



FOR IMMEDIATE RELEASE

Sylvan Source Heat Recovery Utilization Technology Provides Cost and Performance Breakthroughs for Industrial Plants

Proprietary thermal transfer mechanism moves large amounts of thermal energy within industrial plants - minimal losses, no chemicals or pumps

SAN CARLOS, CA – September 22, 2015 – Sylvan Source, Inc. (SSI), 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 breakthrough performance and cost structure results for its Heat Recovery Utilization Technology (HRUT).

SSI recently completed an evaluation validated by an independent industry expert of its HRUT, which cost effectively captures, transfers and reuses a wide range of recoverable energy in industrial plants, including waste heat. SSI's HRUT is a significant enhancement of the proprietary thermal transfer technology used in its advanced water treatment system, providing substantial capital and operating cost advantages.

Capital Cost Implications:

According to the U.S. Energy Information Administration (USEIA), each kilowatt of new coal plant capacity costs approximately \$3,000. The recent evaluation determined that SSI's HRUT would recover the equivalent of 22 megawatts of electric power from a representative 500 MW coal-fired plant's flue gas and reuse it for preheating boiler feedwater. The capital cost of SSI's HRUT in this application was estimated to be in the range of \$17 million, including installation. Using USEIA estimates, 22 megawatts of capacity would cost \$66 million for a coal-fired plant, which indicates a savings of \$49 million. The comparable savings for a combined cycle plant, although smaller, are still significant.

Operating Cost Implications:

Recovering 22 MW of electric capacity in a coal-fired plant saves the equivalent of 10.7 tons/hour of coal, assuming 35% overall plant efficiency. Significant operating cost reductions are also available for other types of power plants. SSI's HRUT is able to move thermal energy without using plant steam, thermal fluids or pumps.

The primary environmental impact of SSI's HRUT is the ability to increase the power output of an industrial plant with no increase to the plant's carbon footprint.

“Our heat recovery technology will be a game-changer for both new and existing power plants, and will be applicable to a wide range of other industrial plants and processes as well,” said Laura Demmons, SSI Chairman and CEO.

This technology is covered by one of the patent applications owned by SSI and filed in several countries and regions around the world.

About Sylvan Source

Sylvan Source, Inc. develops novel industrial and municipal water treatment and thermal energy capture, transfer, release and storage systems. The company's technology platforms are applicable to a broad range of industrial processing and thermal energy management applications, as well as markets with complicated or challenging water treatment opportunities. SSI's technologies incorporate fundamental cost structure advantages with significant energy and process efficiency gains.

The company currently has a water treatment pilot plant operating in San Carlos, California that has successfully treated a wide range of waters with significant levels of contamination, including seawater and highly concentrated seawater, FGD scrubber waste streams from a coal-fired power plant, chemical waste streams from boiler clean-up operations, produced water and hydraulic fracturing flow-back water from oil and gas operations and agricultural run-off from a municipality.

SSI has been recognized as both a Red Herring Top 100 North American Private Company and a Red Herring Top 100 Global Company, received Frost and Sullivan's Product Innovation Award, and was selected as the Technology Idol winner at the 2012 Global Water Summit in Rome.

SSI is headquartered in San Carlos, California and is privately held. For more information, please visit www.sylvansource.com.

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