf technology uniquely applied to our brine," said Spomer. "We conducted rigorous testing to ensure the combined sequence was robust. As a consequence of this effort, we've found that the design can be applied to existing or proposed Salton Sea geothermal plants and other brine resources."

All efforts in technology utilization are squarely focused on a financeable commercial minerals extraction facility.

Using existing approaches already in operation around the globe, EnergySource Minerals worked with its vendor partners to offer direct commercial scale up designs and plans from its pilot operations. The company has commenced engineering on a full-scale commercial unit and does not foresee a need for a large-scale "demonstration" unit.

Moving forward, Spomer said there is still plenty of work ahead. "We have overcome the hard technical problems and hurdles that hampered previous Salton Sea mineral efforts. Now we have the task of project development before us. We're looking for solid partners needed to get us across the finish line."

Project permitting, engineering, financing, and implementation are underway. The next steps include securing over \$350 million in funding for project development and construction.

When in full operation, estimated to be early 2023, Project ATLIS is expected to generate over \$25 million per year in direct economic benefits to the local community, including employee salaries, royalties, utilities, and taxes. In addition with much of the materials, supplies and services being sourced locally, the annual maintenance program will infuse \$60 million each year.

According to the U.S. Department of Transportation, over half of the cars on the roads are projected to be electric by 2040. The lithium industry will need to grow by order of magnitude in production volume to support this growth. The Salton Sea will be a critical source for this global lithium market.

"We now have a path forward," said Spomer. "We have accomplished something that is necessary in the step toward commercial production. It's an unprecedented benefit not only to Imperial Valley, California, but to the wider region and the world."

For more information, visit www.esminerals.com

ABOUT ENERGYSOURCE MINERALS

EnergySource Minerals is a privately held company leading the development of Project ATLiS, a premier lithium project located in Imperial County, California, United States.

EnergySource Minerals, in coordination with its EnergySource affiliate, focused on geothermal power operations and development on the Salton Sea resource area, to expertly operate every stage of project origination, permitting, plant engineering, construction, project financing and operations.

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