



AQUAMETALS

NASDAQ: AQMS

“Lead Reinvented”

The World’s First Clean Lead
Recycling Company

Corporate Presentation

March 2017

Safe Harbor

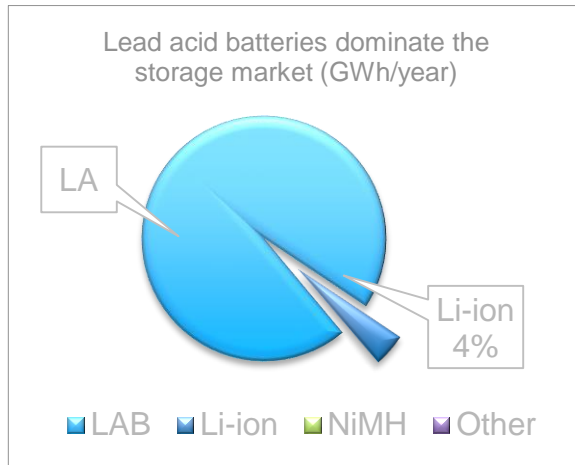
This document contains forward-looking statements concerning Aqua Metals, Inc., the lead-acid battery recycling industry, the intended benefits of its agreements with Interstate Batteries, the future of lead-acid battery recycling via traditional smelters, the Company's development of its commercial lead-acid battery recycling facilities and the quality, efficiency and profitability of Aqua Metals' proposed lead-acid battery recycling operations. Those forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially. Among those factors are: (1) the fact that Company has not yet ramped up its initial commercial recycling facility, to full scale operation thus subjecting the Company to all of the risks inherent in a start-up; (2) the uncertainties involved in any new commercial relationship and the risk that Aqua Metals will not receive the intended benefits of its agreements with Johnson Controls; (3) risks related to Aqua Metals' ability to raise sufficient capital, as and when needed, to expand its recycling facilities; (4) changes in the federal, state and foreign laws regulating the recycling of lead-acid batteries; (5) the Company's ability to protect its proprietary technology, trade secrets and know-how and (6) those other risks disclosed in the section "Risk Factors" included in the Annual Report on Form 10-K filed with the SEC on March 2, 2017. Aqua Metals cautions readers not to place undue reliance on any forward-looking statements. The Company does not undertake, and specifically disclaims any obligation, to update or revise such statements to reflect new circumstances or unanticipated events as they occur.

Proving we have the potential to change the \$22 Billion lead market

- Successfully commissioned and in the process of scaling up production of AquaRefined lead at AquaRefinery 1 in McCarran, NV at the Tahoe Reno Industrial Center (TRIC)
 - Capacity to produce >120T/day of lead which we plan to expand to 160T/day
- Strategic partnerships with major players throughout the lead industry
 - Johnson Controls – the world’s largest manufacturer of automotive batteries (first licensee)
 - Interstate Batteries – the largest independent battery distribution system in North America and the country’s leading battery recycler
 - Battery Systems Inc. – one of the largest independent battery distributors in the U.S.
- Evaluating non-dilutive debt financing for 4 – 5 facilities totaling ~800T/day
 - Progressed to the point that we are visiting sites for second and third AquaRefineries
 - Projecting >30% IRR for each 160T/day AquaRefinery at a capital cost of ~\$54mm

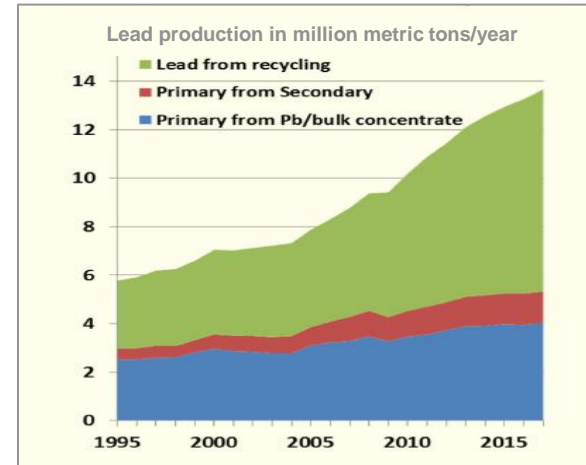
..... opening the door to higher value products and markets

Lead Still Dominates Global Battery Production & Is Continuing To Grow



Source: Industry estimates

- Modern vehicles require more advanced and larger lead acid batteries for 48V and “stop-start” – driving demand for higher quality and higher value input materials
- LABs already dominate data center, telecom and emerging energy storage applications
- Evidence that China is re-focusing on low cost lead based EVs for mass transportation

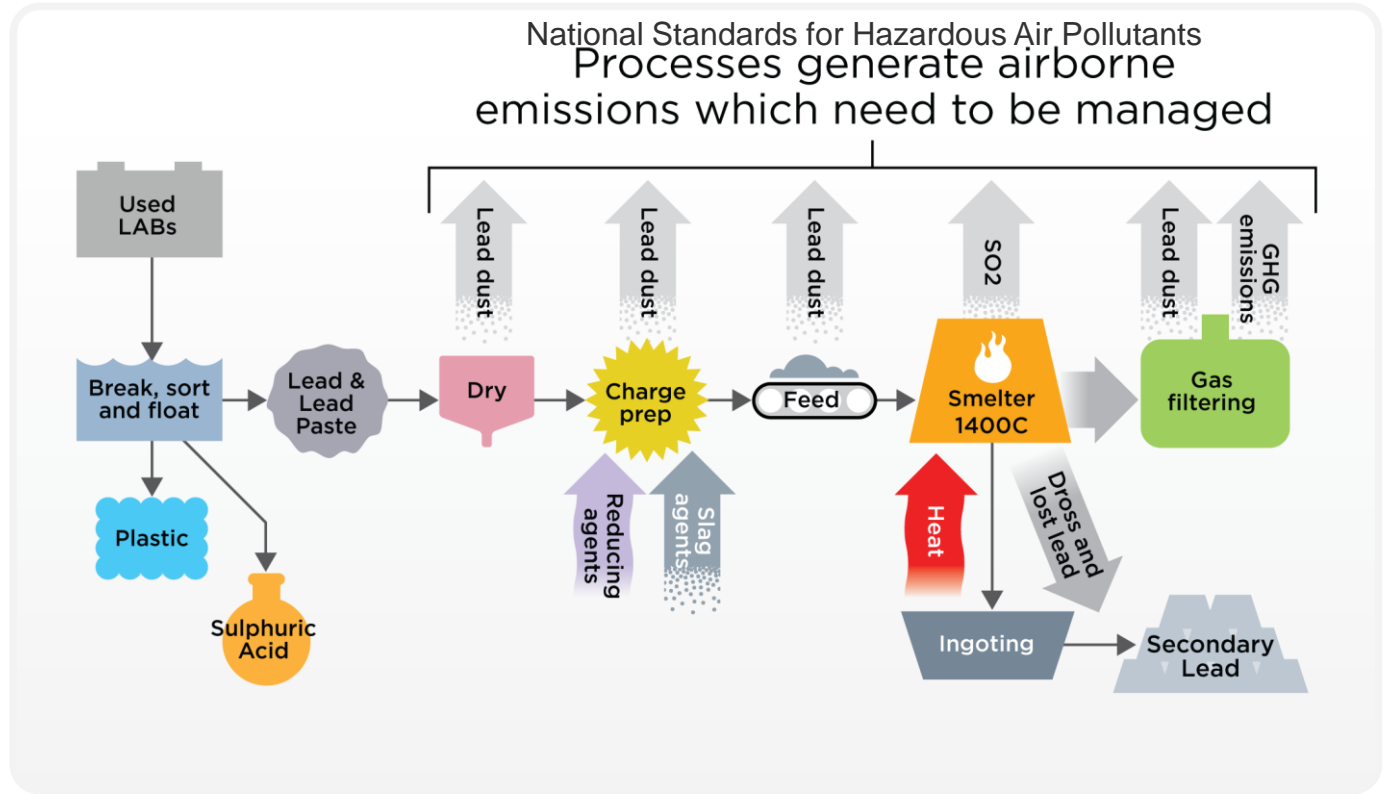


Source: CHR Metals

- LABs are the world’s most recycled consumer product, at 100% recycled
- Conventional recycling (smelting) is expensive, polluting and does not produce ultra-pure lead
- Primary lead mines, the main source of ultra-pure lead, are becoming depleted

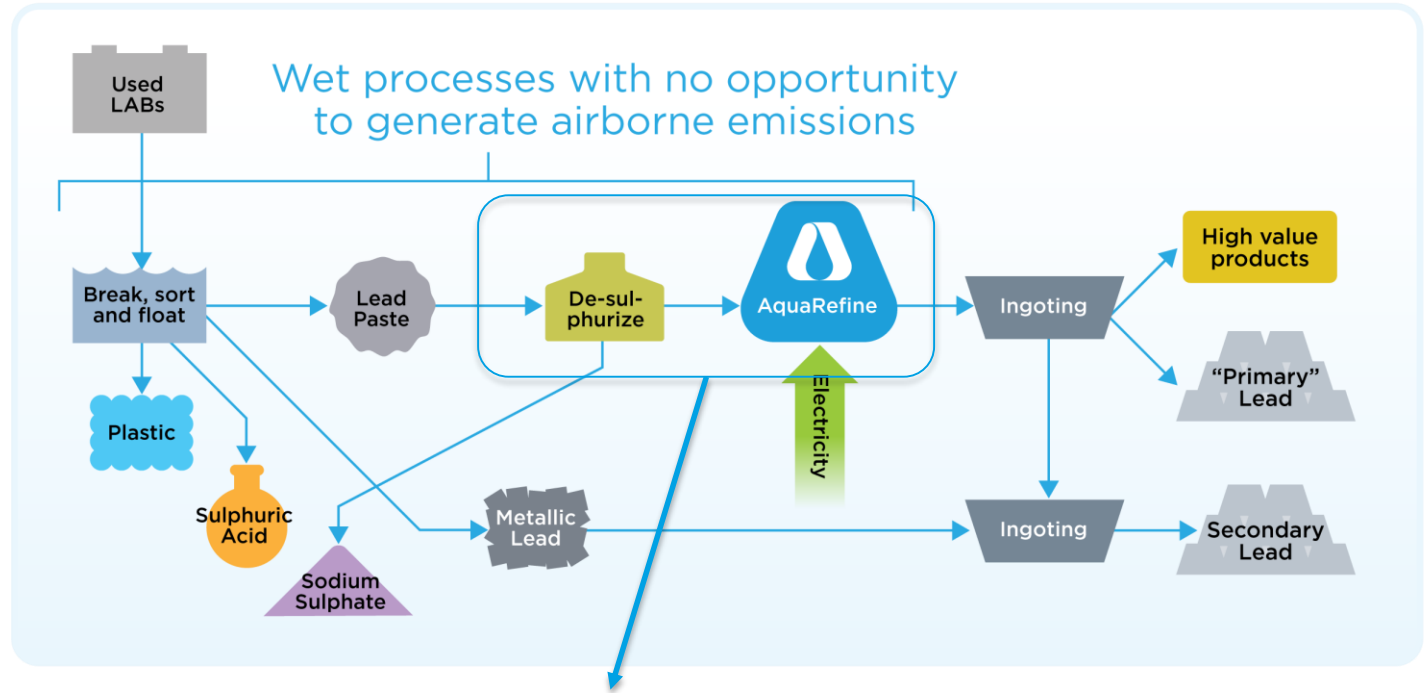
A Typical Western Smelter

- Smelters require dry lead powders which are difficult to contain and result in “fugitive emissions”
- All of the lead must pass through the smelter which uses more energy and increases emissions
- “Smelted” (Secondary) lead requires further processing to be useable



AquaRefining Uses Less Energy, produces a better product and Eliminates Emissions and Toxic Waste

- Only the lead compounds are converted back into lead
- High value lead alloys recovered at source and converted directly into ingots
- Much less energy required
- No opportunity for fugitive emissions
- Reduced permitting needs



Making these steps work required solving technical issues that nobody else had been able to – opening the door to additional products and markets

Our First Facility at TRIC Has a Capacity of >120T/day

- Additional capacity through process improvements and short-term products
- Started building high purity brand
 - Assayed at 99.99%
 - Providing samples to battery manufacturers
- AquaRefining is not subject to NESHAP (the mandated standard for smelters)
 - Established important precedents that should help our roll-out and expansion
 - Now one of our core strengths
 - Accelerated interest within the battery industry – a majority of which have visited our facility



Watch Video of AquaRefining Module Producing First Lead



[Click Here to Play Video: AquaRefining Module First Lead at AquaRefinery](#)

Our immediate opportunity Is a Global Market of ~\$22 billion

	Capacity (tonnes/day)	AquaRefining Modules	% World lead production	Potential annual revenue
TRIC AquaRefinery	120-160	32	0.2%	\$100-120M/year
5 AquaRefineries	800	160	2.1%	\$500-600M/year
Global lead market	38,000	7,500	100%	\$22B/year

- The lead market appears highly receptive to a clean alternative to smelting and high purity lead
- Historically, step change improvements in commodity manufacturing have yielded exceptional returns
 - Precedents include Bessemer & Nucor (steel), Pilkington (glass), Siemens (silicon)

Our Strategic Partnerships With Johnson Controls (JCI)

- Tolling/Lead Purchase Agreement – underpins and de-risks our build out
 - JCI to provide significant feedstock for tolling, which taken together with our relationship with Interstate Batteries, should provide sufficient supply to underpin growth to 800T/day
 - JCI to purchase up to all lead output from Aqua Metals’ merchant business
 - Aqua Metals will continue to promote pure AquaRefined lead for stationary applications
 - Secures feedstock & offtake to build additional AquaRefineries
- Equipment Supply Agreement – launches our licensing business
 - JCI, the world’s largest battery company, will be Aqua Metal’s first licensee
 - Aqua Metals to retro-fit existing smelting facilities and/or build new AquaRefining facilities for JCI and its supply partners in NAFTA, China and EU
 - Phase 1 – retro-fit an existing NAFTA based JCI facility and use this to develop a blueprint
 - Phase 2 – roll-out in the rest of NAFTA, China and the EU based upon the blueprint
- Investment in Aqua Metals, Inc.
 - 939,005 shares at \$11.33 for a total of \$10.6M (~5% of AquaMetals outstanding shares)

Business Expansion: Track 1 - Expand Our Own Capacity

- Business Case for a 160T/day facility
 - \$54mm total as built cost
 - \$90-120mm Revenue
 - ~\$20mm EBITDA
 - >30% IRR (assuming 18-24 month build and commission)
- Non-dilutive finance
 - We have met most of the pre-requisites to secure a ~\$150-250 million finance package for AquaRefineries 2 through 5
 - Now evaluating sites and refining terms
- Expand our US capacity to ~800T/day (five 160 T/day facilities)
 - \$500-600mm potential revenue
 - ~\$100mm potential EBITDA

Business Expansion: Track 2 - Initiate Equipment Licensing

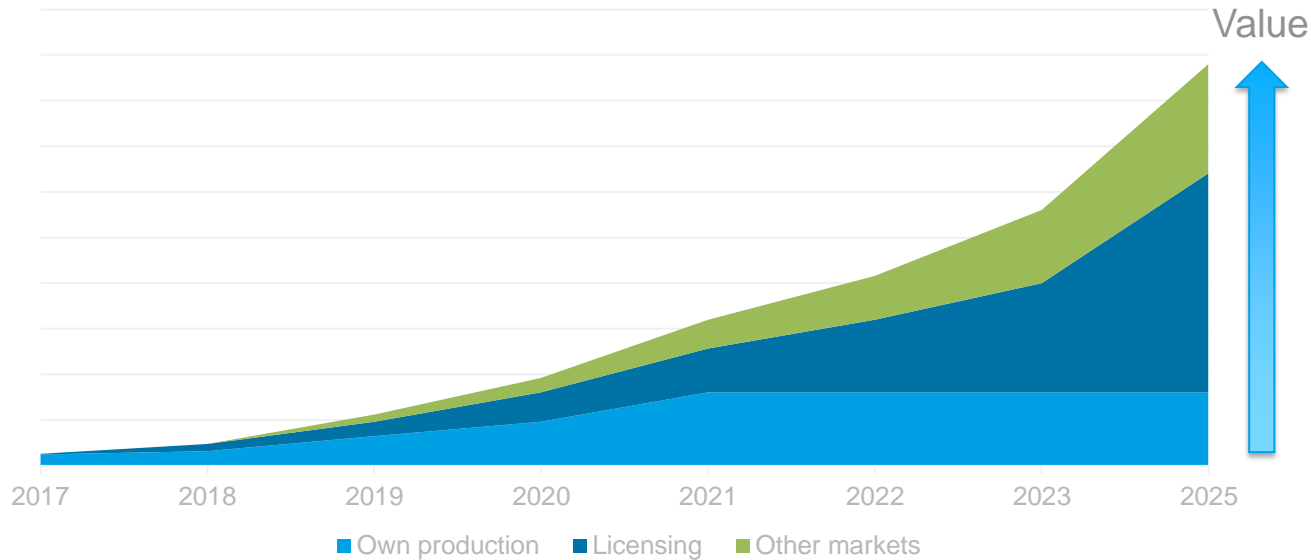
- Launch equipment licensing
 - We've partnered with JCI, the world's largest battery company, as our first licensee
 - Together, we believe we can begin to streamline the supply and reverse logistics chain of the \$22B lead industry
 - Step 1: retro-fit an existing JCI recycling facility – develop a blueprint
 - Step 2: roll-out through JCI's US, EU and Chinese facilities
- This is a key part of our China strategy
 - China is 40% of the World's battery market – but China is an exceptionally difficult
 - JCI provides a low risk entry into an otherwise challenging market

- Our equipment licensing business has much higher potential value than that of our own lead production over the medium term

Business Expansion: Track 3 – Other markets

- Higher value lead products
 - Our immediate focus is to supply lead ingots to battery manufacturers as this is the current raw material
 - 48V and stop-start opens up the potential for us to deliver higher value products and equipment to support higher performance batteries
 - We have the partnerships in place to start evaluating this but are working to add more
 - Other metals
 - We figure out how to process insoluble oxides and remove sulfate – this has caught the attention of mining companies and opened new opportunities
 - Primary (mined, not recycled) lead
 - Copper, zinc, tin and other value metals
- Other market applications also have potentially higher value than that of our own lead production over the medium term

Starting to evaluate and prioritize potential markets



- Lead remains our core focus
- Just starting to evaluate and prioritize future markets
- Resource allocation is key

Key Takeaways

- Built, permitted and commissioned AquaRefinery 1
 - Now ramping up production and evaluating locations for AquaRefinery 2 & 3
- Strategic partnership with Johnson Controls, the world's largest manufacturer of automotive batteries
 - Meets supply pre-requisites for AquaRefineries 2 – 5
 - Launches equipment licensing in North America, Europe and China
- Non-diluting funding for up to 800T/day is in play
 - We are evaluating sites for our second and third AquaRefineries
- Beginning early stage work on higher value products
 - Demonstrated that we solved the critical technical issues in electrochemical battery recycling has generated credibility
- Continuing to build Strategic Relationships



AQUAMETALS

www.AquaMetals.com

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