July 7, 2026

Aqua Metals Advances Headwaters ARC, Planned Midwest Battery Recycling and Critical Minerals Recovery Campus

Company advances final site-specific diligence for Midwest Headwaters ARC development opportunity with existing industrial infrastructure, substantial expansion acreage, and strategic proximity to rapidly growing LFP battery manufacturing capacity

RENO, Nev., July 07, 2026 (GLOBE NEWSWIRE) -- Aqua Metals, Inc. (NASDAQ: AQMS), a pioneer in sustainable critical minerals recovery and lithium battery recycling, today announced it has advanced to final site-specific diligence and negotiations for Headwaters ARC, the Company's planned commercial battery recycling and critical minerals recovery campus in the Midwest battery manufacturing corridor.

Headwaters ARC is designed as a significantly larger and more expandable platform than the Company’s previously announced Sierra ARC project. Aqua Metals has advanced to final site-specific diligence on a Midwest development opportunity that includes an existing industrial facility of approximately 150,000 square feet and approximately 50 or more acres of land, providing more than seven times the existing building footprint and more than 10 times the land area of the previously planned Sierra ARC. As part of its disciplined commercial planning process, the Company continues to evaluate development sequencing, financing structures, and implementation pathways intended to support the most efficient path to commercial deployment. The Company expects to announce its selected development path during the current quarter, subject to completion of diligence, negotiations, financing, and customary approvals.

The planned campus is expected to begin with rapid deployment of commercially proven battery preprocessing systems to produce high-specification black mass, aluminum fines, and copper fines with an initial strategic focus on lithium iron phosphate, or LFP, materials. Aqua Metals then intends to progressively integrate its proprietary AquaRefining™ technology to recover battery-grade lithium carbonate and iron phosphate from the black mass produced, creating a phased development pathway from preprocessing and materials production into higher-value domestic critical minerals recovery.

The Headwaters ARC name reflects Aqua Metals' strategic intent to move upstream in the battery recycling value chain by integrating feedstock aggregation, preprocessing, black mass production, and advanced hydrometallurgical refining within a single expandable regional platform. By verticalizing into preprocessing and locating near the emerging Great Lakes battery manufacturing base, Aqua Metals believes Headwaters ARC can reduce feedstock and scaling risk, create revenue opportunities, and establish a more resilient commercial model capable of supporting commercial activity across both stronger and

weaker lithium pricing environments.

“This represents an important milestone in Aqua Metals' next-generation battery recycling growth strategy,” said Steve Cotton, President and CEO of Aqua Metals. “The rapid growth of LFP battery manufacturing in the United States is creating an urgent need for regional recycling, preprocessing, and lithium recovery infrastructure. The Midwest development opportunity under final site-specific diligence would place Headwaters ARC within a short driving distance of six major LFP gigafactory projects, positioning Aqua Metals to serve what we believe will be one of the fastest-growing and most underserved sources of domestic battery manufacturing scrap while leveraging existing high-quality industrial infrastructure to accelerate deployment, reduce logistics costs, improve project economics, and shorten time to market.”

Aqua Metals is completing final diligence on a Midwest development opportunity while maintaining strategic flexibility through development sequencing, financing structures, and implementation pathways. The Company's site selection process has prioritized locations that combine existing industrial infrastructure, access to battery manufacturing customers, utility readiness, favorable project economics, long-term expansion potential, and strong engagement from local and state economic development partners. The Company believes these attributes can help accelerate project development and support efficient commercial deployment of the Headwaters ARC platform.

Following a period of significant volatility and dislocation across lithium and battery materials markets in 2024 and 2025, Aqua Metals maintained a measured approach to commercial deployment while continuing to validate its technology, evaluate site and partner options, and preserve strategic flexibility. With lithium markets showing improved stability and domestic LFP manufacturing capacity continuing to scale, the Company believes the timing is now appropriate to advance Headwaters ARC.

The Company is planning a phased capital deployment strategy intended to incrementally de-risk project development while aligning capital investment with commercial execution milestones. Subject to completion of diligence, site acquisition, financing, permitting, and customary approvals, Phase 1 is expected to focus on infrastructure readiness, and deployment of initial feedstock receiving and processing capabilities, with a strategic focus on lithium iron phosphate, or LFP, materials. Phase 2 is expected to expand processing capacity and commercial operations, including the production of black mass and recovered metals, while building strategic feedstock and offtake relationships. These initial phases are intended to establish early commercial activity, generate revenue and cash flow, and support the subsequent deployment of AquaRefining™ as the Company advances toward its broader Headwaters ARC commercial platform. Assuming timely receipt of required financing and completion of site-related approvals, the Company expects Phase 1 activities to begin following site acquisition, with Phase 1 and Phase 2 development milestones targeted over the following several quarters.

Aqua Metals intends to initially focus Headwaters ARC on LFP battery materials, a chemistry the Company believes is entering a period of rapid domestic growth as new gigafactory capacity, energy storage demand, AI data center infrastructure, and next-generation electric vehicle platforms scale across North America. Based on the Company's market analysis, informed by third-party industry research, recyclable LFP manufacturing scrap from major regional cell production is expected to increase approximately 15x by 2030, creating a

significant and increasingly localized need for preprocessing, black mass production, and lithium recovery capacity near battery manufacturing centers. Unlike nickel- and cobalt-bearing chemistries, LFP materials require an economically efficient, lithium-focused recycling pathway that maximizes value recovery across aluminum, copper, black mass, and lithium products, capable of operating through commodity cycles while supporting domestic supply chain resilience. Aqua Metals believes this represents a particularly compelling and currently underserved recycling opportunity.

Aqua Metals is currently evaluating strategic preprocessing equipment partners with multiple commercial systems already operating at industrial scale and expects to announce its selected Phase 1 and Phase 2 equipment and strategic processing partner in the near term. The Company is seeking to structure the initial preprocessing phase to include not only equipment supply and installation support, but also commercial collaboration around black mass product specifications, feedstock acceptance, and potential offtake pathways.

The planned AquaRefining™ deployment draws on capabilities validated across more than 5,000 cumulative operating hours at the Company's mature Innovation Center and pilot/demonstration plant at the Tahoe-Reno Industrial Center, including demonstrated recovery of battery-grade lithium carbonate and technical-grade iron phosphate from LFP feedstocks, with lithium carbonate independently confirmed to battery-grade specifications.

Aqua Metals' initial commercial strategy is focused on recycling LFP materials and recovering battery-grade lithium carbonate from black mass, with the potential to add additional chemistries and recovery pathways over time. Following the planned scaling of preprocessing operations and lithium carbonate production, Aqua Metals expects to add processing capabilities for nickel manganese cobalt, or NMC, and other lithium-ion battery chemistries by leveraging its patented AquaRefining™ technologies, which have been proven at demonstration plant scale. Aqua Metals believes this platform can provide flexibility to produce multiple end-product forms based on feedstock composition and customer offtake requirements, potentially including metals, carbonates, sulfates, and other critical materials.

Aqua Metals is also advancing commercial discussions with domestic feedstock, logistics, and offtake partners to support the Headwaters ARC development plan. The Company is pursuing agreements designed to support supply of LFP battery packs and manufacturing scrap, offtake pathways for aluminum and copper fines generated through preprocessing, and commercialization pathways for high-specification black mass and recovered critical materials.

To support project development and capital formation, Aqua Metals has engaged Newmark’s Advanced Manufacturing Practice Group for the Headwaters ARC project. Newmark is advising the Company on capital formation strategies, and strategic real estate and project advisory services, including evaluation of structures under which third-party real estate and infrastructure capital could fund the acquisition of the land and building, certain tenant improvements, and other site-related development costs. The Company believes these structures, if completed, could address a substantial portion of the capital required for the initial phases of Headwaters ARC through a long-term triple-net lease or similar arrangement, thereby reducing the upfront corporate capital required from Aqua Metals. In parallel, Aqua Metals is working with strategic equipment and technology suppliers to evaluate staged deployment models and commercial terms intended to align equipment-

related payments with project milestones, commissioning, and commercial ramp-up. Together, these capital-efficient approaches are intended to allow the Company to focus its corporate capital stack on operations, working capital, and staged commercial execution while preserving flexibility as site diligence, project budgeting, and capital formation efforts advance.

“Headwaters ARC is being designed to reduce execution risk and upfront capital intensity compared to traditional greenfield battery recycling developments,” Cotton continued. “By starting with commercially proven preprocessing equipment, leveraging existing industrial infrastructure, and working with strategic partners across equipment, feedstock, offtake, real estate, and capital formation, we believe Aqua Metals can build a scalable commercial platform while preserving flexibility as domestic battery supply chains continue to develop.”

LFP battery chemistry is expected to represent an increasing share of U.S. battery manufacturing capacity due to its cost, safety, and energy storage advantages, particularly in electric vehicles, AI data center infrastructure, and grid-scale energy storage systems. As LFP battery production continues scaling in North America, the industry is expected to require efficient, regionally integrated recycling and materials recovery infrastructure capable of operating economically across evolving battery chemistries and commodity cycles.

The Company believes Headwaters ARC aligns with regional economic development priorities by supporting domestic critical minerals production, advanced manufacturing investment, and the creation of high-quality technical and operating jobs within a cleaner, safer industrial environment.

The proposed development initiative remains subject to completion of diligence activities, negotiation of definitive agreements, permitting, financing, and other customary approvals.

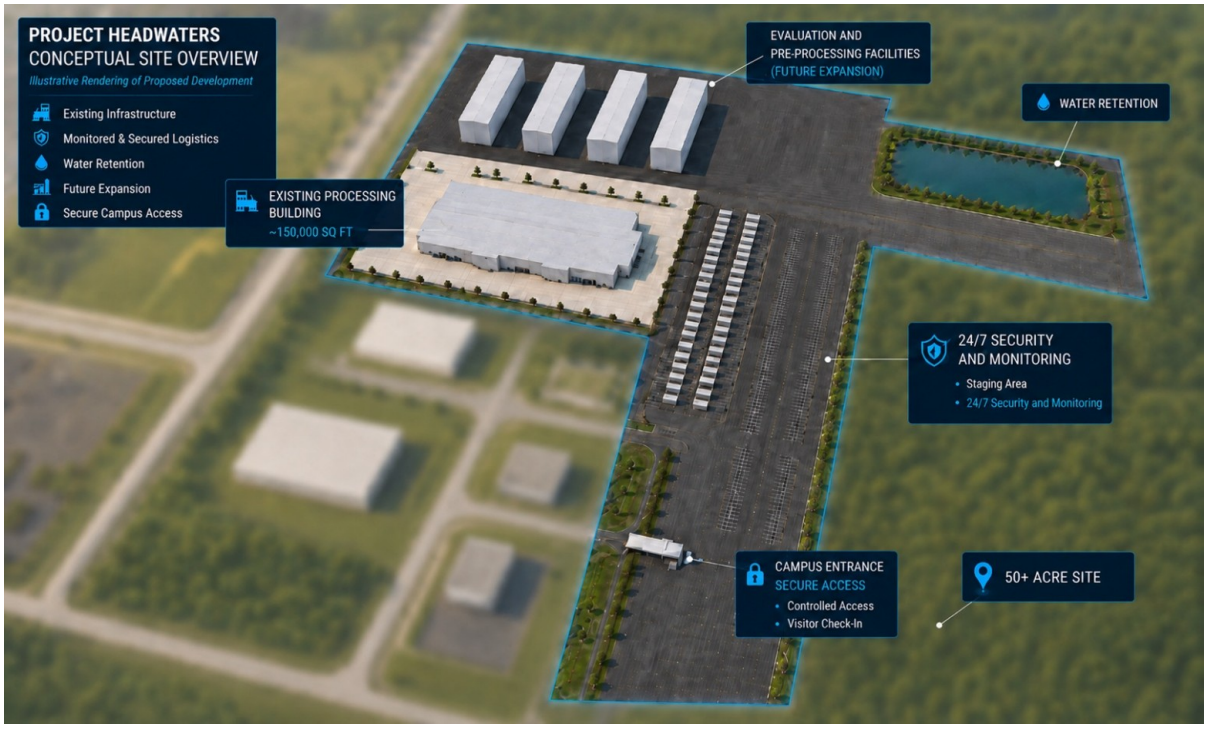

Figure 1: Conceptual rendering of a potential Headwaters ARC facility layout. Final site configuration and development plans remain subject to diligence, negotiations,

financing, permitting, and customary approvals.

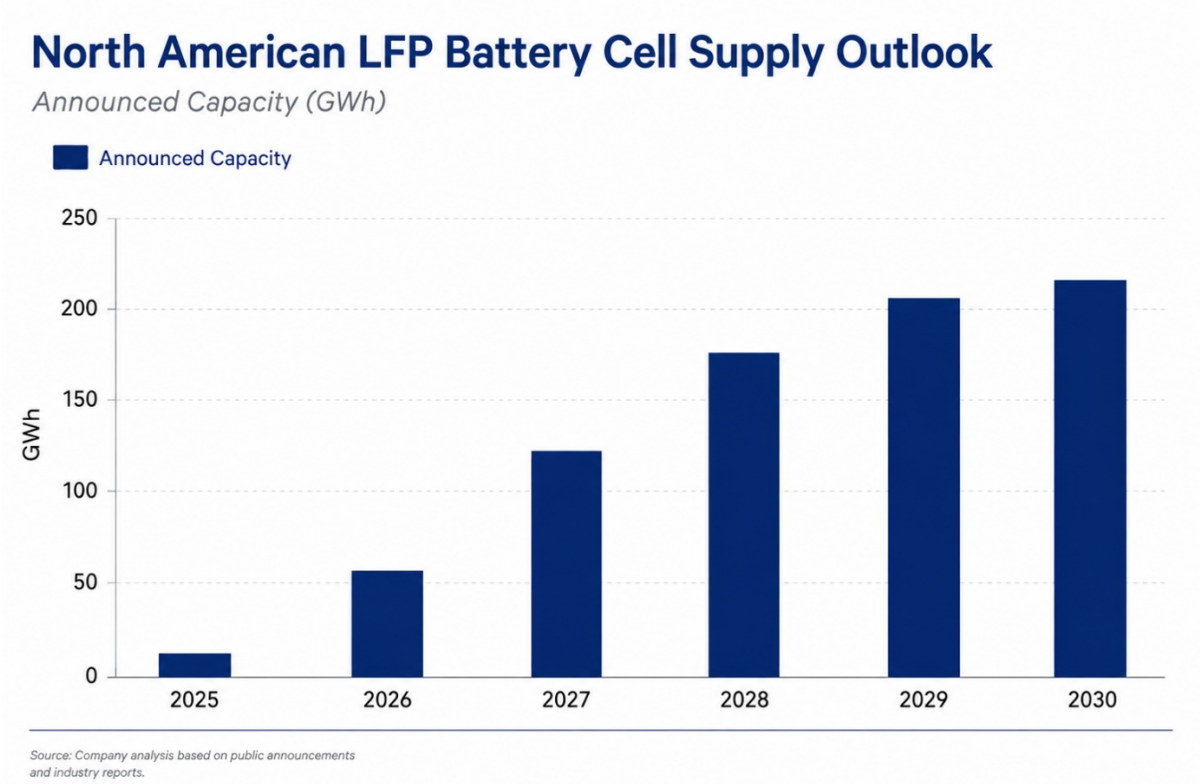

Figure 2: Announced North American LFP battery cell manufacturing capacity is expected to increase approximately 15x by 2030, supporting growing demand for localized recycling and materials recovery infrastructure.

About Aqua Metals

Aqua Metals, Inc. (NASDAQ: AQMS) is focused on developing and commercializing sustainable battery recycling and critical minerals recovery solutions for the growing domestic battery supply chain. The Company operates a mature Innovation Center and pilot/demonstration plant at the Tahoe-Reno Industrial Center, where it has validated its patented AquaRefining™ technology platform across more than 5,000 cumulative operating hours and demonstrated recovery of battery-grade lithium carbonate from lithium iron phosphate, or LFP, battery materials.

AquaRefining™ is an electrified hydrometallurgical process designed to recover valuable materials from lithium-ion battery feedstocks while regenerating and recycling key process chemicals. Unlike conventional hydrometallurgical approaches that can generate large volumes of sodium sulfate waste, AquaRefining™ is designed to eliminate sodium sulfate as a principal waste stream, reducing disposal burden, reagent consumption, operating complexity, and associated costs while supporting a cleaner and safer advanced manufacturing environment.

Aqua Metals is advancing a phased commercial strategy that begins with battery preprocessing and black mass production and is designed to progressively integrate AquaRefining™ for recovery of battery-grade critical materials, including lithium carbonate

from LFP battery materials. Over time, the Company intends to expand its platform to support additional battery chemistries and flexible end-product forms based on feedstock composition and customer offtake requirements. The Company's approach is intended to support domestic critical minerals production while creating high-quality technical and operating jobs in a cleaner and safer industrial setting.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws. These statements include, but are not limited to, statements regarding Headwaters ARC, site selection, final site-specific diligence, negotiations, timing of a final site announcement, expected site characteristics, project development, phased deployment plans, preprocessing operations, black mass production, aluminum fines and copper fines production, AquaRefining™ deployment, recovery of battery-grade lithium carbonate, future processing of LFP, NMC and other lithium-ion battery chemistries, potential production of metals, carbonates, sulfates and other critical materials, equipment supplier selection, feedstock access, offtake discussions, commercial partnerships, strategic relationships, utility availability, permitting, engineering, construction and capital cost validation, financing discussions, capital formation strategies, potential non-dilutive structures, real estate and project advisory activities, expansion opportunities, future operations, revenue opportunities, market demand, lithium market stability, LFP battery manufacturing growth, anticipated growth in recyclable battery manufacturing scrap, domestic battery supply chain development, potential reductions in waste streams, sodium sulfate elimination, reduced disposal burden, reagent consumption, operating complexity and associated costs, workplace safety, job creation, and market opportunities related to critical minerals, battery recycling, energy storage, electric vehicles, AI data center infrastructure, grid-scale storage, and advanced manufacturing.

Forward-looking statements are based on current expectations, estimates, assumptions, and projections and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. These risks and uncertainties include, but are not limited to, the Company's ability to complete diligence activities, secure long-term site control, negotiate and execute definitive agreements, obtain financing, obtain permits and approvals, validate site utilities and infrastructure, complete engineering and cost validation, select and deploy commercial equipment, secure feedstock and offtake agreements, develop and operate commercial facilities, validate technologies at commercial scale, manage commodity price volatility, respond to changing market conditions, protect intellectual property, maintain regulatory compliance, achieve anticipated waste reduction and cost reduction benefits, and execute its phased development strategy. Additional risks and uncertainties are described in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2026 and subsequent filings with the Securities and Exchange Commission. Aqua Metals undertakes no obligation to update forward-looking statements except as required by law.

Contacts

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Photos accompanying this announcement are available at

https://www.globenewswire.com/NewsRoom/AttachmentNg/25e5ce7b-6aab-4cc8-814d-de8a1cef46e8

https://www.globenewswire.com/NewsRoom/AttachmentNg/ed023195-0881-47a6-b0a7-4e75436014da

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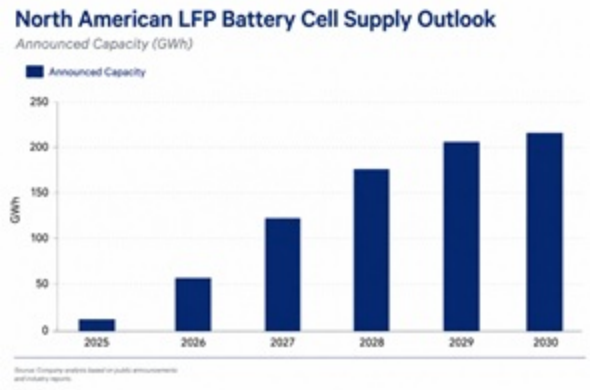
Figure 2



Announced North American LFP battery cell manufacturing capacity is expected to increase approximately 15x by 2030, supporting growing demand for localized recycling and materials recovery infrastructure.

Source: Aqua Metals