

PRESS RELEASE

TUESDAY MAY 13, 2014

Governor Deal Welcomes Mining Operation to Charlton County

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Georgia Governor Nathan Deal cut the ribbon to open Southern Ionics' new Mission South mineral sand mine in Charlton County on Tuesday. Before the ribbon cutting, Governor Deal recalled Georgia's strong mining tradition and continual improvement in mining environmental practices and emphasized the importance of the investment that Southern Ionics is making in three counties in southeast Georgia. A crowd of 250 neighbors, government officials, environmental activists, customers, and suppliers attended the opening ceremony.

Southern Ionics, a Mississippi-based chemical manufacturer, plans to extract zirconium and titanium minerals from a sand ridge that runs through Charlton and Brantley Counties. The company is investing over \$100 million to design, permit, and construct the Mission South Mine, which will soon be joined by the adjacent Mission North Mine and a mineral sand processing plant in nearby Pierce County. By mid-2015 about 125 people will be employed at the three facilities.

Milton Sundbeck, President of Southern Ionics, was confident of his company's investment, saying, "Everyone at Southern Ionics appreciates and understands the privilege we've been granted to mine and produce mineral products from deposits in Charlton and Brantley Counties. We'll be mining here for several decades and will be a good neighbor that our employees can count on for long term, meaningful employment. We will engage in sustainable mining practices and reclaim the land to pre-mined forested conditions."

Zirconium and titanium sands have been mined in southeast Georgia and northeast Florida for almost 100 years. Ron Rose, Director of Southern Ionics' mining group explained that "mineral sand deposits form at the beach, and the sand ridges in Charlton and Brantley County are ancient beaches. These aren't the largest deposits in the world, but they have some of the highest quality minerals. We expect very strong demand for our minerals from manufacturers in the United States and around the world."

Southern Ionics has been conducting studies, developing mine plans, and applying for permits for 3 years. Construction of the mine began after permits were issued in February 2013. Mine infrastructure includes haul roads, a water management pond, an office and scale house, and a wet mill.

The ribbon cutting ceremony on Tuesday marked completion of construction of the wet mill, a six-story framework of pumps, pipes, and spirals. The mill sits on ten 100 foot long pontoons that allow it to float in a pond excavated into the sand ridge. The mill mixes water from the pond with sand from nearby mine pits. The sand-water mixture flows through a series of spirals where the heavier zirconium and titanium minerals are separated from the lighter quartz sand by the force of the current.

The zirconium and titanium minerals will be trucked to the mineral sand plant in Offerman, Georgia, which is planned to be completed later this year. There, high tension electricity, magnets, and shaker

tables will separate the mineral sands into three products: zircon (zirconium silicate), rutile (titanium oxide), and ilmenite (iron-titanium oxide). The mineral sand products will be distributed by rail, truck, and ship to manufacturers across the country and overseas. Zircon sand is used in a wide variety of applications, including ceramics and to make the molds for casting special metal alloy parts, such as jet turbines. The titanium minerals have many industrial uses, as well. Rutile is a component of welding rods. Ilmenite is mainly used to produce titanium dioxide – a bright white pigment used in paints.

Southern Ionics went to great lengths to develop mine plans that minimize environmental impacts. Jim Renner, Southern Ionics' Manager of Environmental Stewardship, said, "When we started planning this project we reached out to environmental groups that we knew would be concerned. We came up with a mine plan that avoids mining in wetlands, discharging process water offsite, or impacting endangered species. Only about 2 per cent of the sand is actually zirconium or titanium minerals, so the rest of the sand is pumped back to fill each mine pit. A pit will only be open for about a month and will be reclaimed and restored to its pre-mine condition as commercial pine plantation in just a few months."

COMPANY INFORMATION

Southern Ionics is a southeast regional chemical manufacturer. It was founded in 1980 by Milton Sundbeck. Today there are over 300 employees. Headquartered in West Point, Mississippi, Southern Ionics has production and transloading facilities at twelve locations in Texas, Louisiana, Mississippi, Alabama, Tennessee, Georgia, and Maryland. Southern Ionics manufactures and ships sulfur chemicals, aluminum chemicals, aqua-ammonia, and zirconium chemicals. The products have widespread use for wastewater treatment, air pollution control, pulp and paper processing, concrete hardening, catalyst manufacturing, drilling mud additives, and other industrial applications.

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NOTE: A PRESS RELEASE WAS ISSUED BY GOVERNOR DEAL'S OFFICE ON TUESDAY MAY 13.