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**From:** Alexi Zawadzki [REDACTED]  
**Sent:** Thursday, November 21, 2019 5:10 PM  
**To:** edwardab@aol.com  
**Cc:** Tim Crowley; Maria Anderson  
**Subject:** Thacker Pass Project

Mr. Bartell,

Thank you for your recent letter. I appreciate your questions about the Thacker Pass project and look forward to talking with you in the near future about our plan, water use, impacts and benefits to the area. Lithium Nevada has resolved to develop a mine and processing facility that uses best mining practices to reduce water consumption, air and noise emissions, and physical footprint. In fact, we are targeting to be carbon-neutral, which would be a world-first for a lithium mine.

Lithium Nevada has spent the first half of 2019 preparing a Plan of Operations (PoO) for the Bureau of Land Management (BLM). The PoO is now complete and was recently submitted to the BLM. I have mailed to you a flash-drive with the Plan. In it, you'll find a detailed layout of our proposed facilities including the mine, plants, waste rock areas, production wells and dry-stack tailings facility.

I am a hydrologist, and therefore I understand why it's important to get ahead of water issues early. We contracted with Piteau Associates, a leading consultancy that focuses on groundwater, to conduct a detailed water study to demonstrate how the proposed project will change the regional groundwater conditions. Piteau spent eight years collecting data, developed a state-of-the art groundwater model and produced a comprehensive report. The first draft of this study was completed last week and submitted to the BLM and State of Nevada for review. I have included it on the flash-drive, too. Please understand that the reviewing agencies may make some edits, but the overall findings should remain the same.

You'll be pleased to know our operation will use very little water – approximately 2,500 acre-feet of well water per year. The water will be recycled in a closed-loop fin-fan cooling circuit (instead of evaporative coolers) saving more than 1,000 acre-feet per year. Nearly all process water and condensate is evaporated in crystallizers and recycled. All attrition scrubbing water will be reused. All mine tailings will be filter pressed and dried to optimal moisture content for stacking. The recovered water will be returned to the process. These strategies flow from our philosophy to be a world-class facility with the lightest possible environmental footprint. This is costing us a lot of money, but I know it's money well spent as our impacts are minimized to the maximum extent possible.

The water we'll use for our efficient plant comes from rights we acquired at the Home Ranch, and from a ranch owned by Lithium Nevada in Orovada (Rancho Lithia). Agricultural rights are converted to mining and milling rights at a rate of approximately 75%, which means that ~25% of the current water rights will be returned to the Quinn River basin. The pumping will be diverted from the Home Ranch Rancho Lithia to LNC's Quinn Well, which is located approximately three miles to the west of the Home Ranch (just west of the Quinn River). Thus, there will be no additional pumping of groundwater in the region – rather, water use will simply transition from irrigation to mining and milling, with the point of diversion moving westward. The proposed water abstraction is not expected to impact any mapped springs or water rights. In fact, moving the abstraction point reduces the stress on the aquifer east of the Quinn River where there are numerous agricultural wells. Other than the Quinn Well and related infrastructure, LNC is not planning to have any facilities in T 44N R 36E.

I wanted you to have these reports in advance of meeting with you and talking through the specific questions you raise in your letter. Although the holidays represent some logistical complications, I'm sure we can find some time in December or January to meet in person or by phone.

Please let me know your availability. I look forward to speaking with you.

Best regards,

**Alexi Zawadzki**  
**CEO, Lithium Nevada Corp.**  
**A Lithium Americas Company**

