

Aqua Metals Reno, Inc.

5370 Kietzke Ln #201, Reno, NV 89511

Eric West, Vice President of Finance

Date: January 25, 2024

Application Facts:

Industry **Manufacturing**
NAICS **331492**
Type of App **Expansion**
Location **Storey County**
RDA EDAWN, Nancy McCormick

Company Profile

Aqua Metals Reno, Inc. (Aqua Metals Reno) is looking to expand its existing presence in the Tahoe Reno Industrial Center (TRIC) in order to accommodate the expansion of its capabilities to include its Li AquaRefining process. AquaRefining is a low emission, closed-loop recycling technology that replaces polluting furnaces and hazardous chemicals with electricity-powered electroplating to recover valuable metals and materials from spent batteries with higher purity, lower emissions, and with minimal waste. The "Aqualyzers" cleanly generate ultra-pure metal one atom at a time, closing the sustainability loop for the rapidly growing energy storage economy. Aqua Metals Reno expanded facility plans to reach 10,000 tonnes-per-year capacity (100,000 EV batteries annually) in the coming years through a phased development strategy. Additionally, Aqua Metals Reno's process is minimal waste and uses a closed-loop system that recycles chemicals and water. Aqua Metals partners with local workforce development organizations EployNV & Nevadaworks. Additionally, Aqua Metals partners with the educational institutions of Truckee Meadows Community College (TMCC) Career Technical Education Program and Western Nevada Community (WNC) College. *Source: Aqua Metals Reno, Inc.*

Tax Abatement Requirements:	Statutory	Company Application	Meeting Requirements
Job Creation	6	39	Yes
Average Wage	\$29.28	\$41.30	Yes
Equipment Capex (SU & MBT)	\$133,969	\$17,067,140	Yes
Equipment Capex (PP)			

Additional Requirements:

Health Insurance	65%	100%	Yes
Revenues generated outside NV	51%	100%	Yes
Business License	<input checked="" type="checkbox"/> Current	<input type="checkbox"/> Pending	<input type="checkbox"/> Will comply

Total Tax Liability (without tax abatements)	Direct (company)	Total
	\$4,435,425	\$6,839,687

Tax Abatements	Contract Terms	Estimated Tax Abatement
Sales Tax Abmt.	4.6% for 2 years	\$512,014
Modified Business Tax Abmt.	50% for 4 years	\$58,318
Personal Property Tax Abmt.	50% for 10 years	\$663,804
Real Property Tax Abmt.	50% for 10 years	\$979,808
Total Estimated Tax Abatement over 10 yrs.		\$2,213,944

Net New Tax Revenues	Direct	Indirect	Taxes after Abatements
Local Taxes			
Property	\$1,562,872	\$120,735	\$1,683,607
Sales	\$861,938	\$15,230	\$877,168
Lodging	\$0	\$89,642	\$89,642
State Taxes			
Property	\$80,739	\$445,518	\$526,257
Sales	\$490,697	\$388,527	\$879,224
Modified Business	\$311,795	\$254,557	\$566,352
Lodging	\$0	\$3,493	\$3,493
Total Estimated New Tax Revenue over 10 yrs.	\$3,308,041	\$1,317,702	\$4,625,743

Economic Impact over 10 yrs.	Economic	Construction	Total
Total Jobs Supported	91	103	194
Total Payroll Supported	\$62,665,651	\$6,552,622	\$69,218,273
Total Economic Value	\$373,501,185	\$19,366,657	\$392,867,842

Economic Impact Output per Abatement Dollar	New Total Tax per Abated Dollar
\$169	\$2.09

IMPORTANT TERMS & INFORMATION

Tax Abatements are reduction or discount of tax liability and companies do not receive any form of payment.

Total Estimated Tax Abatement is a tax reduction estimate. This estimated amount will be discounted from total tax liability.

Estimated New Tax Revenue is amount of tax revenues local and state government will collect after the abatement was given to applying company.

Economic Impact is economic effect or benefits that this company and it's operations will have on the community and state economy measured by total number of jobs, payroll and created output.

November 13, 2023,

Thomas Burns
Executive Director Governor's Office of Economic Development
555 E. Washington Ave. Suite 5400, Las Vegas, NV 89101

Director Burns:

Aqua Metals Reno Inc. is requesting assistance from the State of Nevada to expand their existing presence in the Tahoe Reno Industrial Center in order to accommodate the expansion of their capabilities to include their Li AquaRefining process. This innovative sustainable recycling process can recover valuable metals from both lead and lithium-ion batteries for use in the re-manufacturing of new batteries. They currently have a corporate office in Reno, a pilot facility in TRI, and are launching this new project nearby.

To assist with this project, they are requesting a Sales and Use Tax Abatement, a Modified Business Tax Abatement, a Personal Property Tax Abatement, and a Recycling Real Property Tax Abatement. They qualify on 3 out of the 3 criteria, and will be investing \$17M in equipment costs, in addition to land, building, and improvements, for an overall expenditure of \$34.9 M. They are planning to add an additional 39 employees to their current base of 50, at an average hourly wage of \$41.30 per hour.

EDAWN has enjoyed supporting their efforts to establish themselves and grow in the region, and they have become a critical player in the emerging clean battery ecosystem. We support this application and look forward to their continued growth and success.

Respectfully,



Nancy McCormick
Senior Vice President EDAWN
Business Retention, Expansion and Workforce Development



5370 Kietzke Ln #201
Reno, NV 89511

(775) 446-4418

November 07, 2023

Thomas Burns
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Avenue Suite #5400
Las Vegas, NV 89101

Dear Board Members:

Aqua Metals Reno Inc. ("Aqua Metals") is seeking to reinvent metal recycling with its patented and patent pending AquaRefining™ technologies. Aqua Metals is focused on developing cleaner and safer metals recycling through innovation.

We are in the process of demonstrating that Li AquaRefining (which is also electricity-based and fundamentally non-polluting) can create the highest quality and highest yields of recovered minerals from lithium-ion batteries, with lower waste streams and lower costs than alternatives. With the proven ability to recover valuable metals from lithium-ion batteries at our current pilot facility in the Tahoe Reno Industrial Center ("TRIC"), our goal is to process commercial quantities of high-purity lithium hydroxide and carbonate, nickel, cobalt, manganese dioxide, and copper in pure forms that can be sold to the general metals and superalloy markets and can be made into battery precursor compound materials with proven processes that are already used in the battery industry.

Aqua Metals is engaged in the business of applying its commercialized clean, water-based recycling technology principles to develop clean and cost-efficient recycling solutions for both lead and lithium-ion ("Li") batteries. Our recycling process is a patented hydro- and electrometallurgical technology that is a novel, proprietary and patented process we developed and named AquaRefining. AquaRefining is a low-emissions, closed-loop recycling technology that replaces polluting furnaces and hazardous chemicals with electricity-powered electroplating to recover valuable metals and materials from spent batteries with higher purity, lower emissions, and with minimal waste. The "Aqualyzers" cleanly generate ultra-pure metal one atom at a time, closing the sustainability loop for the rapidly growing energy storage economy.

Aqua Metals now has a corporate office location in Reno, a pilot facility in TRIC and a recycling facility currently under construction in TRIC. The decision to locate to the Reno area was due to several factors, including the business tax structure, cost of living and logistic advantages offered by the region. Aqua Metals is aware of the benefits of the Nevada State Incentive Program, and this was a critical factor in deciding to relocate the headquarter operations to Reno.

The current business plan involves the recent acquisition of a 21,000 square foot building with a purchase cost of \$3.1 million, land with a purchase cost of \$1.1 million and improvement costs budgeted to be over \$13.5 million. Additionally, we plan to purchase equipment for the new building with a cost of \$17 million. To staff and operate our expanding operations, the plan is to hire approximately 35-45 employees over the next two years. The average annual salary of the employees is projected to be approximately \$133,000.00.

We are excited about the market opportunities presented by our ongoing growth and the advantages that benefit our company, by the location of these facilities in the Reno area.

Sincerely,

A handwritten signature in blue ink, appearing to read "Judd Merrill".

Judd Merrill
Director

Aqua Metals Reno Inc.

Date: November 7, 2023

Mr. Thomas Burns
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Avenue, Suite 5400
Las Vegas, NV 89101

RE: APPLICATION FOR INCENTIVES – REQUEST FOR
CONFIDENTIALITY OF RECORDS AND DOCUMENTS

Dear Director Burns:

On this November 7, 2023, Aqua Metals Reno Inc. submitted an application to the State of Nevada Governor's Office of Economic Development ("GOED") requesting approval of economic incentives for the expansion operation in Storey County, Nevada. The purpose of this letter is to request that any and all records and other documents in GOED's possession concerning initial contact with, and research and planning for company name be kept confidential.

Please be advised that company names specifically deems the following information proprietary and confidential:

1. The detailed schedule of Employment List
2. The detailed schedule of Capital Equipment List

Thank you for your consideration. If you have any questions or require any further information, please do not hesitate to contact me.

Sincerely,



Name: Vince Treadway
Title: Senior Project Accountant
Company: Aqua Metals Reno Inc.

REQUEST FOR CONFIDENTIALITY DETERMINATION

Pursuant to NRS 231.069, and upon the request of applicant, Aqua Metals Reno, Inc., the Executive Director of the Office has determined the:

- (i) The detailed schedule of Capital Equipment List, 5(A)
- (ii) The detailed schedule of Employment List, 5(B)

are confidential proprietary information of the business, are not public records, and shall be redacted in its entirety from the copy of the application that is disclosed to the public.



Thomas J. Burns
Executive Director

1/9/2024

Date

**ECONOMIC DEVELOPMENT
Incentive Application**

Company is an / a: (check one)

New location in Nevada

Expansion of a Nevada company

Company Name: Aqua Metals Reno, Inc..

Date of Application: November 7th, 2023

Section 1 - Type of Incentives

Please check all that the company is applying for on this application:

- Sales & Use Tax Abatement
- Modified Business Tax Abatement
- Personal Property Tax Abatement
- Sales & Use Tax Deferral
- Recycling Real Property Tax Abatement
- Other: _____

Section 2 - Corporate Information

COMPANY NAME (Legal name under which business will be transacted in Nevada) <u>Aqua Metals Reno, Inc.</u>			FEDERAL TAX ID # <u>47-3293812</u>
CORPORATE ADDRESS <u>5370 Kietzke Ln #201</u>	CITY / TOWN <u>RENO</u>	STATE / PROVINCE <u>NV</u>	ZIP <u>89511</u>
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above)	CITY / TOWN	STATE / PROVINCE	ZIP
TELEPHONE NUMBER <u>775-446-5472</u>	WEBSITE <u>www.aquametals.com</u>		
COMPANY CONTACT NAME <u>Eric West</u>	COMPANY CONTACT TITLE <u>VP of Finance</u>		
E-MAIL ADDRESS <u>eric.west@aquametals.com</u>	PREFERRED PHONE NUMBER <u>775-446-5472</u>		

Has your company ever applied and been approved for incentives available by the Governor's Office of Economic Development? Yes No

If Yes, list the program awarded, date of approval, and status of the accounts (attach separate sheet if necessary):

May 19, 2016 - Sales Tax Abatement, Modified Business Tax Abatement & Personal Property Tax Abatement. All in-active.

Section 3 - Program Requirements

Please check two of the boxes below; the company must meet at least two of the three program requirements:

- A capital investment of \$1,000,000 in eligible equipment in urban areas or \$250,000 in eligible equipment in rural areas are required. This criteria is businesses. In cases of expanding businesses, the capital investment must equal at least 20% of the value of the tangible property owned by the business.
- New businesses locating in urban areas require fifty (50) or more permanent, full-time employees on its payroll by the eighth calendar quarter quarter in which the abatement becomes effective. In rural areas, the requirement is ten (10) or more. For an expansion, the business must increase employees on its payroll by 10% more than its existing employees prior to expansion, or by 25 (urban) or 6 (rural) employees, whichever is greater.
- In both urban and rural areas, the average hourly wage that will be paid by the business to its new employees is at least 100% of the average statewide hourly wage.

Note: Criteria is different depending on whether the business is in a county where the population is 100,000 or more or a city where the population is 60,000 or more "urban" area), or if the business is in a county where the population is less than 100,000 or a city where the population is less than 60,000 (i.e., "rural" area).

Section 4 - Nevada Facility

Type of Facility:

- Headquarters
- Technology
- Back Office Operations
- Research & Development / Intellectual Property
- Service Provider
- Distribution / Fulfillment
- Manufacturing
- Other: Lithium battery recycling plant

PERCENTAGE OF REVENUE GENERATED BY THE NEW JOBS CONTAINED IN THIS APPLICATION FROM OUTSIDE NEVADA <u>100%</u>	EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR) <u>Aug-2023</u>		
NAICS CODE / SIC <u>SIC 5093, NAICS 331492</u>	INDUSTRY TYPE <u>Recycling</u>		
DESCRIPTION OF COMPANY'S NEVADA OPERATIONS <u>Lithium battery recycling plant</u>			
PROPOSED / ACTUAL NEVADA FACILITY ADDRESS <u>2999 Waltham Way</u>	CITY / TOWN <u>McCarran</u>	COUNTY <u>Storey County</u>	ZIP <u>89437</u>

WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP?

Our preference is Nevada.

Section 5 - Complete Forms (see additional tabs at the bottom of this sheet for each form listed below)

Check the applicable box when form has been completed.

- 5 (A) Equipment List
- 5 (B) Employment Schedule
- 5 (C) Evaluation of Health Plan, with supporting documents to show the employer paid portion of plan meets the minimum of 65%.
- 5 (D) Company Information Form

Section 6 - Real Estate & Construction (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up - Plans Over the Next <u>Ten</u> Years	Expansions - Plans Over the Next <u>10</u> Years
<p>Part 1. Are you currently/planning on leasing space in Nevada? _____</p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost of space: _____</p> <p>Do you plan on making building tenant improvements? _____</p> <p>If No, skip to Part 2. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 2. Are you currently/planning on buying an owner occupied facility in Nevada? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">Purchase date, if buying (month, year): _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p>Do you plan on making building improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 3. Are you currently/planning on building a build-to-suit facility in Nevada? _____</p> <p>If Yes *, continue below:</p> <p style="padding-left: 40px;">When to break ground, if building (month, year)? _____</p> <p style="padding-left: 40px;">Estimated completion date, if building (month, year): _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p>	<p>Part 1. Are you currently leasing space in Nevada? <u>No</u></p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost at current space: _____</p> <p>Due to expansion, will you lease additional space? _____</p> <p>If No, skip to Part 3. If Yes, continue below:</p> <p style="padding-left: 40px;">Expanding at the current facility or a new facility? _____</p> <p style="padding-left: 80px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much expanded space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost of expanded space: _____</p> <p>Do you plan on making building tenant improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 2. Are you currently operating at an owner occupied building in Nevada? <u>No</u></p> <p>If No, skip to Part 3. If Yes, continue below:</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Current assessed value of real property? _____</p> <p>Due to expansion, will you be making building improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 3. Do you plan on building or buying a new facility in Nevada? <u>Yes</u></p> <p>If Yes *, continue below:</p> <p style="padding-left: 40px;">Purchase date, if buying (month, year): <u>Feb-2023</u></p> <p style="padding-left: 40px;">When to break ground, if building (month, year)? _____</p> <p style="padding-left: 40px;">Estimated completion date, if building (month, year): <u>Sep-2024</u></p> <p style="padding-left: 40px;">How much space (sq. ft.)? <u>21,000</u></p>
<p>* Please complete Section 7 - Capital Investment for New Operations / Startup.</p>	<p>* Please complete Section 7 - Capital Investment for Expansions below.</p>

BRIEF DESCRIPTION OF CONSTRUCTION PROJECT AND ITS PROJECTED IMPACT ON THE LOCAL ECONOMY (Attach a separate sheet if necessary):

Section 7 - Capital Investment (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up	Expansions
How much capital investment is planned? (Breakout below):	How much capital investment is planned? (Breakout below):
Building Purchase (if buying): _____	Building Purchase (if buying): <u>\$3,131,202</u>
Building Costs (if building / making improvements): _____	Building Costs (if building / making improvements): <u>\$13,577,678</u>
Land: _____	Land: <u>\$1,140,561</u>
Equipment Cost: _____	Equipment Cost: <u>\$17,067,140</u>
Total: _____	Total: <u>\$34,916,581</u>
	Is the equipment purchase for replacement of existing equipment? <u>No</u>
	Current assessed value of personal property in NV: <u>\$669,845</u>
	(Must attach the most recent assessment from the County Assessor's Office.)

Section 8 - Employment (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up	Expansions
How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of new operations?: _____	How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of expanded operations?: <u>39</u>
Average hourly wage of these <u>new</u> employees: _____	Average hourly wage of these <u>new</u> employees: <u>\$41.30</u>
	How many FTE employees prior to expansion?: <u>50</u>
	Average hourly wage of these <u>existing</u> employees: <u>\$60.70</u>
	Total number of employees after expansion: <u>89</u>

* FTE represents a permanent employee who works an average of 30 hours per week or more, is eligible for health care coverage, and whose position is a "primary job" as set forth in NAC 360.474.

OTHER COMPENSATION (Check all that apply):

- Overtime
 Merit increases
 Tuition assistance
 Bonus
 PTO / Sick / Vacation
 COLA adjustments
 Retirement Plan / Profit Sharing / 401(k)
 Other: _____

BRIEF DESCRIPTION OF ADDITIONAL COMPENSATION PROGRAMS AND ELIGIBILITY REQUIREMENTS (Attach a separate sheet if necessary):

N/A

Section 9 - Employee Health Insurance Benefit Program

Is health insurance for employees and is an option for dependents offered?: Yes (attach health plan and quote or invoice) No

Package includes (check all that apply):

- Medical
 Vision
 Dental
 Other: _____

Qualified after (check one):

- Upon employment
 Three months after hire date
 Six months after hire date
 Other: 1st day of the month following the date of employment

Health Insurance Costs:	Percentage of health insurance premium by (min 65%):
Plan Type: <u>PPO & HSA</u>	
Employer Contribution (annual premium per employee): <u>\$ 6,654.60</u>	Company: <u>100%</u>
Employee Contribution (annual premium per employee): <u>\$ -</u>	Employee: <u>0%</u>
Total Annual Premium: <u>\$ 6,654.60</u>	

[SIGNATURE PAGE FOLLOWS]

Section 10 - Certification

I, the undersigned, hereby grant to the Governor's Office of Economic Development access to all pertinent and relevant records and documents of the aforementioned company. I understand this requirement is necessary to qualify and to monitor for compliance of all statutory and regulatory provisions pertaining to this application.

Being owner, member, partner, officer or employee with signatory authorization for the company, I do hereby declare that the facts herein stated are true and that all licensing and permitting requirements will be met prior to the commencement of operations. In addition, I and /or the company's legal counsel have reviewed the terms of the GOED Tax Abatement and Incentives Agreement, the company recognizes this agreement is generally not subject to change, and any material revisions have been discussed with GOED in advance of board approval.

Eric West

Name of person authorized for signature



Signature

VP of Finance

Title

11/7/2023

Date

Nevada Governor's Office of Economic Development
555 E. Washington Ave., Ste 5400 • Las Vegas, Nevada 89101 • 702.486.2700 • (Fax) 702.486.2701 • www.diversifynevada.com

Site Selection Factors

Company Name: Aqua Metals Reno, Inc.

County: Storey

Section I - Site Selection Ratings

Directions: Please rate the select factors by importance to the company's business (1 = very low; 5 = very high). Attach this form to the Incentives Application.

Availability of qualified workforce:	<u>5</u>	Transportation infrastructure:	<u>5</u>
Labor costs:	<u>4</u>	Transportation costs:	<u>3</u>
Real estate availability:	<u>2</u>	State and local tax structure:	<u>5</u>
Real estate costs:	<u>4</u>	State and local incentives:	<u>5</u>
Utility infrastructure:	<u>2</u>	Business permitting & regulatory structure:	<u>4</u>
Utility costs:	<u>4</u>	Access to higher education resources:	<u>4</u>

Please summarize the importance of the abatement program to your decision (please include at least a paragraph summary):

Overall annual operating costs are critical in the company's location decision making process. To the extent that any incentives can improve those costs, they become extremely influential to the sit selection. This makes tax abatement incentives very important to our operational goals and company growth.

Equipment Schedule, Detailed

The Office has determined the detailed equipment schedule as described in this application constitutes confidential proprietary information of Aqua Metals Reno, Inc., and is not a public record.

Employment Schedule, Detailed

The Office has determined the detailed equipment schedule as described in this application constitutes confidential proprietary information of Aqua Metals Reno, Inc., and is not a public record.

5(C) Evaluation of Health Plans Offered by Companies

Company Name: Aqua Metals Reno, Inc. County: Storey

Total Number of Full-Time Employees: 39

Average Hourly Wage per Employee \$41.30
 Average Annual Wage per Employee (implied) \$85,904.00

COST OF HEALTH INSURANCE

Annual Health Insurance Premium Cost: \$6,654.60
 Percentage of Premium Covered by:
 Company 100%
 Employee 0% There is a buy up plan with a different cost split

HEALTH INSURANCE PLANS:

Base Health Insurance Plan*:	Base PPO CPOS II 2000
Deductible - per employee	\$ 2,000
Coinsurance	80%/20%
Out-of-Pocket Maximum per employee	\$ 5,500
Additional Health Insurance Plan*:	H.S.A. PPO
Deductible - per employee	\$ 3,750
Coinsurance	80%/20%
Out-of-Pocket Maximum per employee	\$ 6,900
Additional Health Insurance Plan*:	High PPO CPOS II 500
Deductible - per employee	\$ 500
Coinsurance	80%/20%
Out-of-Pocket Maximum per employee	\$ 4,000

*Note: *Please list only "In Network" for deductible and out of the pocket amounts .*

Generalized Criteria for Essential Health Benefits (EHB)

[following requirements outlined in the Affordable Care Act and US Code, including 42 USC Section 18022]

Covered employee's premium not to exceed 9.5% of annual wage	0	MEC
Annual Out-of-Pocket Maximum not to exceed \$9,450 (2024)	\$5,500	MEC

Minimum essential health benefits covered (Company offers PPO):

- (A) Ambulatory patient services
- (B) Emergency services
- (C) Hospitalization
- (D) Maternity and newborn care
- (E) Mental health/substance use disorder/behavioral health treatment
- (F) Prescription drugs
- (G) Rehabilitative and habilitative services and devices
- (H) Laboratory services
- (I) Preventive and wellness services and chronic disease management
- (J) Pediatric services, including oral and vision care

No Annual Limits on Essential Health Benefits

I, the undersigned, hereby declare to the Governor's Office of Economic Development that the facts herein stated are true, and that I have attached a qualified plan with information highlighting where our plan reflects meeting the 65% minimum threshold for the employee paid portion of the plan for GOED to independently confirm the same.

Eric West
 Name of person authorized for signature
VP of Finance
 Title

[Signature]
 Signature
1/10/2024
 Date

5(D) Paid Family and Medical Leave (PFML)

Company Name: Aqua Metals Reno, Inc.

County: Storey

After October 1, 2023, if the business will have at least 50 full-time employees on the payroll of the business by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective the business, by the earlier of the eighth calendar quarter following the calendar quarter in which the abatement becomes effective or the date on which the business has at least 50 full-time employees on the payroll of the business, has a policy for paid family and medical leave and agrees that all employees who have been employed by the business for at least 1 year will be eligible for at least 12 weeks of paid family and medical leave at a rate of at least 55 percent of the regular wage of the employee.

I, the undersigned, hereby declare to the Governor's Office of Economic Development that the facts herein stated are true, and that the Applicant will meet this threshold for PFML.

Eric West
Name of person authorized for signature

VP of Finance
Title


Signature

12/19/23
Date

5(E) Company Information

Company Name: Aqua Metals Reno, Inc.

County: Storey

Section I - Company Interest List

Directions: Please provide a detailed list of owners and/or members of the company. *The Governor's Office of Economic Development strives to maintain the highest standards of integrity, and it is vital that the public be confident of our commitment. Accordingly, any conflict or appearance of a conflict must be avoided. To maintain our integrity and credibility, the applicant is required to provide a detailed list of owners, members, equity holders and Board members of the company.*

(a) Name	(b) Title
Steve Cotton	Director
Judd Merrill	Director

Section 2 - Company Affiliates and/or Subsidiaries

Are there any subsidiary or affiliate companies sharing tax liability with the applicant company? No Yes

If Yes, continue below:

Directions: In order to include affiliates/subsidiaries, under the exemption letter, they must to be added to the Contract. Per standard practice GOED requires a corporate schematic to understand the exact relationships between the companies. Please populate the below table to show the exact relationships between the companies and include:

1. The names as they would read on the tax exemption letter.
2. Which entity(ies) will do the hiring?
3. Which entity(ies) will be purchasing the equipment?

Name of Subsidiary or Affiliate Entity, Role and Legal Control Relationship
Aqua Metals Waltham Holding LLC - Subsidiary (This entity houses land & building for Waltham 1)
Aqua Metals Waltham 1 LLC - Subsidiary (This entity houses equipment for Waltham 1)

Please include any additional details below:

SECRETARY OF STATE



NEVADA STATE BUSINESS LICENSE

AQUA METALS RENO, INC.

Nevada Business Identification # NV20151333913

Expiration Date: 05/31/2024

In accordance with Title 7 of Nevada Revised Statutes, pursuant to proper application duly filed and payment of appropriate prescribed fees, the above named is hereby granted a Nevada State Business License for business activities conducted within the State of Nevada.

Valid until the expiration date listed unless suspended, revoked or cancelled in accordance with the provisions in Nevada Revised Statutes. License is not transferable and is not in lieu of any local business license, permit or registration.

License must be cancelled on or before its expiration date if business activity ceases. Failure to do so will result in late fees or penalties which, by law, cannot be waived.



Certificate Number: B202305223667974

You may verify this certificate
online at <http://www.nvsos.gov>

IN WITNESS WHEREOF, I have hereunto set my
hand and affixed the Great Seal of State, at my
office on 05/22/2023.

FRANCISCO V. AGUILAR
Secretary of State



LEADING A REVOLUTION

In Clean Metals Recycling

NASDAQ: AQMS

September 2023



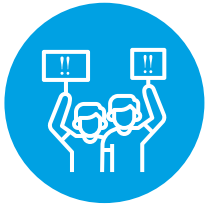
Disclaimer



This presentation contains forward-looking statements concerning Aqua Metals, Inc. Forward-looking statements include, but are not limited to, our plans, objectives, expectations and intentions and other statements that contain words such as "expects," "contemplates," "anticipates," "plans," "intends," "believes", "estimates", "potential" and variations of such words or similar expressions that convey the uncertainty of future events or outcomes, or that do not relate to historical matters. The forward-looking statements in this press release include our expectations for our pilot recycling plant, our ability to recycle lithium-ion batteries and the expected benefits of recycling lithium-ion batteries. 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 risk that we may not be able to acquire the funding necessary to develop our recently acquired five-acre campus; (2) the risk that we may not be able to develop the recycling facility on the five-acre campus within the expected time or at all; (3) even if we are able to develop the recycling facility, the risk that we may not realize the expected benefits; (4) the risk that licensees may refuse or be slow to adopt our AquaRefining process as an alternative in spite of the perceived benefits of AquaRefining; (5) the risk that we may not realize the expected economic benefits from any licenses we may enter into; and (6) those other risks disclosed in the section "Risk Factors" included in the company's Annual Reports of Form 10-K. 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, except as required by law.

Investor Highlights

Patented recycling solution that has the potential to deliver the best economics and the lowest environmental impact



Surging demand

EVs, mobile devices, solar storage, everything uses batteries, and demand is only growing.



Component deficit

The minerals for making modern batteries are rare, expensive, and frequently mined in unfriendly regions. The US does not have a domestic supply chain and China is increasingly creating a monopoly.



Environmental disaster

Legacy recycling methods are dirty, hazardous, and inefficient. Current Lithium Ion (Li-Ion) recycling methods don't recover Lithium, which is worth \$30,000/MT

Innovative solution with operational pilot proving technology, and plans for commercial-scale campus

Massive and growing global addressable market

Greenfield opportunity for partnerships and strategic alliances

Strong IP protection:
73 global patents; 43 patents pending
Only electro-hydrometallurgy recycler in North America

Sufficient cash to reach revenue

Only Li-Ion recycling method with pathway to net-zero operations

AquaRefining recovers all valuable materials, including Lithium Hydroxide and Manganese Dioxide, which are not recovered by competing methods

The World Is Powered By Batteries

Lead-Acid Batteries (LAB)



- Most of LABs are used in EVs/cars, forklifts, cranes, data centers and e-bikes
- LAB market is about \$65B globally
- 95%+ of LABs are recycled, but at massive environmental cost through smelting, one of the top polluting industries in the world
- Typical LAB contains 60 to 80 percent recycled lead and plastic
- LAB market expected to rise at 5.2% CAGR from 2021-2031 ¹



Lithium-ion Batteries (LiB)



- Energy storage, microgrids, electric vehicles, and mobile electronics driving use-cases
- Only 5% of LiBs are recycled globally, from an estimated 8M tons/yr waste stream
- 145M EVs predicted to be on the roads globally by 2030
- Typical 10-year LiB life span, with an est. 6.5M tons available for recycling 2025-2030
- Legacy recycling processes generate polluting emissions and chemical waste streams
- Legacy process can not recover lithium hydroxide
- Demand for LiB expected to grow from \$44B to \$94B by 2025 ²
- Global battery demand for lithium and nickel will be 12-13x of the current size, 2x of the current size for cobalt by 2040E ³








1 Future Market Insights; 2 CNBC, March 2022; 3 - Goldman Sachs

Expensive, Scarce Components in Li-ion Batteries



As demand for EV batteries grows, countries are racing to build domestic supply chains
99% of raw and component materials for LiBs are produced outside the U.S.

Mineral	Pricing and demand growth ¹	Supply shortfall risks	Geopolitical challenges
COBALT 	<ul style="list-style-type: none"> • Currently \$33,420/MT • 9.26% CAGR 2021-2025. 	<ul style="list-style-type: none"> • Cobalt market to move into deficit by 2024. 	<ul style="list-style-type: none"> • US sees cobalt a strategic and critical to U.S. security. • More than 2/3s mined cobalt comes from politically sensitive DRC.
NICKEL 	<ul style="list-style-type: none"> • Currently \$20,841/MT • Nickel usage in EV battery sector predicted to increase 62% in 2022; 26% in 2023. • 7.3% CAGR 2021-2028. 	<ul style="list-style-type: none"> • Class I nickel, essential for electric vehicle batteries, is expected to face a shortage for the next three to five years (Oregon Group) • Ongoing LME market volatility 	<ul style="list-style-type: none"> • Indonesia a major supplier; converts low-grade ore with high-carbon footprint to LiB quality. • Russia accounts for ~17% of production capacity.
MANGANESE 	<ul style="list-style-type: none"> • Currently \$2,000/MT • High purity manganese needed for EVs. • Predicted 43% CAGR in next 5 years. 	<ul style="list-style-type: none"> • Manganese dioxide is a critical link in the LiB supply chain that is driving EV adoption. • Many battery producers shifting to NMC vs. NCA batteries. 	<ul style="list-style-type: none"> • US is 100% dependent on manganese imports. • China #1 miner and dominates manganese ore and concentrate imports, with 75% of imports.
COPPER 	<ul style="list-style-type: none"> • Currently \$8,347/MT • Demand estimated to grow 53% by 2040, driven by the electrification of transport and infrastructure (BNEF). 	<ul style="list-style-type: none"> • By 2027, nearly 600,000 MT of additional copper needed to match EV demand (IDTechEx). • Forecasted deficit of 9M mt by 2030 (BMO Capital markets), and 14M mt by 2040 (BNEF). 	<ul style="list-style-type: none"> • Supply chain issues at key copper Latin American countries, dearth of new mines.
LITHIUM 	<ul style="list-style-type: none"> • Currently \$30,000/MT (LiOH) • 20.6% CAGR 2020-2025. • Lithium use up 4x since 2010 (BNEF). 	<ul style="list-style-type: none"> • Global LI market predicted to move into deficit starting in 2025. • Typically produced as lithium carbonate, requires additional refining. 	<ul style="list-style-type: none"> • China dominates lithium refining. 96% of Australia's exports go to China; largest importer of Chile's lithium carbonate.

¹ Pricing based on London Metal Exchange, www.lme.com, and company estimates.

The Next Generation Recycling Process



Replaces furnaces and heavy chemical use with 100% electricity-powered and closed-loop recycling, creating fundamentally non-polluting, cost-efficient solution that generates minimal waste



Recovers the high-value metals lost in smelting (like lithium and manganese), and produces high purity products



Proven for LABs and expanding to LiBs



Safer work environment, less hazardous materials, eliminates constant trainloads of chemicals

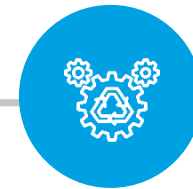


Strong IP protection:
73 global patents
43 patents pending



The only recycling process that:

Produces lithium hydroxide directly (or Li_2CO_3), reclaims high purity metals (not salts), regenerates chemicals used in closed-loop system, and has a clear pathway to net-zero operations



Current LiB Recycling Technology Comparison

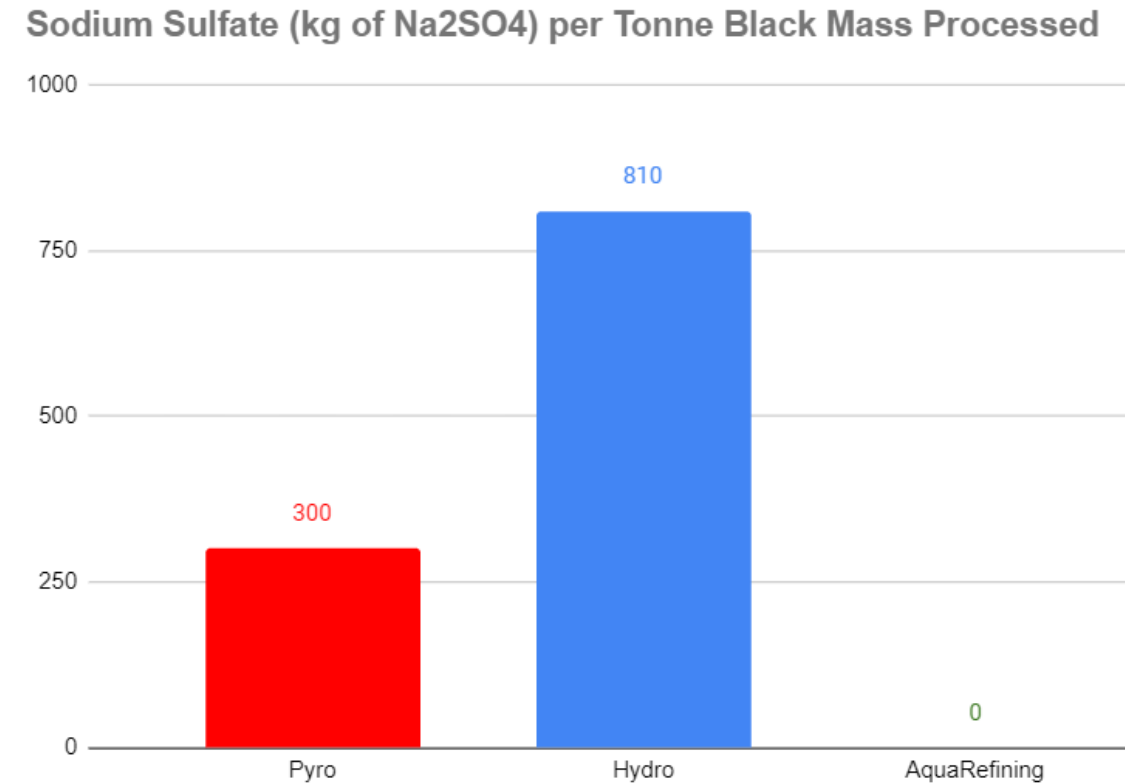
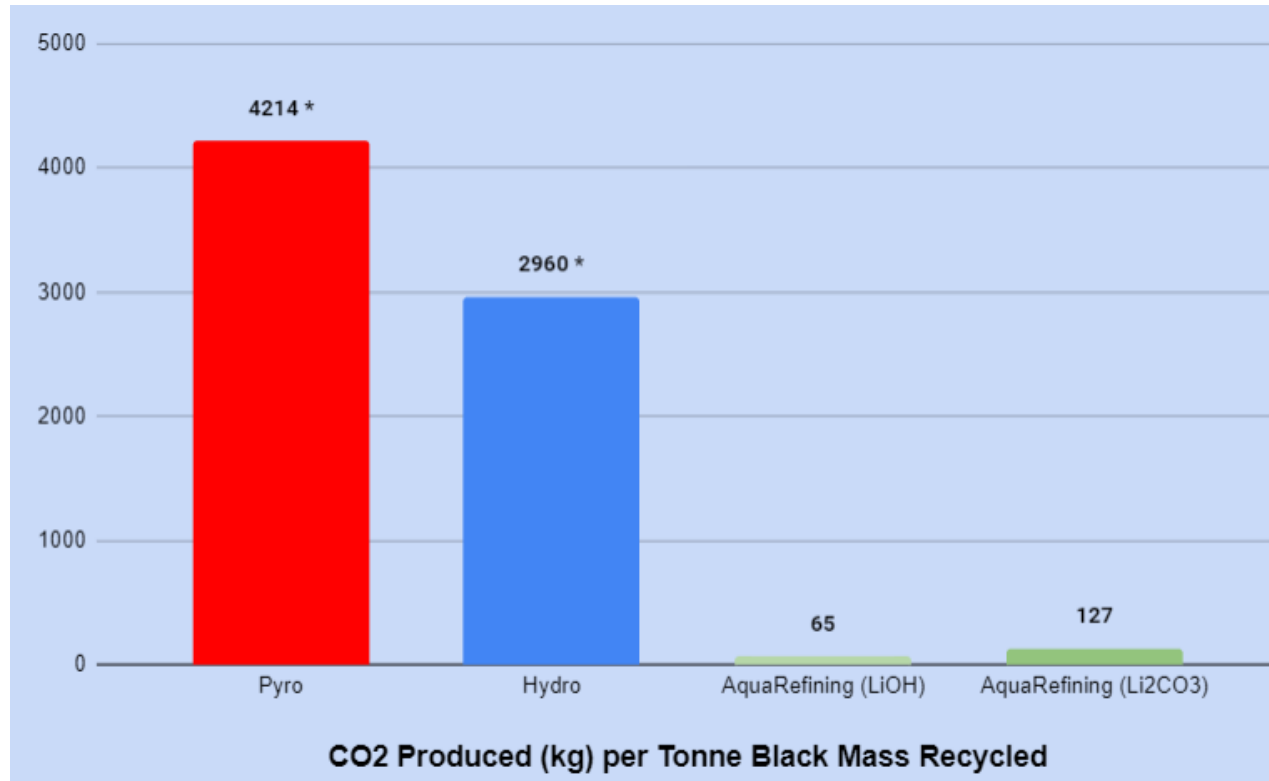


Game Changing Environmental Performance



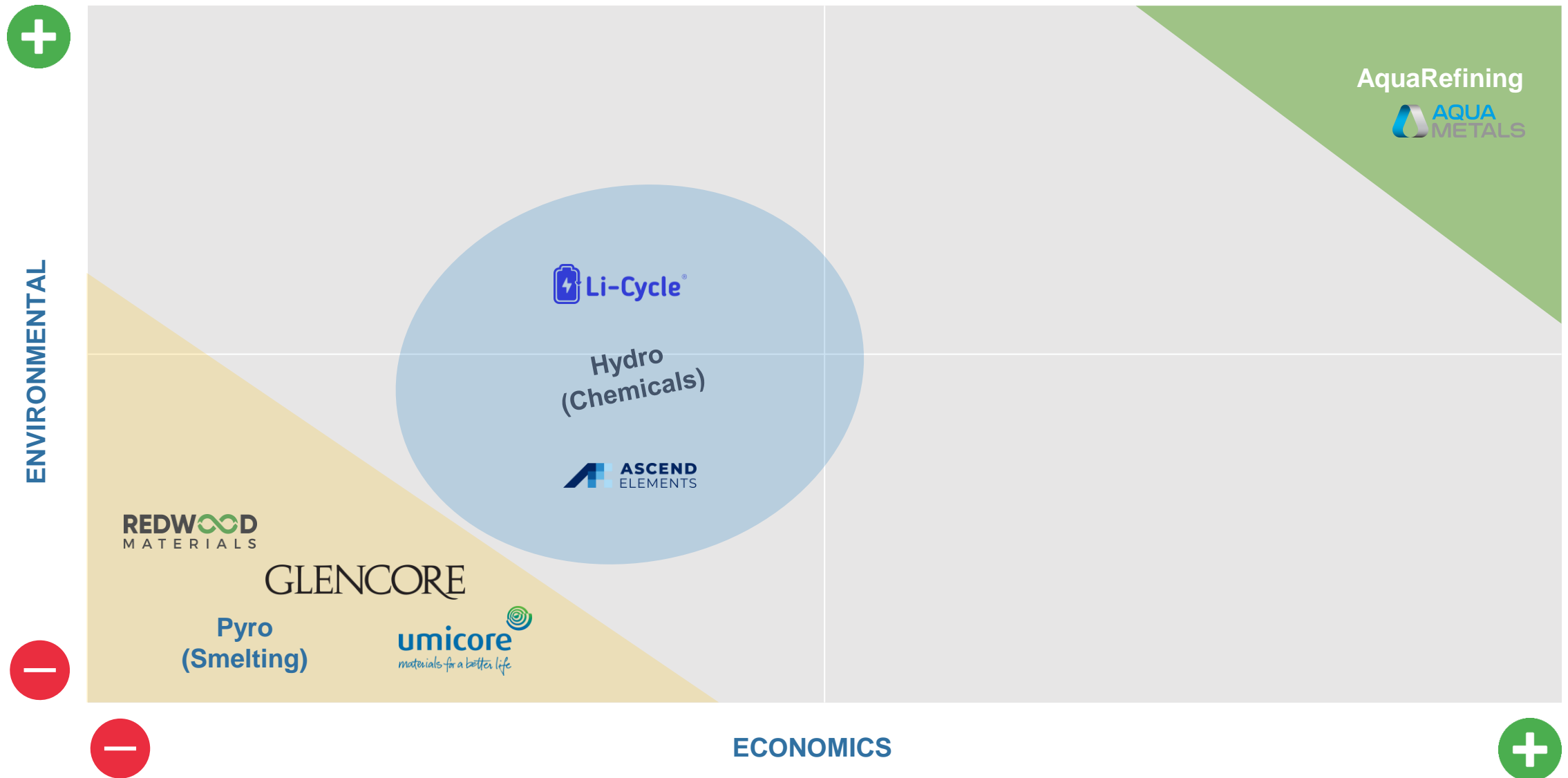
Electrifying lithium battery recycling to reduce emissions and waste

- Aqua Metals' Li AquaRefining technology uses dramatically less energy – powered by electricity, instead of fossil fuels
- Much lower emissions per tonne recycled than pyro- and hydrometallurgical processes
- AquaRefining also produces substantially less waste than competing solutions – and no sodium sulfate

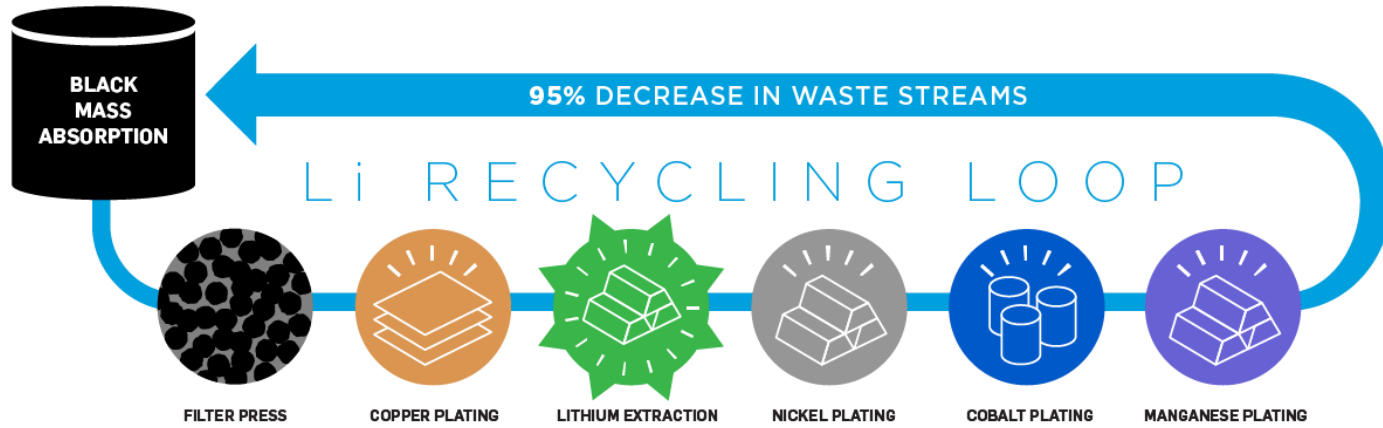


*Based on Argonne National Labs battery life-cycle model —EverBatt

Competitive Landscape Lithium Recycling



Li AquaRefining: First Sustainable LiB Recycling

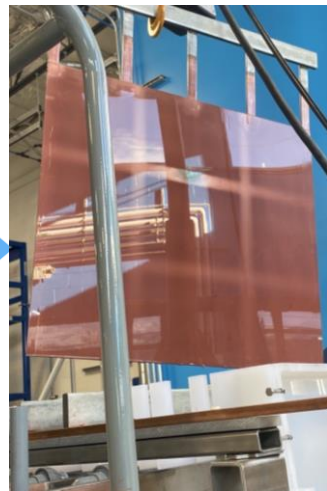


Li AquaRefining™ recovers critical materials using electricity in a closed-loop system

- 99% less CO2 than pyro or mining and no polluting furnaces
- 95% less chemicals than hydro, regenerative process lowers costs and emissions
- 95%+ recovery rate of all valuable materials



Sourced Black Mass



Pure Copper Plating



Lithium Crystallization (LiOH - Pictured) or Carbonation (Li₂CO₃)



Pure Nickel Plating



Pure Cobalt & Manganese Dioxide Co-Plated



Aqua Metals' Commercial-Scale Timeline



Finalize First
Licensing &
Off-taker
Agreements
Q4 2023

Complete
Buildout & Up-fitting
Commercial-scale
Facility
H1 2024

Construction
Buildings 2 & 3
Commercial Campus
2025

Q4 2023

Q4 2023

H2 2024

Bring Pilot
to Full Scale
(24x7 Operations,
75 tonnes/yr)

Complete NRE w/ 6K
Energy on Novel Battery
Metals Process

Complete
Commissioning,
Scale to 3,000tpy
Run Rate*

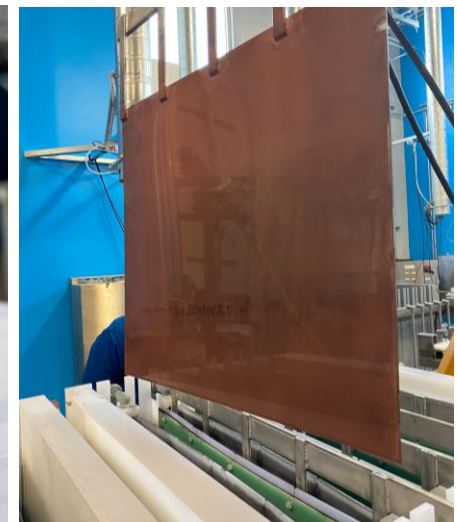
Pilot Plant Operational

Only sustainable lithium battery recycler operational in North America, with 83% less emissions of hydro-recycling

Proven ability to remove valuable materials from black mass; scaling at Pilot facility

Only facility natively producing lithium hydroxide or carbonate directly from black mass - eliminating costly & polluting refining

Regenerative Process: No trainloads of chemicals or waste storage necessary



Pilot Recycling Operations Lifecycle Analysis



Independent Technical Report conducted by global engineering firm **ICF International** including Lifecycle Analysis (LCA) of Aqua Metals' AquaRefining Pilot



Technical Report Conclusions:

- Today, AquaRefining shows 83% reduction in carbon emissions compared to hydrometallurgy – and can uniquely reduce climate impacts even further

~75% of emissions from NV grid electricity

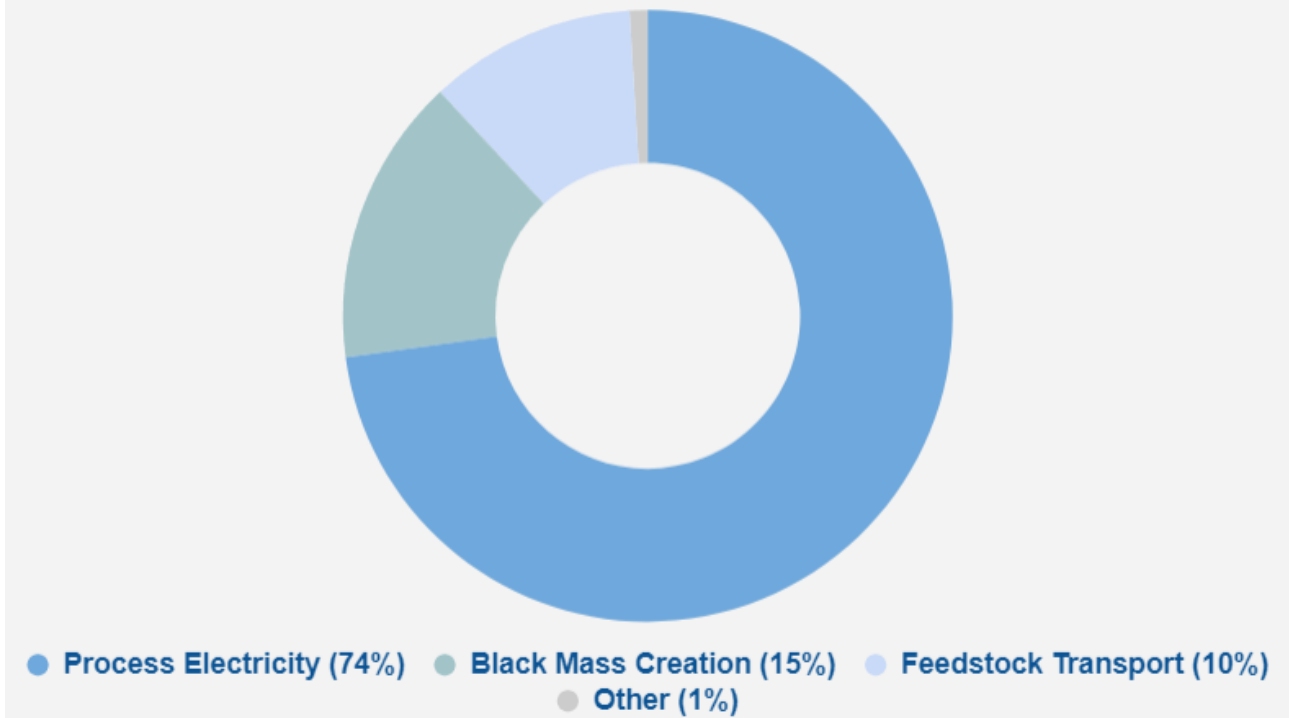
- Sourcing carbon-free electricity lowers CO₂ even further – beyond capabilities of hydro
- Currently off-setting emissions, securing VPPA for future commercial operations

~25% from black mass creation & transport from our supply chain

- Partnerships with low-carbon black mass producers actively reducing emissions

Lower climate emissions by design, and a clear pathway to net-zero LiB recycling

Li AquaRefining Lifecycle Emissions (by Source)



Aqua Metals Converting Black Mass into Revenue



TAM: \$165B based on 7.5M/MT of black mass x \$22,000 of extracted value

LiB Recycling – An Exponentially Growing Market Opportunity

- LiB recycling predicted to hit \$6.55B by 2028 with 18.5% CAGR vs. \$1.7B in 2020 (Fortune Business Insights)
- 2025-2030, an estimated 6.5M tons of EV batteries will reach end of life and need to be recycled
- Battery recycling attracting major investments, infrastructure build out
- Upcoming DOE grant status, awards between \$5M (applied for) - \$100M (applying now through 2023)

Strategic Partnerships

- Strategic investment and partnership with Yulho Materials for a large-scale licensing agreement in South Korea, with plans for Asia and the EU
- 6K Energy Partnership to develop battery metals conversion technology from known pathway, long-term supply agreement for PlusCAM (13,000tpa CAM factory)
- LOI with Dragonfly Energy Corporation to qualify Aqua Metals' lithium hydroxide for use in Dragonfly batteries for its planned solid-state LiB Gigafactory



Circular Supply Chain: Strategic Partnerships

Domestic Battery Supply Chain Off-Takers



6K ENERGY

Innovative Battery Materials Manufacturer (CAM/pCAM)

Building 13,000tpa PlusCAM facility in Jackson, TN

Partners:

- Off-taker for recycled Li, Ni, Co, MnO₂
- Sustainable battery materials conversion for CAM & pCAM

DRAGONFLY ENERGY

Leading LFP Battery & Energy Storage Company

Lithium Ferro Phosphate (LFP) & Solid-State Battery Tech

Partners:

- Regional (NV) supply chain & off-taker for recycled lithium
- Validating Aqua Metals materials as part of advanced manufacturing process

- 3,000+ tonnes of black mass already secured to reach and operate at commercial scale
- Negotiating off-take agreements with domestic battery & EV companies
- Completing first licensing agreement for AquaRefining internationally

Global Licensing (Li AquaRefining)



YULHO MATERIALS

Leading Battery Materials Co. in South Korea
SK's largest black mass facility, expanding to 24,000tpa

Partners: Licensing Li AquaRefining (Asia, EU),
Established partner w/ SK's battery & EV companies

6K Energy & Aqua Metals Partnership



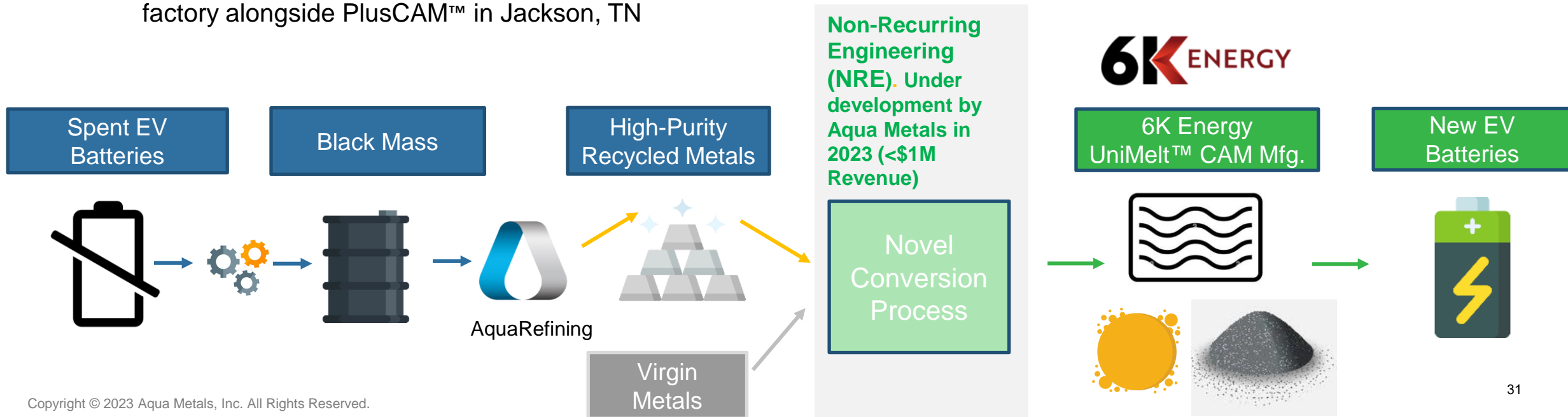
Develop low-carbon battery material conversion technology and establish long-term supply agreement for 6K Energy's 13,000tpa PlusCAM™ factory

Highlights:

- Non-recurring engineering agreement funded by 6K Energy (<\$1M in 2023)
- Material conversion is low-risk, building off Aqua Metals' tech
- Success leads to long-term supply agreement – thousands of tons per year of recycled metals for conversion
- Companies to co-locate future pilot facility and factory alongside PlusCAM™ in Jackson, TN

About 6K:

- \$50M U.S. Dept. of Energy (DOE) grant & other funding towards \$200M PlusCAM™ factory in Jackson, TN
- High-profile leadership team, Board, and strategic investors
- Volta Energy Technologies, Koch Strategic Platforms, Albemarle Corp.



Yulho & Aqua Metals Partnership



South Korea-based Yulho has become a strategic investor in Aqua Metals and will be licensing sustainable AquaRefining technology for use in their own facilities in Asia (and beyond)

Yulho Highlights:

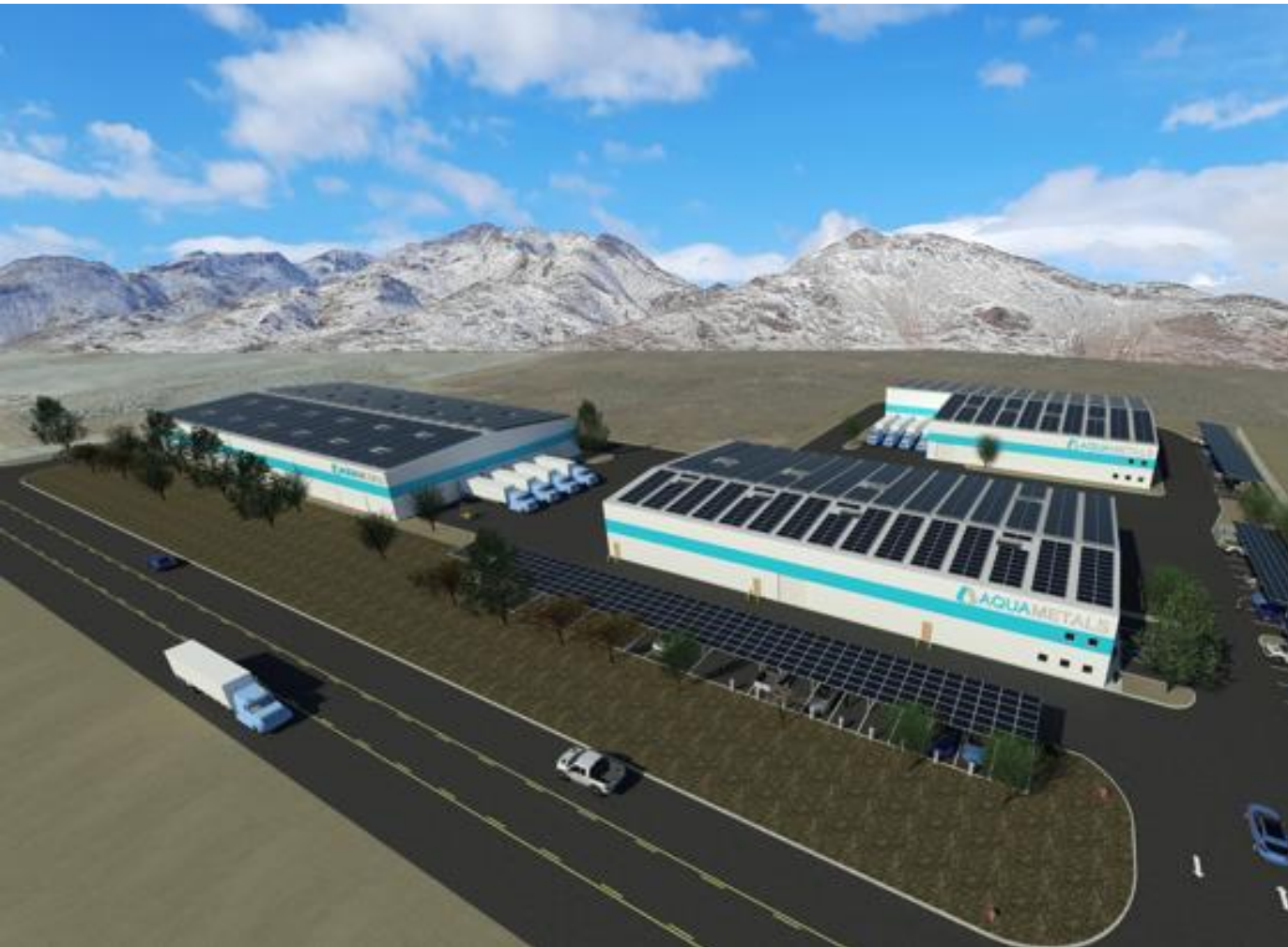
- ❑ 25-year history, established in South Korea's advanced technology industries
- ❑ Rapidly growing storage solution and battery materials company (Yulho Materials), already delivering high quality black mass
- ❑ Established relationships with South Korea's largest battery & EV companies
- ❑ Currently processing hard-to-get manufacturing scrap and EOL batteries from tier-one manufacturers into high-purity black mass
- ❑ Building South Korea's largest black mass production facility (8,000 tonnes), to be operational this year; expanding to 24,000 tonnes

About Partnership:

- ❑ Yulho invested \$5M in Aqua Metals to help accelerate AQMS' US operations and commercial scaling
- ❑ Yulho to license AquaRefining technology in South Korea, up to 100,000 tonnes annually (~1M EV batteries)
- ❑ Potential to expand license in Asia and European Union



Phased Development of Commercial Scale Plant



- Five-acre campus designed to ultimately process more than 20 million pounds of lithium-ion battery material annually (10,000tpy)
- Tahoe-Reno Industrial Center campus at the heart of Nevada's lithium battery supply chain
- Rendering of existing building (lower right) and planned future expansions
- Black mass materials secured to reach commercial scale in 2024, and operate into 2025

Financials



As of June 30, 2023

Cash and cash equivalents	\$6.2M
Working capital	\$4.0M
Quarterly burn rate (approx.)	\$3.0M

Additional Sources of Capital

Equity Capital Raise – gross proceeds	\$20.0M
Strategic Investment – gross proceeds	\$5.0M
Non-dilutive loan financing (USDA) – potential	\$25.0M targeted
U.S. Government grants – potential	\$5.0M - \$100.0M range

Management



Steve Cotton
Chief Executive Officer,
President

Rejoined Aqua Metals in, 2018;
Previously served as Chief
Commercial Officer

Co-founded Canara, Inc. (formerly
Data Power Monitoring and
IntelliBatt) in 2001; served as CEO
through its sale to a private equity
firm in 2012; Then served as
Founder and Executive Chairman
until 2014.

Led a team to commercialize
Sendmail; began his career at
Octel Communications through its
\$1.1B exit to Lucent in 1997



Judd Merrill
Chief Financial Officer

Joined Aqua Metals in 2018 from
Klondex Mines Ltd., an
international mining company
where he was Director of
Finance/Accounting, responsible
for overseeing the SEC
compliance and the management
of the Company's \$200+ million
budget over five subsidiaries.

Spent five years as CFO of
Comstock Mining Inc., a publicly
traded gold company where he
was instrumental in establishing
financial modeling and analytics.

Controller at Fronteer Gold Inc. as
an assistant controller at Newmont
Mining Corp. Began his career at
Deloitte & Touche



Ben Taecker
Chief Engineering
and Operating
Officer

20+ years of experience in
manufacturing and operations
leadership

Spent six years in progressive
leadership roles at the Johnson
Controls Inc. Lead Acid Battery
Recycling Center

Experience in startups,
environmental regulation
compliance, process development
and operational excellence.



Dave McMurtry
Chief Business
Officer

Experienced Silicon Valley high-
tech executive; expertise in
renewable energy and international
markets development

Responsible for leading the team
in exploring and strategically
pursuing multiple paths to scalable
growth for LI AquaRefining.

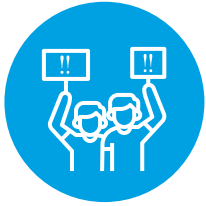
Global experience includes
working in more than 80 countries
on five continents.

Previously CEO of the Global Stars
Foundation at the Al Dabbagh
Group. For the last 25 years, Dave
has held multiple executive
positions, including with Intuit Inc,
and Habitat for Humanity
International.

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