

FACT SHEET

(Pursuant to Nevada Administrative Code [NAC] 445A.401)

Permittee Name: **Cypress Holdings (Nevada) Ltd.**
Project Name: **Tonopah Airport Lithium Processing Demonstration Facility**
Permit Number: **NEV2026117**
Review Type/Year/Revision: **New Permit 2026, Fact Sheet Revision 00**

A. Location and General Description

Location: The Facility is located in Sections 1 and 12, Township 2 North (T2N), Range 43 East (R43E), and Sections 6 and 7, T2N, R44E, Mount Diablo Baseline and Meridian, within the town of Tonopah, Nevada, on land owned by Nye County as part of the Tonopah Airport facility. Facility address is 120 Airport Road, Tonopah, NV 89049.

General Description: The facility consists of a demonstration processing facility contained within a single-footprint warehouse, two existing double-lined tailings ponds, and a buried pipe-in-pipe conveyance between the process facility and the tailings ponds.

B. Synopsis

Background/History:

This demonstration processing facility is similar to a metals recovery facility in Armargosa Valley, permitted under Water Pollution Control Permit (WPCP) NEV2020101. Additionally, the ponds identified in this permit as Tailings Ponds were previously constructed under WPCP NEV2012103. That permit was revoked by NDEP in 2018. Responsibility for closing the four existing process ponds at that time was assumed by the Nye County Commissioners, as the airport is on property owned and managed by the county. However, no closure activities were performed, and two of the process ponds remain available for use by this facility. The ponds were originally constructed as double-lined ponds with leak detection.

Geology:

Based on data obtained from the USACE and the Nevada Bureau of Mines and Geology, the subsurface lithology in the vicinity of the Tonopah Airport Facility is primarily basin fill geology. From about 10 feet to 60 feet below ground surface (ft. bgs), the site is primarily gravelly sand and concrete rubble from historic construction activities stretching back to the 1940's. From about 60 ft to 200 ft bgs are older Pleistocene alluvial and lacustrine basin-fill deposits which are poorly consolidated and reflect cyclic wetting and drying under the closed-basin hydrologic regime. From about 200 ft. to 500 ft. bgs, the subsurface is Tertiary-age basin fill and compacted lacustrine clays. Historically, no groundwater has been encountered at less than 500 feet bgs in the area.

Facility:

The demonstration facility consists of a process plant, two existing ponds, and a pipe-in-pipe buried conveyance moving fluid between the process plant and the ponds.

The process plant is a 100-foot x 50-foot concrete slab with 4-inch stem walls, constructed with water stops and a chemical-resistant epoxy coating. The process plant will also have a 4-foot cubic sump. The containment volume of the process plant floor will be approximately 12,467 gallons, which is greater than the total anticipated volume of tanks in the facility. The largest tank in the facility are the 2000-gallon water and make-up water tanks. No internal dividers are planned for the facility, and the entire slab will slope at a 1% grade to the sump.

The demonstration processing facility is designed for flexibility, with small quantities of various reagents stored on site. Ore will be shipped to the facility in 30-cubic-foot super-sacks and stored inside the main building. It will then be put through various aqueous processes. The results of the process are tailings solids, which will be processed, tested, and disposed of at the Tonopah landfill; lithium precipitate, which is the desired end product, and recycled process water, which should be clean after moving through an RO process system.

Any excess process water will be sent to the tailings ponds through a buried pipe-in-pipe system. The outer pipe will be six-inch high density polyethylene (HDPE), and the inner pipe will be two-inch HDPE; both pipes will be open and free-draining at the pond-end. Pumps will enable pumping back up the pipeline to the process facility, to recycle water back into the process.

The tailings ponds were constructed in 2016 as double-lined and leak-detected ponds. The liner system consists of a prepared subgrade, 60-mil HDPE secondary liner, a geonet, and a 60-mil HDPE primary liner. However, the ponds have been in place unattended since the permit they were constructed for was revoked (*See Background/History*). A Schedule of Compliance item has been placed in the permit for hydrostatic testing to determine the integrity of the liner system before it will be allowed to be used in the process.

At the end of the demonstration period, all facilities and buildings will be removed. The tailings ponds, which should contain only sodium chloride at closure, are currently proposed to be capped with a neutralizing material and left in place. Stormwater diversion channels are extant to the airport facility, and will remain after closure.

C. Receiving Water Characteristics

The facility is located on the property of Tonopah Airport, which is owned and managed by Nye County. Water for the process will be sourced from the City of Tonopah Public Utility, which pumps the water approximately 14 miles from the Ralston Valley well field to an on-site water main. From the water main, raw water will be pumped to a 2,000-gallon storage tank located at the plant building. No wells are located on site or in the immediate area, with the Ralson Valley well field

being the closest. Investigations performed by the United States Army Corps of Engineers (USACE) in 1998 and 2006 indicate that depth to groundwater below the airport facility is greater than 500 feet, with no surface water bodies present in a five-mile radius.

D. Procedures for Public Comment

The Notice of the Division's intent to issue a Permit authorizing the facility to construct, operate and close, subject to the conditions within the Permit, is being published on the Division website: <https://ndep.nv.gov/posts/category/land>. The Notice is being mailed to interested persons on the Bureau of Mining Regulation and Reclamation mailing list. Anyone wishing to comment on the proposed Permit can do so in writing within a period of 30 days following the date the public notice is posted to the Division website. The comment period can be extended at the discretion of the Administrator. All written comments received during the comment period will be retained and considered in the final determination.

A public hearing on the proposed determination can be requested by the applicant, any affected State or intrastate agency, or any interested agency, person or group of persons. The request must be filed within the comment period and must indicate the interest of the person filing the request and the reasons why a hearing is warranted.

Any public hearing determined by the Administrator to be held must be conducted in the geographical area of the proposed discharge or any other area the Administrator determines to be appropriate. All public hearings must be conducted in accordance with NAC 445A.403 through NAC 445A.406.

E. Proposed Determination

The Division has made the tentative determination to issue the new Permit.

F. Proposed Limitations, Schedule of Compliance, Monitoring, Special Conditions

See Section I of the Permit.

G. Rationale for Permit Requirements

The facility is located in an area where annual evaporation is greater than annual precipitation. Therefore, it must operate under a standard of performance which authorizes no discharge(s) except for those accumulations resulting from a storm event beyond that required by design for containment.

The primary method for identification of escaping process solution will be placed on required routine monitoring of leak detection systems. Specific monitoring requirements can be found in the Water Pollution Control Permit.

H. Federal Migratory Bird Treaty Act

Under the Federal Migratory Bird Treaty Act, 16 U.S. Code 701-718, it is unlawful to kill migratory birds without license or permit, and no permits are issued to take

migratory birds using toxic ponds. The Federal list of migratory birds (50 Code of Federal Regulations 10, 15 April 1985) includes nearly every bird species found in the State of Nevada. The U.S. Fish and Wildlife Service (the Service) is authorized to enforce the prevention of migratory bird mortalities at ponds and tailings impoundments. Compliance with State permits may not be adequate to ensure protection of migratory birds for compliance with provisions of Federal statutes to protect wildlife.

Open waters attract migratory waterfowl and other avian species. High mortality rates of birds have resulted from contact with toxic ponds at operations utilizing toxic substances. The Service is aware of two approaches that are available to prevent migratory bird mortality: 1) physical isolation of toxic water bodies through barriers (e.g., by covering with netting), and 2) chemical detoxification. These approaches may be facilitated by minimizing the extent of the toxic water. Methods which attempt to make uncovered ponds unattractive to wildlife are not always effective. Contact the U.S. Fish and Wildlife Service at 1340 Financial Boulevard, Suite 234, Reno, Nevada 89502-7147, (775) 861-6300, for additional information.

Prepared by: Allie Thibault
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Revision 00: New Permit.