



AQUAMETALS

NASDAQ: AQMS

2017 Q2 Earnings Call

August 9, 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 Johnson Controls and 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 or Interstate Batteries; (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.

Highlights

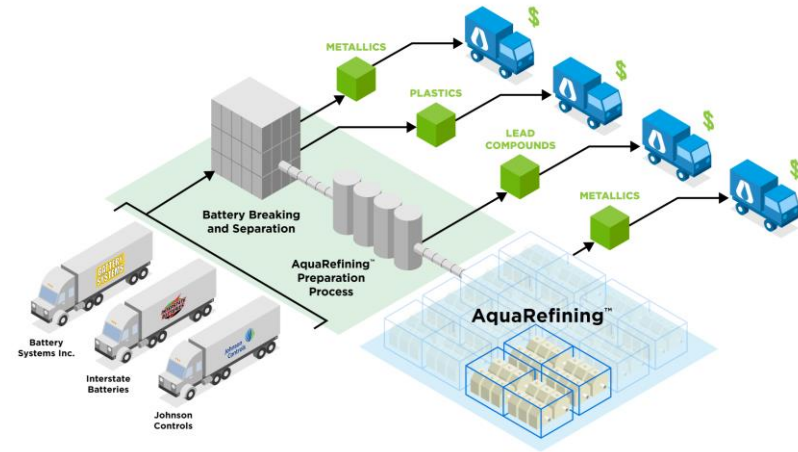
- Recognized our first revenue from AquaRefinery 1 (McCarran, NV)
- 4 AquaRefining modules operating
- Secured our first 2 international patents, Korea (10-1739414) and Australia (210435227)
- Acquired UK based Ebonex IPR Limited
- Appointed Mark Weinswig as CFO effective 8/10/17
- Hosted several analyst and investor visits to AquaRefinery 1
- Received several accolades including our second Platts Global Metals Award and the San Francisco Business Times Technology and Innovation Award.

Agenda

- Operational update
- 48V vehicle batteries – a game changer for the lead industry?
- Business expansion
- Intellectual Property
- CFO Succession
- Financials
- Summary

Operational update – preparing for roll-out

- Breaking and Separation: operational
 - Improvements installed and successful
 - More opportunities in front of us
- Aqua Preparation: operational
 - Upgrades installed and successful
 - More upgrades being evaluated
- Aqua Refining: Module 1 – 4 operational, Modules 5-16 in assembly
 - Modules 1-4 being used to validate operating parameters
 - Modules 5-16 planned to be running by year end
- Ingot production: being commissioned



AquaRefinery 1: achieving continuous improvements



- Breaking and separation – adding science to the art
 - Leveraging battery recycling techniques with technologies & know-how from material handling and mining industries
 - Working to develop industry leading breaking and separation

AquaRefinery 1: achieving continuous improvements



- Aqua Preparation – operating
 - Leveraging chemical industry technologies and best practices
 - Achieved a four fold reduction in electrolyte volume

AquaRefinery 1: achieving continuous improvements

- AquaRefining – significant advances made
 - Module design simplified with reduced components
 - Plating voltage and energy reduced
 - Operation simplified and more robust
 - Increased range of operating parameters
 - Working to develop simplified module installation



48V Automotive standard could revolutionize the battery industry

- What's happening
 - LAB industry responding with 48V “Bipolar” batteries
 - Extended cycle life and operation at partial state of charge – could be a game-changer for the battery industry
- Why it's important
 - Wide scale adoption of advanced 48V Bipolar LABs could make lead acid advantageous in many new applications and markets
 - Materials and manufacturing methods likely to change
- How Aqua Metals can benefit
 - Higher demand for “Four 9s” lead and a new market for “Five 9 lead”
 - Need for advanced materials, such as ultra-low-density lead and corrosion resistant substrates (grids)
 - Possible large scale changes to how LABs are manufactured



Business expansion, recognizing existing opportunities and 48V

- Additional facilities
 - Proceeding as planned – additional 4-5 facilities of ~160T/day each
 - Expect to fund with project and/or debt financing
 - Production re-balanced to produce more AquaRefined lead and less grid alloy
 - Strong interest from brand sensitive LAB users to supply used batteries
 - Potential for additional Strategic Relationships to accelerate build-out
- Licensing
 - Retro-fit of AquaRefining to existing smelter operations looks attractive
 - Internal planning for JCI underway, joint meetings planned
 - Generating strong interest from other potential licensees
- Longer term
 - Potential markets for advanced materials and novel battery production equipment

Intellectual Property

- IP Strategy focused on “Materials and Methods”
 - We are proving electrochemical battery recycling is viable
 - Protecting our breakthrough - 20 patents applied for in 20 countries
- First 2 patents granted - Korea (10-1739414) and Australia (210435227)
 - We chose the Korean Intellectual Property Office (KIPO) as the lead examining authority
 - KIPO examiner allowed key claims
 - Strong precedent for our other patent applications
- First acquisition – Ebonex IPR – gives us additional complementary IP
 - Ebonex™ (Ti_4O_7) - highly corrosion resistant electrode material, with excellent adhesion to lead and lead compounds
 - Potential substrate for Bipolar LABs; evaluating for use in our AquaRefining modules
 - Designs, manufacturing processes and know-how for Bipolar LABs

CFO Succession

- On July 31, we announced the hiring of Mark Weinswig as our new CFO, effective August 10
- Tom Murphy is retiring and during a transition period will remain a consultant to help with some existing projects
- Mark comes to Aqua Metals with significant experience working with technology manufacturing companies
- Mark brings an operational finance background and will be a key contributor to the organization as we ramp up our revenues

We want to thank Tom for his numerous contributions and wish him the best in his retirement

Financials

	Quarter Ended 6/30/16	Six-Months Ended 6/30/17	Quarter Ended 06/30/16	Six-Months Ended 06/30/16
Operating Loss*	\$(8.0M)	\$(12.5M)	\$(2.8M)	\$(5.0M)
Net Loss	\$(8.4M)	\$(13.3M)	\$(2.9M)	\$(5.1M)
Loss Per Share	\$(0.42)	\$(0.69)	\$(0.20)	\$(0.35)
Cash @ 06/30/17	\$22.1M			
Cash @ 12/31/16	\$25.5M			
Capex Spend in 2 nd Quarter 2017	\$3.4M			
Capex Spend since inception to 06/30/17	\$44.0M			

**Operating loss for quarter and six-month ended 6/30/17 includes \$2.4M impairment charge relating to Ebonex IPR.*

Key Takeaways

- Aqua Metals recognized its first revenue in Q2'17
- Our primary focus is to have 16 AquaRefinery modules running by year end and to be prepared for licensing activities
- The experience we have gained supports licensing roll-out with our current partners
- Strong interest from other potential licensees
- Achieved important IP precedents with first 2 patents
- Opportunities for additional strategic relationships to accelerate business development
- The move to 48V could bring upside opportunities for AquaRefined lead, and our development stage materials
- Positioned to leverage existing and future strategic partners