



# The Red Valley Lithium Brine Project, Utah

November 2016



# Capital Structure



- Shares on issue = 310,542,182
- Market capitalisation (at 1 cent) = \$3.1 million
- Cash = \$1.6 million
- Enterprise value (at 1 cent) = \$1.5 million

# A Fresh Approach



- **New board**
  - Jeremy King
  - Jason Bontempo
  - Lincoln Ho
- **Tight capital structure, leveraged to success**
- **Gold & energy metals focus**
- **New Lithium Brine Project with significant upside: Red Valley Project**

# Lithium: Brine vs Hard Rock



- **Lithium Brine Projects Produce Almost 70% of Global Production**
- **Compared to hard rock, Brine Projects are:**
  - **Cheaper** to explore
  - **Faster** to put into production
  - **Lower** CAPEX
  - **Longer** mine life

	Hard Rock	Brines
Exploration	\$5-10M 1-5 years	\$1-2M 1-2 years
Feasibility Studies	\$5-10M 2-3 years	\$2-3M 1-2 years
Bankable Feasibility	\$10-40M 2-5 years	\$8-10M 2 years
Construction	\$250M-\$1B 2 years	\$100-300M 1 year

COURTESY: [C. Doornbos](#)



# Lithium Brines on a Global Scale



**USA, China & South America are the only Lithium brine producers**

COURTESY: <http://www.energyandcapital.com>

# Clayton Valley (Nevada, USA)



Holds the Silver Peak Mine:

- Owned by Albermarle (NYSE: ALB, MC = \$9.43B)
- **North America's only Lithium brine producer**
- **50 years** in production and counting



*Lithium Operation At Silver Peak*

# Unique Opportunity



- For 50 years, Clayton Valley has been North America's only site of Lithium brine production *but*:
  - Ground waters have all been allocated to Albemarle Corp
  - Extensive and multiple mineral claim positions cover the valley
  - Drilling in the southern parts of the valley has not found Lithium
- RMX is chasing USA's second **conventional, long-life, Lithium brine production province** at the **Red Valley Project** in Utah
- RMX targeting **control** of new **Lithium brines province**

# Attractive Earn-In Terms



- Try **before** you buy:
  1. **Drill**
    - Walk-up drill targets mapped and staked, ***near term drilling***
  2. **Get results**
    - Simple drilling & results analysis (US\$200,000 – US\$350,000)
  3. **Then, option to acquire 51% of Project for US\$250,000**
    - No share dilution
- Red Mountain **fully funded** for entire phase
- Ability to own up to 80% by **\$\$** in the ground



# Red Valley (UTAH, USA)



- Total Red Valley Project area comprises circa 15,000 acres, **sufficient scale** to support a long-life brine project

Project boundary with State highway, rail and power line



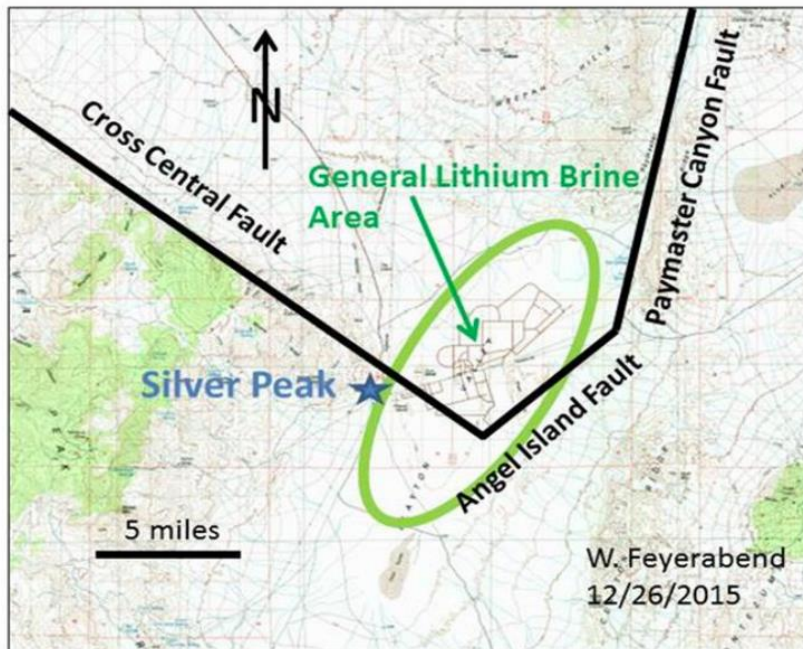
- A **remarkable** Clayton Valley lookalike

# Red Valley (UTAH, USA)

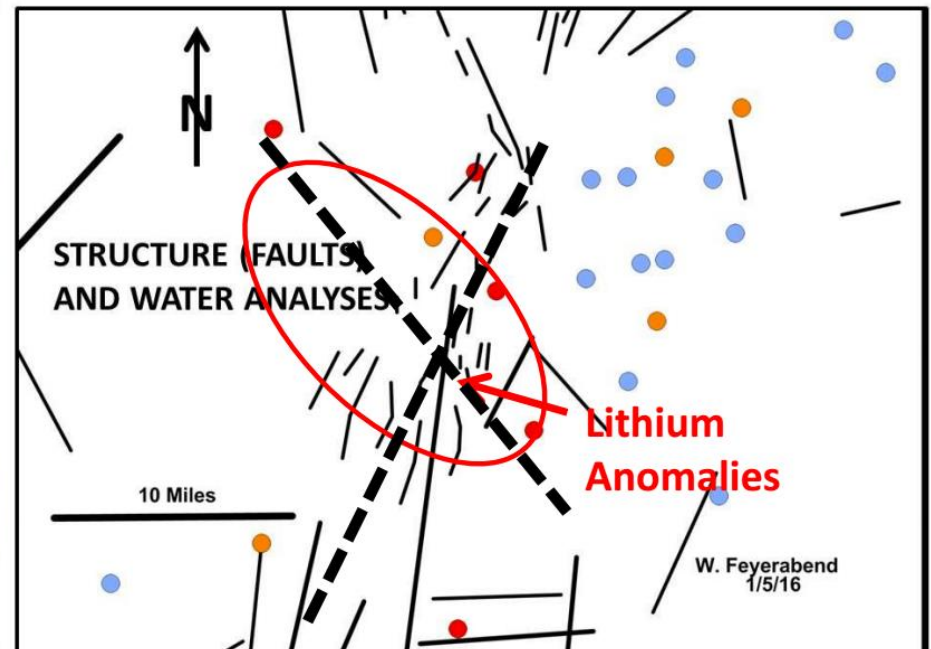


**Regional and Local Faulting:** Similar structural settings provide requisite fluid migration systems

## Clayton Valley



## Red Valley

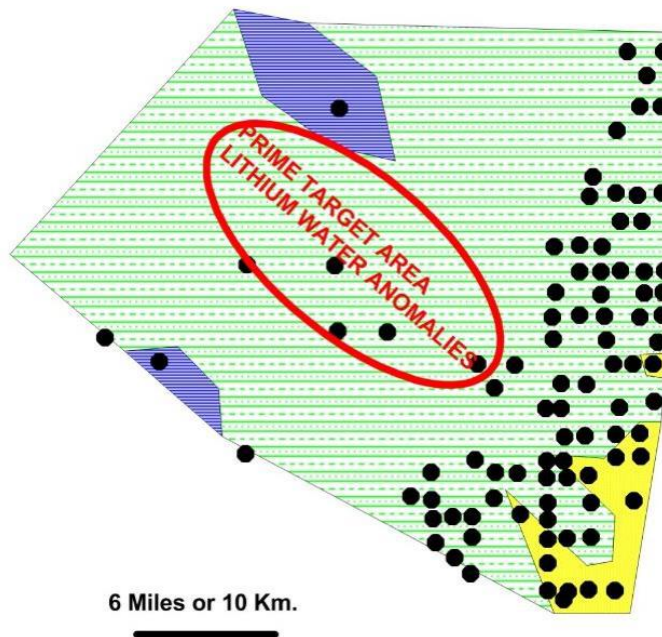


# Red Valley (UTAH, USA)



**Requisite Basin qualities:** Lithium enrichment alone is not enough for conventional brine production -- the correct reservoir characteristics are required.

## BASIN SEDIMENTARY PATTERNS



While water wells generally are only 50 - 250 feet deep, they establish the pattern of sedimentation in the basin.

Target area lies in pattern of alternating potential reservoirs and caps - as Clayton Valley.

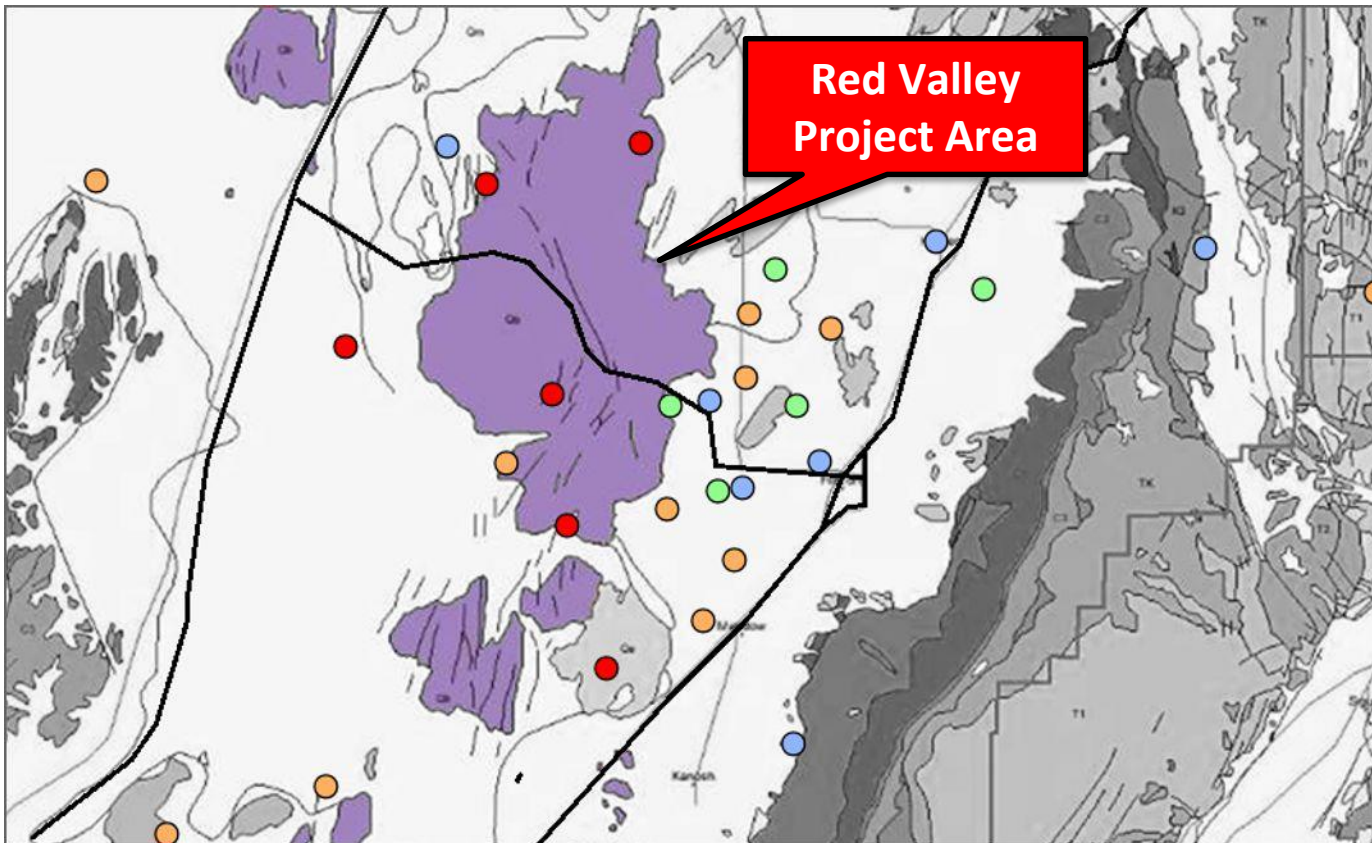
- Water well
- Sand and gravels - No cap
- Alternating gravels, sands, silts and clays - Potential reservoirs and caps
- Clay - no porosity / permeability



# Red Valley (UTAH, USA)



**Anomalous Lithium water values:** Red Valley Lithium in water comparable to Clayton Valley anomalous levels (1 to 3 ppm)



## LITHIUM

- 0.5 to 2.4 ppm
- 0.1 – 0.5 ppm
- 0.02 ppm – 0.1 ppm
- 0.001 – 0.02 ppm

# A geologic analogue . . .



GEOLOGICAL CHARACTERISTIC	CLAYTON VALLEY	RED VALLEY
SOURCE - LARGE SCALE LITHIUM - ENRICHED ROCKS	✓	✓
BASIN CONTAINS FINE SEDIMENTS FROM LITHIUM ENRICHED SOURCES	✓	✓
ANOMALOUS LITHIUM IN WATERS	✓	✓
VERTICALLY STABLE - OLD SEDIMENTS OUTCROP AROUND BASIN	✓	✓
POTENTIAL AQUIFERS FROM CYCLICAL SEDIMENTATION	✓	✓
EXTENSIONAL FAULTING	✓	✓
LARGE SCALE FAULTING	✓	✓
TRAVERTINE IN DRILL LOGS	✓	✓
RECENT BASALT VOLCANISM	✓	✓



# An experienced JV partner



## Bill Feyerabend (B.Sc Geology)

Arizona-based certified professional geologist for over 40 years

- Vast **experience** in the Clayton Valley
- Author of **expert reports** for Clayton Valley players:
  - Lithium-X (MC: C\$120m)
  - Pure Energy (MC: C\$57m)

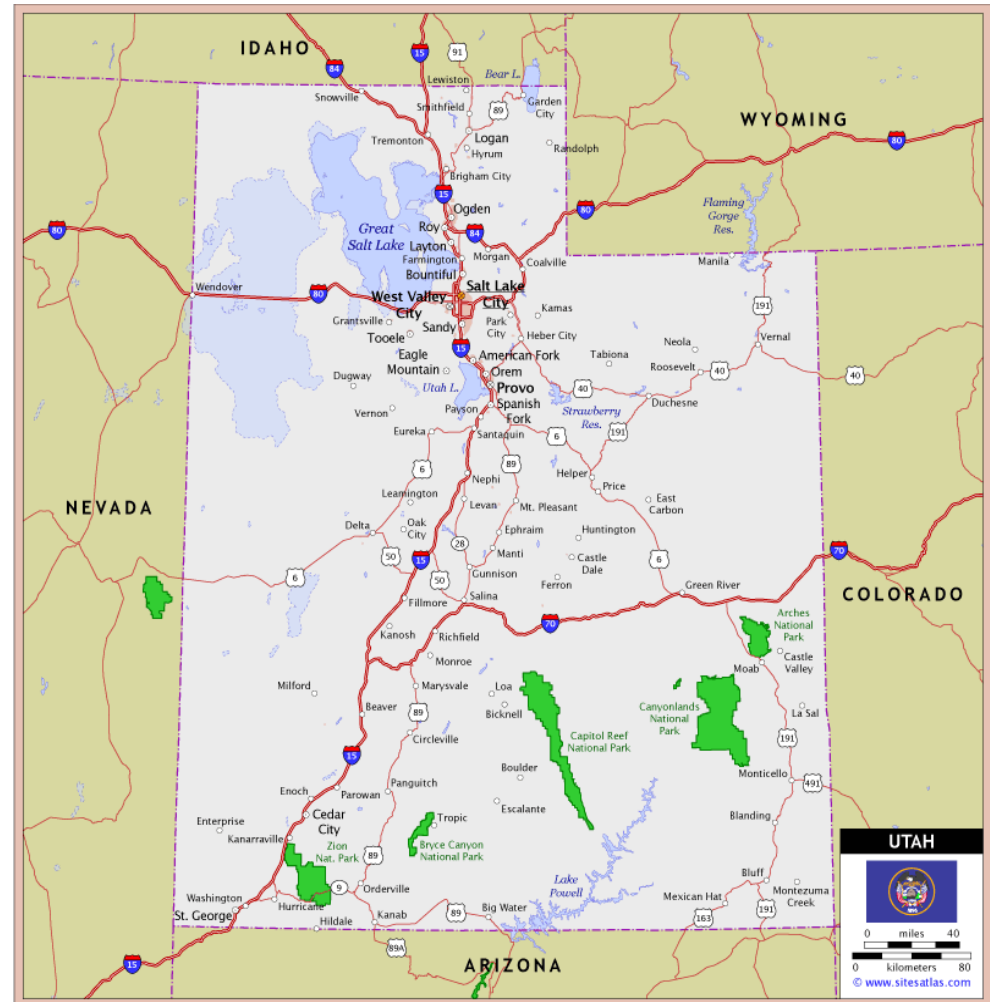


*On-site in Clayton Valley*

# UTAH: A Mining Jurisdiction



- Voted **top 10** mining jurisdiction in the world, 2015
- **Backyard of Tesla**, Faraday electric car plants in Nevada
- Tesla seeking to source lithium **exclusively** from North America
- Power, high-quality roads, workforce, rail, all **on doorstep of project**



# Catalysts for growth



1. Anticipated Red Valley drilling commencement 6 - 10 weeks
2. Analysis for commercial lithium values shortly thereafter
  - On drilling success, *significant* upside
3. New board continuing to **seek further opportunities** in gold and **new energy metals sector** to deliver further growth

# Summary



- An opportunity to **control** USA's **Next Lithium Brine Province**
- A **geological analogue** to Clayton Valley
- Exploration **Fully Funded** With No Share Dilution
- Earn-in and JV Partner = Geologist With Over 40 Years Experience
- Micro Enterprise Value At Current Share Price
- A Major **Value Catalyst** if Successful