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Aqua Metals and Yulho Form Strategic Partnership, Companies Plan to Deploy Sustainable Lithium Battery Recycling in South Korea

Yulho investing \$5 million to accelerate Aqua Metals in the US, licensing low-carbon battery recycling technology for expansion in Asia and the EU

RENO, Nev., July 19, 2023 (GLOBE NEWSWIRE) -- Aqua Metals, Inc. (NASDAQ: AQMS) ("Aqua Metals" or the "Company"), a pioneer in sustainable lithium-ion battery recycling, today announced it has entered into a strategic partnership with Yulho Co., Ltd. ("Yulho"), an innovative storage solution and battery materials company based in South Korea. By aligning global partnerships and shared expertise, Aqua Metals and Yulho aim to drive innovation in lithium battery recycling and set a new standard for a low-carbon, circular supply of the critical minerals that power an electrified future.

Initiating the partnership, Yulho will make a strategic equity investment of \$5 million in Aqua Metals, underscoring Yulho's confidence in Aqua Metals' transformative technology and demonstrated results at its pilot-scale facility. The parties have entered into a securities purchase agreement and expect to close on the investment on or about August 4, 2023. In addition to the capital investment, the companies have entered into an agreement to negotiate and execute a definitive license agreement whereby Aqua Metals will grant Yulho a license to deploy Aqua Metals' patented AquaRefining™ technology in South Korea in its own facilities.

"We believe our recently announced public equity raise, alongside our strategic financing and proposed partnership with Yulho, signifies a transformative moment for Aqua Metals," said Steve Cotton, President & CEO, Aqua Metals. "We expect this to be a pivotal step in our long-term vision for global growth, accelerating our commercial operations here in the United States, and bringing our AquaRefining technology to South Korea, a region of technological leadership and one of the largest markets for critical minerals, to address the increasing demand for sustainable battery materials in Asia."

This strategic partnership is intended to capitalize on the respective strengths of Aqua Metals and Yulho. With 25 years of experience in South Korea's advanced technology sector, Yulho possesses the expertise and established relationships with the country's largest lithium battery and electric vehicle companies to rapidly scale operations to meet the growing demand for recycled materials in Asia. Through its subsidiary, Yulho Materials, the company collects and processes battery manufacturing scrap and spent lithium-ion batteries into hard-to-acquire 'black mass' -- the mixture of lithium, nickel, cobalt, and other valuable

battery materials that Aqua Metals recovers.

Yulho Materials previously completed the pilot demonstration of its own proprietary black mass process and has provided exceptional quality material samples to Aqua Metals. Yulho is currently building a high-purity black mass facility with an annual capacity of 8,000 metric tonnes, the largest in South Korea, and expects to commence production later this year, with plans to expand to 24,000 tonnes of capacity in the future.

Aqua Metals currently operates the first sustainable lithium battery recycling facility in the US, establishing itself as a leader in low-carbon, circular supply of critical battery materials. Using its cutting-edge AquaRefining technology, Aqua Metals recovers the metals and minerals contained in lithium battery black mass without the use of polluting furnaces or intensive chemical processes that produce excessive carbon emissions and chemical waste.

Yulho's CEO Jeong-Nam Lee stated, "Since April, both companies have been engaged in confidential negotiations after signing a non-disclosure agreement. Given that each company excels in pre-processing and post-processing fields, we anticipate significant synergy resulting from this partnership."

He further added, "We aim to expand our business model beyond a simple technology swap and joint venture establishment. Together, both companies will pursue collaborative ventures, elevating our business model."

For the equity investment, Yulho has agreed to the purchase of approximately 4.5 million shares of common stock at a purchase price of \$1.10 per share in a registered direct offering, totaling \$5 million gross proceeds. The initial licensing agreement with Aqua Metals is expected to allow for up to 100,000 tonnes of materials processed per year in South Korea, and both companies anticipate the relationship expanding beyond Asia to the European Union as well. This deal was arranged by Network 1 Financial Securities and Nexpedia Holdings Co., Ltd.

Earlier today, Aqua Metals also announced the pricing of a firm commitment underwritten offering of more than 15 million shares of common stock at an offering price of \$1.10 per share, bringing the total combined gross proceeds of the two offerings to approximately \$22 million. The two capital raises are expected to fortify Aqua Metals' balance sheet, enabling the Company to fund and pursue debt solutions for the first phase of development of its 10,000 tonnes per year commercial-scale recycling facility in Reno, NV, and achieve positive cash flow.

Additional Resources & Partnership Information

Learn more about Aqua Metals' and Yulho's partnership, and what this means for the future of lithium battery recycling at <https://aquametals.com/industry-partners/>

About Aqua Metals

Aqua Metals, Inc. (NASDAQ: AQMS) is reinventing metals recycling with its patented AquaRefining™ technology. The company is pioneering a sustainable recycling solution for materials strategic to energy storage and electric vehicle manufacturing supply chains. 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

minimal waste. Aqua Metals is based in Reno, NV and operates the first sustainable lithium battery recycling facility at the company's Innovation Center in the Tahoe-Reno Industrial Center.

To learn more, please visit www.aquametals.com

Aqua Metals Social Media

Aqua Metals has used, and intends to continue using, its investor relations website (<https://ir.aquametals.com>), in addition to its Twitter, LinkedIn and YouTube accounts at <https://twitter.com/AquaMetalsInc> (@AquaMetalsInc), <https://www.linkedin.com/company/aqua-metals-limited> and <https://www.youtube.com/channel/UCvxKNWcB69K0t7e337uQ8nQ> respectively, as means of disclosing material non-public information and for complying with its disclosure obligations under Regulation FD.

Safe Harbor

This press release 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 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 successfully negotiate and conclude a definitive license agreement with Yulho, (2) even if we are to conclude a definitive license agreement with Yulho, the risk that we may not achieve the expected benefits from such relationship; (3) the risk that we may not be able to close on the \$5 million investment by Yulho; and (4) those other risks disclosed in the section "Risk Factors" included in our Quarterly Report on Form 10-Q filed on May 4, 2023. 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.

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