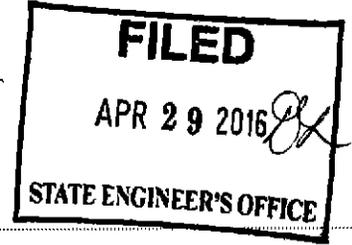


IN THE OFFICE OF THE STATE ENGINEER OF THE STATE OF NEVADA

IN THE MATTER OF APPLICATION NUMBER 86141T
FILED BY Intor Resources Corporation
ON April 22, 2016



PROTEST



Comes now Albemarle Corporation and its subsidiary Rockwood Lithium, Inc.

Printed or typed name of protestant

whose post office address is PO Box 98, State Route 265, Silver Peak, Nevada 89047

Street No. or PO Box, City, State and ZIP Code

whose occupation is mining company

and protests the granting

of Application Number 86141T, filed on April 22, 2016

by Intor Resources Corporation for the

waters of an underground source situated in Esmeralda

an underground source or name of stream, lake, spring or other source

County, State of Nevada, for the following reasons and on the following grounds, to wit:

See Exhibit A attached hereto.



THEREFORE the Protestant requests that the application be DENIED

Denied, issued subject to prior rights, etc., as the case may be

and that an order be entered for such relief as the State Engineer deems just and proper.

Signed Ross E. de Lipkau
Agent of protestant

Ross E. de Lipkau
Printed or typed name, if agent

Address 50 W. Liberty St., Suite 750
Street No. or PO Box
Reno, NV 89501
City, State and ZIP Code

State of Nevada

County of WASHOE

Subscribed and sworn to before me on April 29, 2016

775-323-1601
Phone Number

by ***Ross E. de Lipkau***

rdelikau@parsonsbehle.com
E-mail



Roni L. Shaffer
Signature of Notary Public Required

Notary Stamp or Seal Required

+ \$30 FILING FEE MUST ACCOMPANY PROTEST. PROTEST MUST BE FILED IN DUPLICATE.
ALL COPIES MUST CONTAIN ORIGINAL SIGNATURE.

Exhibit A to Protest to Application 86141T

1. Application 86141T, under the remarks section, item 15, is vague. The application does not specify how the lithium brine will be developed and processed, and whether brine, after it has been removed from the brine aquifer, will be processed. Will the entire volume of 1,769.95 acre-feet be consumed with large volumes, being 3.0 cfs, or a portion thereof, be reinjected? Application 86141T is therefore confusing, misleading and should be promptly denied.

2. On information and belief, the base permit, being Permit No. 44411, Certificate of Appropriation 13631, has been forfeited, such waters not having been placed to a beneficial use within the last 5 years.

3. The contemplated effect of Application 86141T is a conversion of groundwater from Clayton Valley's "fresh water aquifer" to Clayton Valley's "brine aquifer." The State Engineer is precluded by law from such conversion.

Assuming that temporary Application 86141T, or any application(s) to change such temporary application, seeks to reinject Clayton Valley brine after it has been processed and the lithium removed, then the following protest items are included herein:

4. Pursuant to NRS 533.370(1)(c)(1), the application is not filed in good faith.

5. Pursuant to NRS 533.370(1)(c)(2), the applicant lacks financial ability and any reasonable expectation to construct the processing plant, and apply the water to the intended beneficial use. The design and efficiency of the contemplated plant is not yet known or proven. It is unknown what the efficiency of the contemplated plant would be. The reinjection of spent geothermal fluids would cause the following unknown factors to occur:

- A. Will organic material be removed before the spent brine is reinjected?
- B. Will the injection of the spent geothermal brine impact the geothermal activity which plays a role in lithium release to the brine?
- C. Reinjection of the spent geothermal fluids is quite similar to fracking, and is unknown what effect the reinjection on the unstructured playa system, and near bedrock injection.

6. There is no unappropriated water in the proposed source of supply as set forth in NRS 533.370(2). The current permitted volume is 118% of the perennial yield. The State Engineer determined that the Clayton Valley groundwater basin, assigned Basin 143, is in need of administration as on March 7, 2016, he entered Order 1275 designating such basin due to this over-appropriation.

7. Pursuant to NRS 533.370(2), the granting of Application 86141T would conflict with the existing permitted and certificated groundwater rights of Protestant. An unreasonable lowering of the groundwater would occur. In addition thereto, the proposed reinjection of the brine, with lithium removed, would create dilution, adversely impacting or rendering the entire

brine ore body useless. Protestant would therefore lose efficiency. It is not specified where reinjection would occur. It would be a detriment to the fragile eco-system to inject organics or pressurize the system (which may cause earthquakes and structural instability of the playa through liquification of the ash/clay strata. Unknown impacts on geothermal activity, which plays a role in the release of the lithium from the strata, would result in a destruction of the lithium ore deposit, which would require Protestant, if the application were granted, to cease operations. Protestant is the largest employer in Esmeralda County, Nevada.

8. Pursuant to NRS 533.370(2), the granting of Application 86141T would prove detrimental to the public interest, as the contemplated mining plan by the applicant would dilute the brine solutions in the Clayton Valley, rendering the entire groundwater basin unusable for mineral extraction purposes. The prior rights of Protestant would be destroyed. The reinjection, in addition to causing a dilution of the brine solution, would cause "pollution" to the aquifer, as the reinjected fluid would contain toxic minerals. The injection of spent geothermal fluids may impact the geothermal activity and reinjection may impact faults that create the aquifers into which the lithium pools.

9. Pursuant to NRS 533.370(4)(h), authorization from a multitude of federal agencies is required to operate and mine lithium brine upon the unpatented mining claims. No such governmental approvals, whether they be federal, state or local, have yet been obtained.

10. Pursuant to NRS 533.370(4)(i), the application does not sufficiently describe the process wherein the State Engineer can act upon the application. Stated differently, the application, on its face, does not allow Protestant, the State Engineer, or the public in general, to understand the means of processing the proposed lithium. The lithium exists in the brine due to the transfer of lithium from the ash and clay into the brine which concentrates over time, further dilution with cold water may result in less lithium leaving the ore body. The effect, however, is readily apparent as dilution and destruction of the entire lithium ore body is clearly contemplated, and would result if Application 86141T were granted and pumping and reinjection actually occurred.

11. Pursuant to NRS 533.371(4), the State Engineer is required to deny an application of water for a specified period of time, if the State Engineer determines that there is no available water from the proposed source as the proposed source is currently over-appropriated, and any additional consumption of water would exceed the safe yield. The proposed use would conflict with existing rights, as the Clayton Valley groundwater basin would be seriously over-appropriated, and extreme lowering of the several aquifers would be lowered in both quantity and in quality.

The proposed use does, in fact, clearly prove detrimental to the public interest, as Protestant has been carefully monitoring the Clayton Valley basin, and doing such in a manner which does not unreasonably lower the various static water levels, nor the lithium brine concentration. Any further pumping would decrease the levels of brine in both quality and quantity. Dilution would destroy the entire aquifer.

12. The applicant has not disclosed enough data to evaluate the actual impact from their proposed operation. Recharge and Recovery data is needed to fully evaluate their plan. Further,

no information is set forth in the application regarding the director's officers, and facts enabling the State Engineer to determine whether the applicant has the financial ability to carry out the proposed work, and whether the application has been made in good faith. NRS 533.375(2).

13. Protestant is the owner of record of permitted and certificated groundwater rights authorizing Protestant to develop up to 20,000 acre-feet annually of brine solution, which is the entire yield of the basin. Third parties are the owners of record of additional volumes of water, the total permitted volume of water in the Clayton Valley groundwater basin being 23,681 acre-feet annually.

14. Application 86141T is apparently, on its face, a "super permit," and it does not state the number of actual production wells, and the location and depth of any and all reinjection wells. The application is therefore deficient.

15. The applicant does not have adequate permits as granted by the State of Nevada and the United States to operate its contemplated mining activities.

16. Based upon public records, the applicant is speculating on the success of this application, and is not proceeding in good faith. In addition the State Engineer has an obligation to protect existing rights against such speculation.

17. The proposed Application 86141T would, as set forth above, conflict with and lower the quality and depth of the prior rights of Protestant and other holders of groundwater rights with Clayton Valley groundwater basin as the source.

18. The contemplated method of recovery as proposed by the applicant is extremely high in energy use, and is therefore environmentally unsound. A capable energy source is not available for the applicant's proposed use and thus energy delivery would result in additional impacts to the playa surface.

19. The granting of Application 86141T would result in consumption of groundwater far in excess of replenishment, which would require the State Engineer to order the Permittee, if the application were granted, to cease pumping pursuant to NRS 534.110(6).

20. The injection of the spent brine, with lithium removed, and toxic chemicals added, will create pollution to the brine aquifer, contrary to federal, state and local laws. The applicant should be required to conduct an analysis that shows that this reinjection containing potentially toxic organic materials will not impact the fresh water wells also operating in the Clayton Valley.

It is respectfully requested that the State Engineer deny Application 86141T.