

## **SYLVAN SOURCE DEMONSTRATES DRAMATIC COST STRUCTURE ADVANTAGES**

*Company's Thermal Industrial Technology Outperforms Conventional Thermal and Reverse Osmosis in Oil and Gas Applications*

SAN CARLOS, CA - November 11, 2013 – Sylvan Source, Inc., a water and energy technology company with an innovative and flexible suite of technologies applicable to a broad range of industrial and municipal applications, today announced additional breakthrough performance and cost structure results for its thermal industrial system which can treat a wide range of industrial and municipal waste waters.

Recently, Sylvan Source (SSI) participated in the evaluation of a one million gallon per day plant in support of a produced water application in a North American oil field. Based on the completed results, independent evaluations estimated SSI's thermal industrial system at 1/4 to 1/3 of the equipment cost of conventional thermal or reverse osmosis (RO) technologies and approximately 50 percent of their operating costs. In terms of performance, the SSI technology demonstrated significant reductions of a wide range of organic and inorganic compounds, in most cases to non-detectable levels, exceeding customer expectations.

“We were delighted to be selected for this opportunity and to participate in this important evaluation,” said Laura Demmons, chairman and chief executive officer of Sylvan Source. “We always appreciate working with established world-class experts to ensure we have independent validation for our cost structure and performance advantages.”

In 2012, SSI, in a similar evaluation, commissioned an independent seawater desalination application benchmark. The evaluation concluded that SSI's system offered 18 to 45 percent lower water production costs versus comparable conventional thermal and RO technologies.

A fundamental advantage of the SSI system is its use of a breakthrough heat transfer mechanism that is more efficient than conventional heat exchangers and can utilize a wide range of heat sources, including solar and waste heat.

In both evaluations, the system's performance and cost structures were evaluated by independent outside consultants including, for desalination, Aker Solutions Power and Gas, Water Consultants International, and SRI International, and most recently, comparable experts from the oil and gas industry.

#### About Sylvan Source

Sylvan Source, Inc. has developed a novel industrial and municipal platform based on phase-separation, heat transfer and recovery, and scale removal technologies. The company's technology platform is applicable to a broad range of industrial processing and thermal energy management applications, as well as markets with complicated or challenging water treatment opportunities. The technology incorporates a fundamental cost structure advantage with significant energy and process efficiency gains. In addition, Sylvan Source's technology reduces a broader spectrum of contaminants, at higher concentrations, and more effectively, than any other technology. The company currently has a pilot plant operating in San Carlos, CA.

Sylvan Source has been recognized as both a Red Herring Top 100 North American Private Company and a Red Herring Top 100 Global Company, and has received Frost and Sullivan's Product Innovation Award. Most recently, the company was selected as the *Technology Idol* winner at the 2012 Global Water Summit in Rome. Sylvan Source is headquartered in San Carlos, California and is privately held. For more information, please visit [www.sylvansource.com](http://www.sylvansource.com)

More detailed information is available under a non-disclosure agreement.

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