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Aqua Metals Reaches Agreement With Sustainable Lithium-Ion Battery Recycler to Lease-to-Buy the McCarran, Nevada AquaRefinery

Agreement Provides Continuance of Aqualyzer Program and a Strategic Partnership Opportunity

MCCARRAN, Nev., Feb. 16, 2021 (GLOBE NEWSWIRE) -- Aqua Metals, Inc. (NASDAQ: AQMS) ("Aqua Metals" or the "Company"), which is reinventing lead recycling with its AquaRefining™ technology, announced it has reached an agreement to lease, with additional purchase deposits to buy, its McCarran, Nevada plant, a 136,000 square foot facility located on 11.5 acres. This non-core asset disposition was driven by the Company's accelerated focus on its capital-light equipment supply and licensing strategy. The agreement was reached with an entity focused on sustainable lithium-ion battery recycling methodologies. In addition to financial and operational benefits, this new relationship provides potential strategic opportunities for Aqua Metals going forward.

The agreement is structured to allow Aqua Metals to retain use of a portion of the building while also receiving lease revenues commencing on April 1, 2021. Lease payments total up to \$1.9 million during the contract term. The agreement is structured as up to a two-year triple-net lease with an option to purchase the land and plant at any time. As part of the transaction, the lessee is required to pay Aqua Metals two non-refundable cash deposits totaling \$3.25 million. These non-refundable deposits indicate the lessee's intention to complete the purchase. The facility's purchase price is \$14.25 million if the option is exercised and the sale is completed by October 1, 2022, and increases to \$15.25 million if the option is exercised and the sale is completed by March 31, 2023. The structure of the agreement will significantly reduce Aqua Metals' cash outflow related to the plant. During the term of the agreement, the recycler will be responsible for fixed costs, including maintenance, utilities, insurance, and property taxes.

The lease-to-buy structure is beneficial to Aqua Metals from both a financial and operational perspective. The terms of the agreement allow the Company to continue utilizing the facility, at no cost to Aqua Metals, for its research and product development activities, including operation of the lab and use of office space.

"We are very pleased to have successfully achieved another one of our objectives with this very favorable lease-to-buy agreement for our McCarran facility," said Steve Cotton, President and CEO of Aqua Metals. "The agreement removes the plant overhead while allowing us use of space for R&D and product development, which saves us an estimated \$4 million in costs from not having to immediately relocate critical systems to Aqua Metals'

other facility within the Tahoe Reno Industrial Center for these activities.”

About Aqua Metals

Aqua Metals, Inc. (NASDAQ: AQMS) is reinventing lead recycling with its patented AquaRefining™ technology. Unlike smelting, AquaRefining is a room temperature, water-based process that emits less pollution. The modular systems are intended to allow the Company to vastly reduce environmental impact and scale lead acid battery recycling production capacity by supplying equipment, services and licensing the AquaRefining technology to partners. This could help meet the growing demand for lead to power new applications, including stop/start automobile batteries, which complement the vehicle’s main battery, lead acid batteries which are in electric vehicles, Internet data centers, alternative energy applications including solar, wind, and grid scale storage. Aqua Metals is based in McCarran, Nevada. To learn more, please visit www.aquametals.com.

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/aquametals-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 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 the sale of the McCarran facility, the benefits of our new methodology for producing battery manufacturing ready active material and the future of lead acid battery recycling via traditional smelters. 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 realize the benefits of the lease arrangement or complete the sale of the McCarran facility; (2) the risk that we may not complete the development of our new methodology for producing battery manufacturing ready active material, (3) the risk that we may not realize the expected benefits from the new methodology; (4) the risk that we may not be able to satisfactorily demonstrate to potential licensees the technical and commercial viability of our V1.25 electrolyzer and AquaRefining process; (5) the risk that licensees may refuse or be slow to adopt our AquaRefining process as an alternative to smelting in spite of the perceived benefits of AquaRefining; (6) the risk that we may not realize the expected economic benefits from any licenses we may enter into; (7) the risk that we may not be able to access additional capital as and when needed; (8) the fact that we have not generated any significant revenue to date, thus subjecting us to all of the risks inherent in an early-stage company; (9) the risk that our patents and any other patents that may be issued may be challenged, invalidated, or circumvented; (10) changes in the federal, state and foreign

laws regulating the recycling of lead acid batteries; (11) our ability to protect our proprietary technology, trade secrets and know-how and (12) those other risks disclosed in the section "Risk Factors" included in our Quarterly Report on Form 10-Q filed on October 22, 2020 and subsequent SEC filings. 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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Source: Aqua Metals