



"Capabilities for Municipal & Industrial Applications"

STW WATER CAPABILITIES: STW assesses the customer's water processing needs and oversees all project phases including; Analysis, Regulatory, Technology, Implementation and Operation. STW's business model provides consultation services, full process design & engineering, fabrication, installation & commissioning, training, on-going operation & full maintenance, troubleshooting, repairs and other services.

STW BUSINESS MODEL: STW Water will design, build, own and operate water systems for some customers simply offering our reclamation and water management services. NO capital expense to our Customers for our systems. STW will process water for a fee per 1,000 gallons.

STW provides industry leading patented technologies with Texas based Manufacturing Partners:

- **DESALINATION:** Brackish water, High brackish water or Seawater or Geothermal Water: STW's DyVaR system combined with a Hybrid high brackish high recovery or Seawater Reverse Osmosis System or the water from geothermal operations will have no environmentally sensitive concentrated brine reject discharged into the local waterways.
- **ZERO LIQUID DISCHARGE:** STW DyVar technology is a Zero Liquid Discharge system capable for 95%+ of the fresh water recovery in the process.
- TOILET TO TAP TECHNOLOGY: STW's Toilet to Tap technology with its advanced pre-treatment process
 combined with Hybrid high brackish high recovery or Seawater Reverse Osmosis System is capable to purify
 contaminated water with variety of complex water quality thereby preventing fouling attacks on membranes & allowing
 reliable operation with significantly reduced operating expenses and decreased power consumption.
- **NEW EMERGING TECHNOLOGY:** STW with its manufacturing partner is developing patent process design capable to remove all contaminants in water but chlorides (hardness, sulfates, TSS, hydrocarbons) along with a patent process design for leachate removal. These patented processes will be highly beneficial to oil & gas market for water reclamation and reuse.

SALTTECH





Processing and Zero Liquid Discharge of Seawater, Brackish Water, Flowback & Produced Water

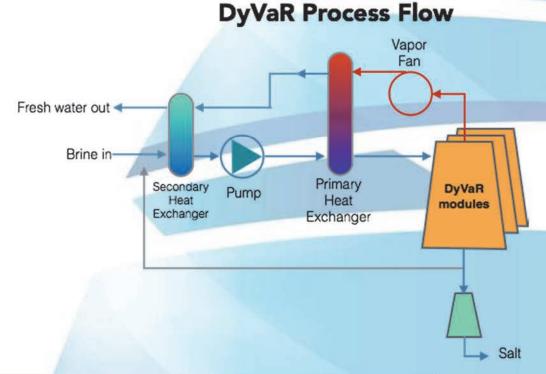
STW/Salttech Midland, Texas

Salttech DyVaR Desalination Solution





This system is currently operating in West Texas processing brackish water for a municipality



ENVIRONMENTAL BENEFITS: If the STW/Salttech DyVaR Technology is placed inline with a Seawater Desalination System or used with a Geothermal Operation, there will be NO potentially environmentally sensitive brine concentrate discharged into the local waterways since the system is Zero Liquid Discharge and 93-97% of the fresh water is recovered in the process. The waste stream is salt crystals and minerals.



STW/Salttech Technology: Dynamic Vapor Recompression (DyVaR) DESALINATION TECHNOLOGY

- DyVaR applicable for all kinds of highly concentrated fluids
 - Removes Total Dissolved Solids (TDS)
 - Removes Hardness
 - Removes TSS
 - Removes Volatiles
 - Disinfection technology
- DyVaR is a <u>modular system</u>

- DyVaR uses <u>no chemicals</u>,
 DyVaR uses <u>no membranes</u>
 DyVaR requires <u>no pretreatment</u>
 DyVaR requires little operator attention
- DyVaR has very high energy efficiency
- DyVaR is *insensitive to scaling or fouling*
- DyVaR is designed for continuous operation



ENVIRONMENTAL IMPACT: If placed inline with a Seawater RO System or used with a geothermal operation, there will be no potentially environmentally sensitive brine concentrate discharged into the local waterways since the system is Zero Liquid Discharge and 93-97%+ of the fresh water is recovered in the process. The waste stream is salt crystals and minerals.

Crystallization

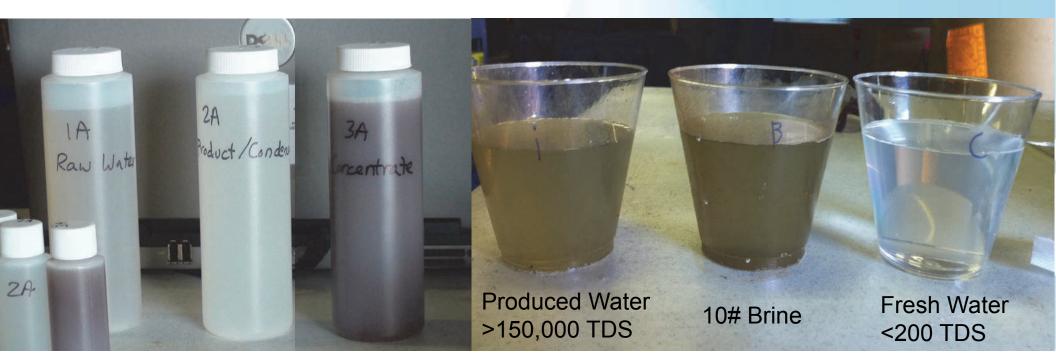
Utilizing the DyVaR system, it is possible to concentrate any saline liquid to a crystallization level. It is also possible to create a 10# Brine liquid.

Ultra Low Scaling - In comparison to other evaporation technologies, any scaling effects in the DyVaR system will be mitigated since boiling place in the individual DyVaR modules and not in the heat exchanger. The re-circulation rate combined with the velocity of the re-circulating liquid is so high that any formed crystal will be removed by the force of the liquid itself.

No Chemicals or Filters Used - Footprint for a 3,000 bbl/day system is approximately 30' x 40' Footprint for a 5,000 bbl/day system is approximately 50' x 80'

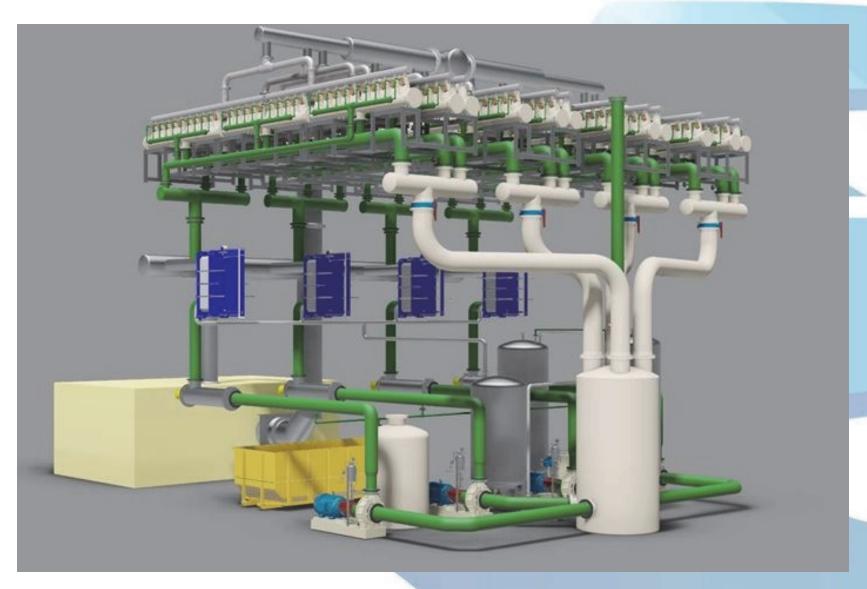
Zero Liquid Discharge (ZLD) - The two effluent streams are approximately 96+% fresh water and 10# Brine or salt crystals. If 10# brine is needed for drilling operations, the crystallized salt can be transported and mixed at the location for a lower cost than transporting liquid brine.

Oil & Gas Produced and Flowback Water - Will process up to 300,000 TDS water and reduce TDS and salt content to <200 TDS





"DyVaR 2700 3-D Drawing"

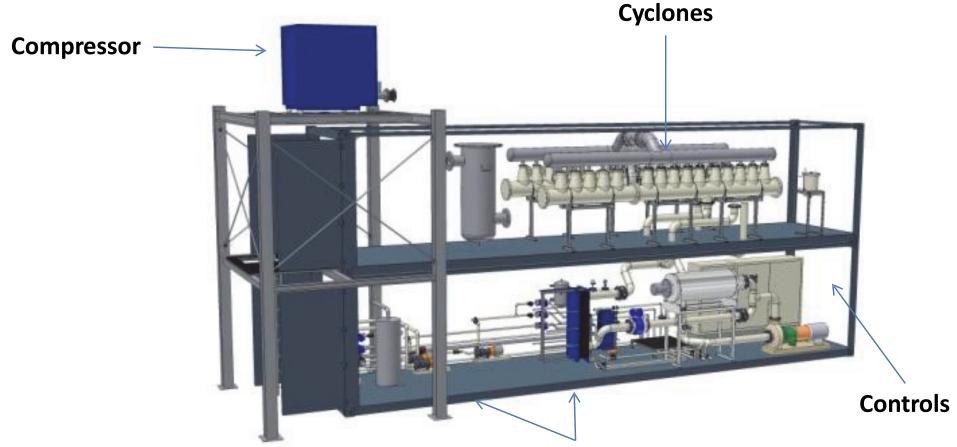




"DyVaR Systems"

A Subsidiary of STW Resources Holding

Demo system- Containerized Model



Based on 40 ft sea containers

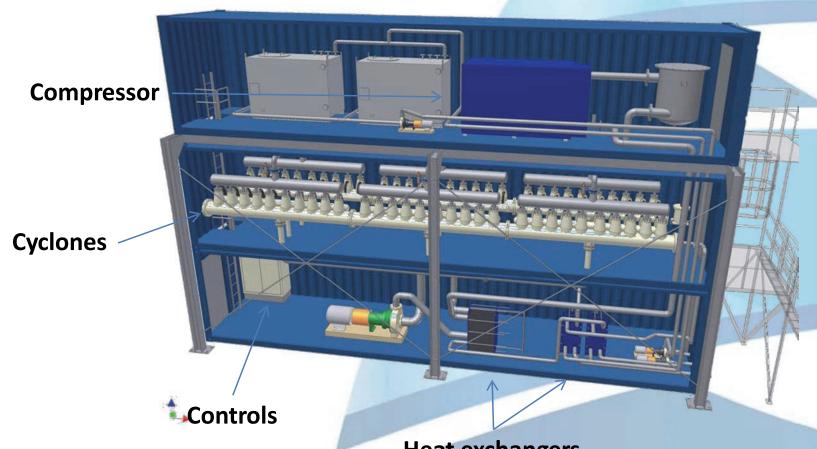
Heat exchangers



"DyVaR Systems"

A Subsidiary of STW Resources Holding

Containerized Modular Design



Based on 40 ft sea containers

Heat exchangers



"DyVaR Systems"

A Subsidiary of STW Resources Holding



30 cyclones in row = **1 string**

90 cyclones in 3 rows of 30 = **1 section**

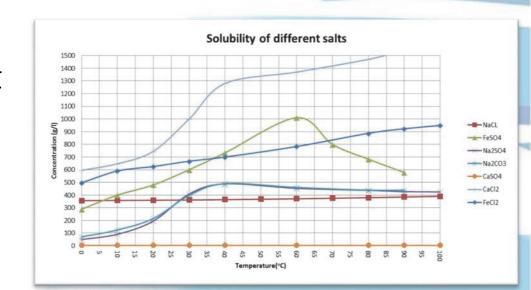
1 string of 3 modules (or 30 cyclones) can be fed from 1 header

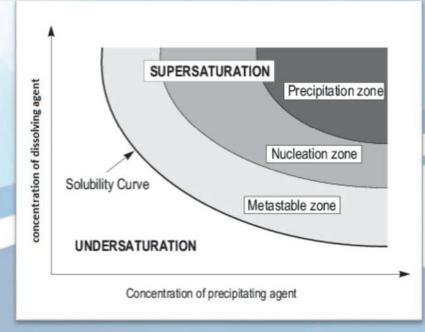
3 strings of 3 modules (or 90 cyclones) can be fed by 1 pump



"DyVaR Systems Crystallization"

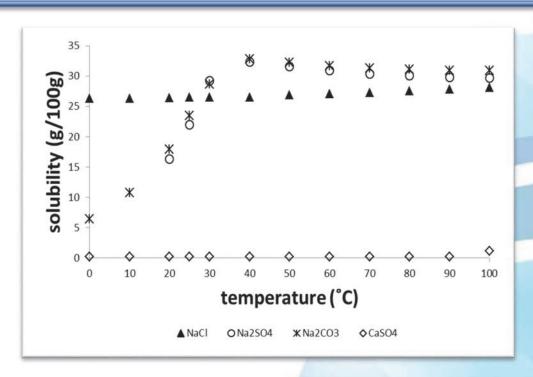
- Positive and negative ions can combine into different molecules
- A molecule will form and crystallize when a super saturation of the positive and negative ions that make it up are present
- Salt molecules have different points of super saturation depending on for example: composition, temperature, pressure etc.







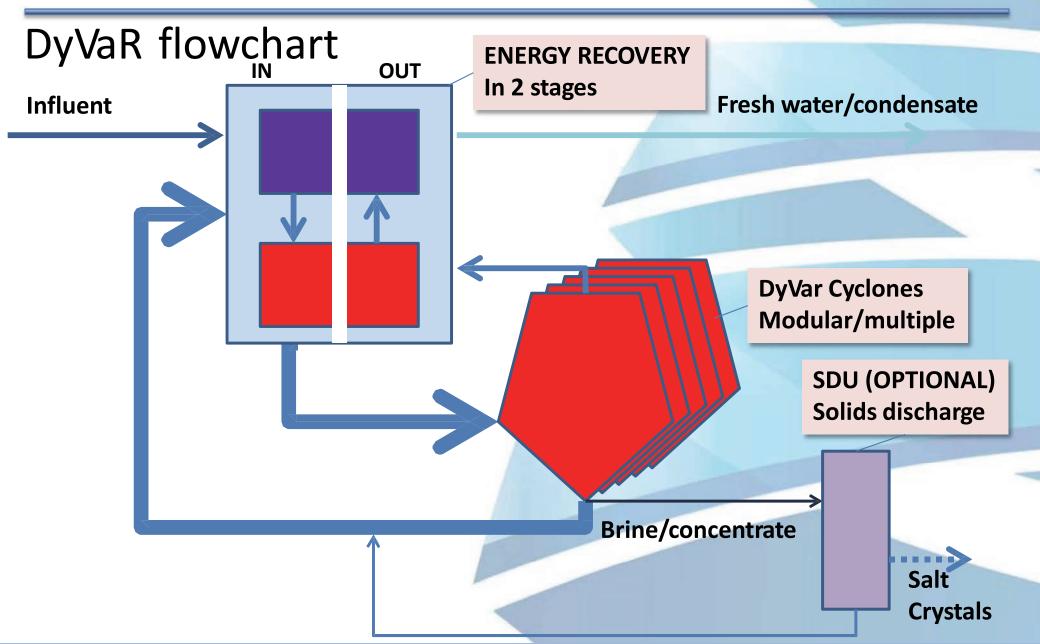
"DyVaR Systems Crystallization"



- In order to maintain the desired 10 ppg density of the fluid with the provided legacy specs*, the sodium chloride needs to be concentrated to its saturation point.
- To create a consistent brine, a concentration point is chosen just above the
 crystallization point of sodium chloride. This ensures that sodium chloride is optimally
 dissolved when it exits the unit. And any exces caused by fluctuations in the composition
 of the influent will precipitate.
- While concentrating the solution up to the saturation point of sodium chloride, a
 precipitation of Calcium sulphate and carbonate will occur because they become
 oversaturated at far lower concentrations.
- Solids can be removed from the brine stream through physical separation.



"DyVaR Systems"



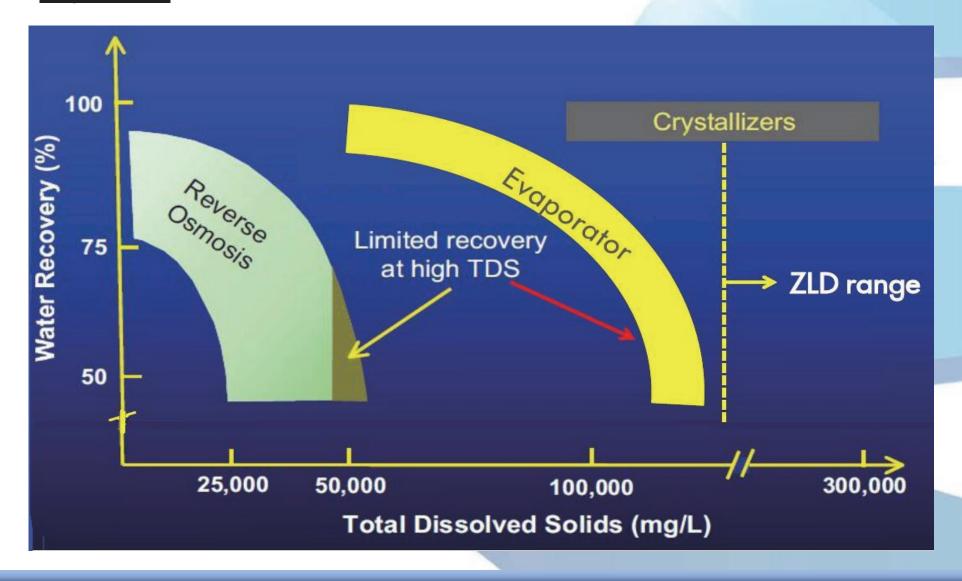


"DyVaR Systems"

A Subsidiary of STW Resources Holding

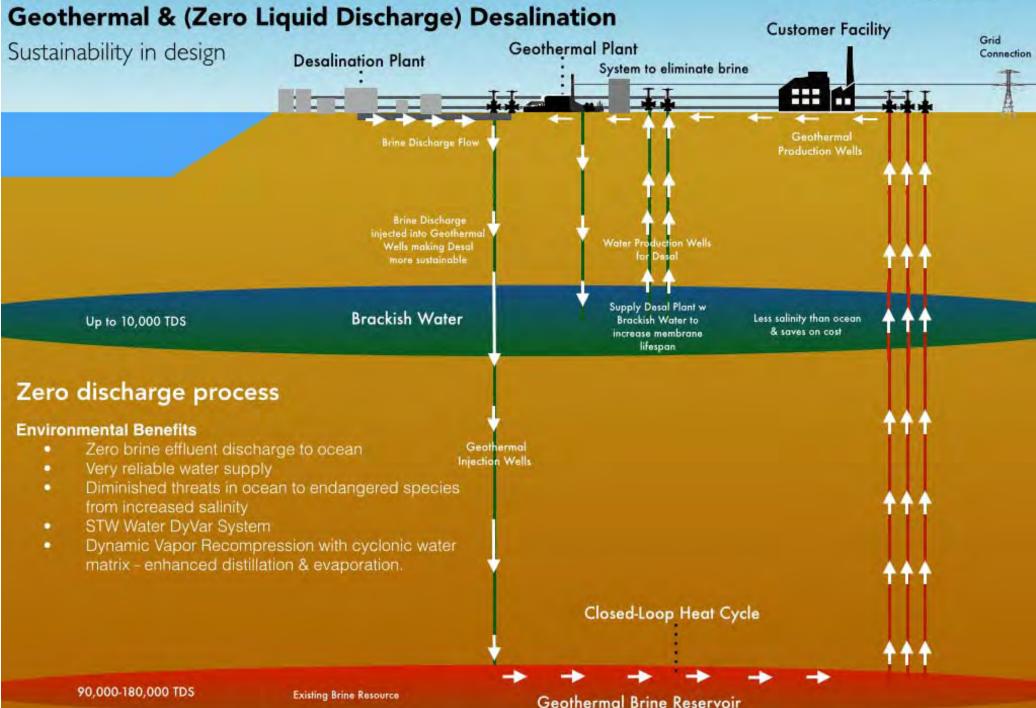
DyVaR

*basics for this diagram are based on information of Royal Dutch Shell/Shell Oil









DyVaR PICTURES









Salttech's DyVaR Picture from an ongoing project -Loving County, Mentone Texas











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STW Resources				Project: SaltTech				
3424 South Cour	nty Road 1192			Project Number	er:	BJ SWD 1		
Midland TEXAS,	79706			Project Manage	er:	Alan Murphy		
SAMPLED: RECEIVED:	08/31/14 to 09/01/14 09-02-201			REPORTED:		10/14/14 15:49		
AB #			4I02011-03	4I02011-04	-	-	-	-
MATRIX		Minimum	Water	Water	-	-	-	-
SAMPLE ID	Re	porting Limi	BJ SWD 1 Influent	BJ 1 SWD Freshwater	-	-	-	-
General Chemis	stry Parameters by EP	A / Stan	dard Methods (Wat	ter)				
Total Alkalinity	2	.00 mg/L	1060	498	-	-	-	-
Chloride	0.5	500 mg/L	47100	2.84	-	-	-	-
Specific Conductance	e (EC) 5	.00 umhos	/cm 83500	854	-	-	-	-
Total Hardness	5	.00 mg/L	27100	<5.00	-	-	-	-
pH		pH Uni	ts 7.07	9.05	-	-	-	-
Temperature		pH Uni	ts 21.70	21.80	-	-	-	-
Total Dissolved Solid	ds 2	0.0 mg/L	73700	56.0	-	-	-	-
Sulfate	1	.00 mg/L	520	28.6	-	-	-	-
Total Metals by	EPA / Standard Meth	ods (Wa	ter)					
Barium	0.001	l00 mg/L	8.80 [2]	<0.200 [2]	-	-	-	-
Calcium	0.08	310 mg/L	6500 [2]	0.234 [2]	-	-	-	-
Iron	0.01	170 mg/L	57.6 [2]	0.268 [2]	-	-	-	-
Magnesium	0.03	360 mg/L	2640 [2]	<0.200 [2]	-	-	-	-
Manganese	0.001	L00 mg/L	<5.00 [2]	<0.200 [2]	-	-	-	-
Sodium	0.01	100 mg/L	56100 [2]	2.63 [2]	-	-	-	-
Silica	0.01	100 mg/L	18.3 [2]	0.480 [2]	-	-	-	-

Special Notes

- 1 = Detected but below the Reporting Limit; therefore, result is an estimated concentration (CLP J-Flag).
- 2 = Certification in process for this analyte.

Permian Basin Environmental Lab, L.P.

Brent Barron

Technical Director



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STW Resources	Project:	Salttech DvVaR Pilot Test
J. W. Resources	110,000	Saitteen by vart i not i cot

3424 South County Road 1192 Project Number: SWD-Ft Stockton

Midland TEXAS, 79706 Project Manager: Stan Weiner

SAMPLED: 09/03/14 **REPORTED:** 10/14/14 15:56

RECEIVED: 09-04-201

LAB #		4I04002-01	4I04002-02	4I04002-03	-	-	-
MATRIX	Minimum	Water	Water	Water	-	-	-
SAMPLE ID	Reporting Limit	SWD #2	SWD #2	SWD #2 10lb	-	-	-
		Influent	Condensate	Brine			
General Chemistry Parame	eters by EPA / Standar	rd Methods (Wa	iter)				
Total Alkalinity	2.00 mg/L	1050	470	940	-	-	-
Chloride	0.500 mg/L	66900	3.38	203000	-	-	-
Specific Conductance (EC)	5.00 umhos/cm	153000	819	296000	-	-	-
Total Hardness	5.00 mg/L	5400	<5.00	48100	-	-	-
рН	pH Units	7.48	8.44	7.17	-	-	-
Temperature	pH Units	22.00	22.10	22.10	-	-	-
Total Dissolved Solids	20.0 mg/L	85500	50.0	329000	-	-	-
Sulfate	1.00 mg/L	164	22.1	<mark>9</mark> 5.3	-	-	-
Total Metals by EPA / Star	ndard Methods (Water)					
Barium	0.00100 mg/L	26.7 [2]	<0.200 [2]	237 [2]	-	-	-
C <mark>alcium</mark>	0.0810 mg/L	1640 [2]	1.53 [2]	1 <mark>4000 [2]</mark>	-	-	-
Iron	0.0170 mg/L	14.5 [2]	0.798 [2]	331 [2]	-	-	-
Magnesium	0.0360 mg/L	318 [2]	0.262 [2]	3200 [2]	-	-	-
Manganese	0.00100 mg/L	6.37 [2]	<0.200 [2]	<5.00 [2]	-	-	-
Sodium	0.0100 mg/L	53500 [2]	3.04 [2]	2 <mark>77000 [2]</mark>	-	-	-
S <mark>ilica</mark>	0.0100 mg/L	5.20 [2]	0.509 [2]	89.0 [2]	-	-	-

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Permian Basin Environmental Lab, L.P.

Brent Barron

Technical Director



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STW Resources					Projec	t: SaltTech			
3424 South County Road 1192			Project Numbe	r: RO Reject					
Midland TEXAS,	79706				Project Manage	r: Alan Murp	hy		
SAMPLED: RECEIVED:	08/31/14 09-02-201				REPORTED:	10/14/14	15:45		
AB #				4I02011-01	4I02011-02	-	-	-	-
MATRIX		Mir	nimum	Water	Water	-	-	-	-
SAMPLE ID		Repor	ting Limit	Downtown RO Reject	Downtown RO F <mark>reshwater</mark>	-	-	-	-
General Chemis	stry Parameters	by EPA	/ Standard	Methods (Wa	ter)				
Total Alkalinity		2.00	mg/L	<5.00	11.0	-	-	-	-
Chloride		0.500	mg/L	2 <mark>54</mark> 0	4.73	-	-	-	-
Specific Conductance	e (EC)	5.00	umhos/cm	13900	515	-	-	-	-
Total Hardness		5.00	mg/L	3950	<5.00	-	-	-	-
рН			pH Units	2.17	4.43	-	-	-	-
Temperature			pH Units	21.40	21.50	-	-	-	-
Total Dissolved Solid	<mark>ls</mark>)	20.0	mg/L	16300	56.0	-	-	-	-
S <mark>ulfate</mark>		1.00	mg/L	4560	7.64	-	-	-	-
otal Metals by	EPA / Standard	l Method	ls (Water)						
Barium		0.00100	mg/L	<0.200 [2]	<0.200 [2]	-	-	-	-
Calcium		0.0810	mg/L	1050 [2]	0.972 [2]	-	-	-	-
Iron		0.0170	mg/L	6.61 [2]	0.272 [2]	-	-	-	-
Magnesium		0.0360	mg/L	322 [2]	0.308 [2]	-	-	-	-
Manganese		0.00100	mg/L	<0.200 [2]	<0.200 [2]	-	-	-	-
Sodium		0.0100	mg/L	2480 [2]	2.12 [2]	-	-	-	-
			mg/L	21.1 [2]	<0.200 [2]				

Special Notes

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Permian Basin Environmental Lab, L.P.

Brent Barron

Technical Director



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STW Resources				Project: Salttech DyVaR Pilot Test							
3424 South County Road 1192					Project Number	er: Billy Jac	kson SWD				
Midland TEXAS, 79706					Project Manage	er: Stan We	: Stan Weiner				
SAMPLED: RECEIVED:	09/23/14 09-24-201				REPORTED:	10/13/1	4 12:48				
LAB #				4I24009-04	4I24009-05	_	-	-	-		
MATRIX		Min	imum	Water	Water	-	-	-	-		
SAMPLE ID		Report	ing Limit	SWD Influent	SWD Effluent	-	-	-	-		
Total Metals by	y EPA / Standar	d Method	s (Water)								
Manganese	,	0.00100	-	0.121 [1]	0.0180 [1]	-	-	-	-		
Sodium		0.0100	mg/L	29700 [1]	0.950 [1]	-	-	-	-		
General Chemi Total Alkalinity	stry Parameters	-	/ Standard mg/L	Methods (Wa	ter) 710	-	-	-	-		
Carbonate Alkalinity	/	0.100	mg/L	<0.100	<0.100	-	-	-	-		
Bicarbonate Alkalin	ity	2.00	mg/L	740	710	-	-	-	-		
Chloride		0.500	mg/L	48300	1.42	-	-	-	-		
Specific Conductano	ce (EC)		umhos/cm	48900	766	-	-	-	-		
Total Hardness			mg/L	400	<5.00	-	-	-	-		
Total Dissolved Soli	ids)		mg/L	77200	(30.0)	-	-	-	-		
Sulfate		1.00	mg/L	245	43.4	-	-	-	-		
			- (14/-1)								
Total Metals by	y EPA / Standar	d Method	s (water)								
Total Metals by	y EPA / Standar	0.00100	-	11.7 [1]	0.0190 [1]	-	-	-	-		
	y EPA / Standar		mg/L	11.7 [1]	0.0190 [1] 0.282 [1]	-	-	-	-		
Barium	y EPA / Standar	0.00100	mg/L mg/L			- -	- - -	- - -	- - -		
Barium Calcium	y EPA / Standar	0.00100 0.0810	mg/L mg/L mg/L	1450 [1]	0.282 [1]	- - -	-	- - -	- - -		

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Permian Basin Environmental Lab, L.P.

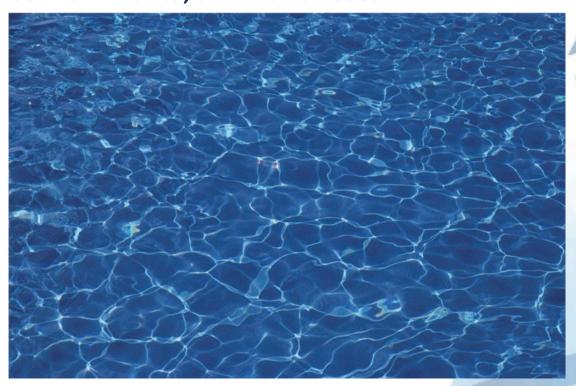
Brent Barron

Technical Director



Water Management, Water Conservation, and Water Reclamation

STW currently operates in West Texas, Oklahoma, & New Mexico with expansion plans in South Texas and other areas of the North Americas, Mexico, Central America, and the Caribbean.



Senior Management

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