

April 10, 2023

By Email Only

Phyllis and Aaron Stromsmoe

**Statement of Concern No. 32178**  
**E3 Lithium Ltd. (E3)**  
**Application No. 1941577**

Dear Phyllis and Aaron Stromsmoe:

You are receiving this letter because you filed a statement of concern (SOC) about Application No. 1941577. The Alberta Energy Regulator (AER) has reviewed your SOC, along with the application, and all applicable requirements and other submissions or information about the application. The AER has decided that a hearing is not required to consider the concerns outlined in your SOC.

In our review of your concerns, we considered the following:

- The AER acknowledges your concerns regarding potential contamination of your water well due to E3's licensed well located at 01-16-033-27 W4M (License No. 0504499), however, this concern is outside the scope of the proposed pilot facility application. Additionally, your water well is located approximately 1.0 km from the proposed facility and there are no drilling activities proposed under the current application.
- In response to your concerns regarding application submission practices, E3 submitted the application as a category C320 single well oil battery at the direction of the AER as it most closely resembles that activity type. There were no activity codes associated with direct lithium extraction projects under *Directive 056: Energy Development Applications* (D056) at the time of submission. It is the AER's intent that the application types available under D056 will be modified in the future to adequately describe the application types for mineral resource development.

Based on the above, the AER has concluded that it is not necessary to hold a hearing before making a decision on the application. The AER has issued the applied-for license and this is your notice of that decision. A copy of the license is attached.

All AER-regulated parties must comply not only with the conditions of their authorizations, but with all of the AER's regulatory requirements. To ensure industry compliance the AER has developed its *Integrated Compliance Assurance Framework*, which embodies the three main components of all effective compliance assurance programs, those being education, prevention, and enforcement. You can find out more about how the AER verifies industry compliance and responds to noncompliance here: <https://aer.ca/regulating-development/compliance/compliance-assurance-program>.

You may file a regulatory appeal on the AER's decision to issue the licence if you meet the criteria within section 36 of the *Responsible Energy Development Act*. Filing instructions and forms are located here: <https://www.aer.ca/regulating-development/project-application/regulatory-appeal-process>.

If you have any questions please contact [SOC@aer.ca](mailto:SOC@aer.ca).

Sincerely,

<Original signed by>

Lane Peterson  
Director, Oil & Gas Surface  
Regulatory Applications  
/ek

Attachment (1): License

cc: Peter Ratzlaff, E3 Lithium Ltd.

Matthew Bonko, AER  
SOC Inbox, AER  
ADR Inbox, AER  
Field Operations West, AER