



Customer Introduction

Energy Storage Systems (ESS)

Summary

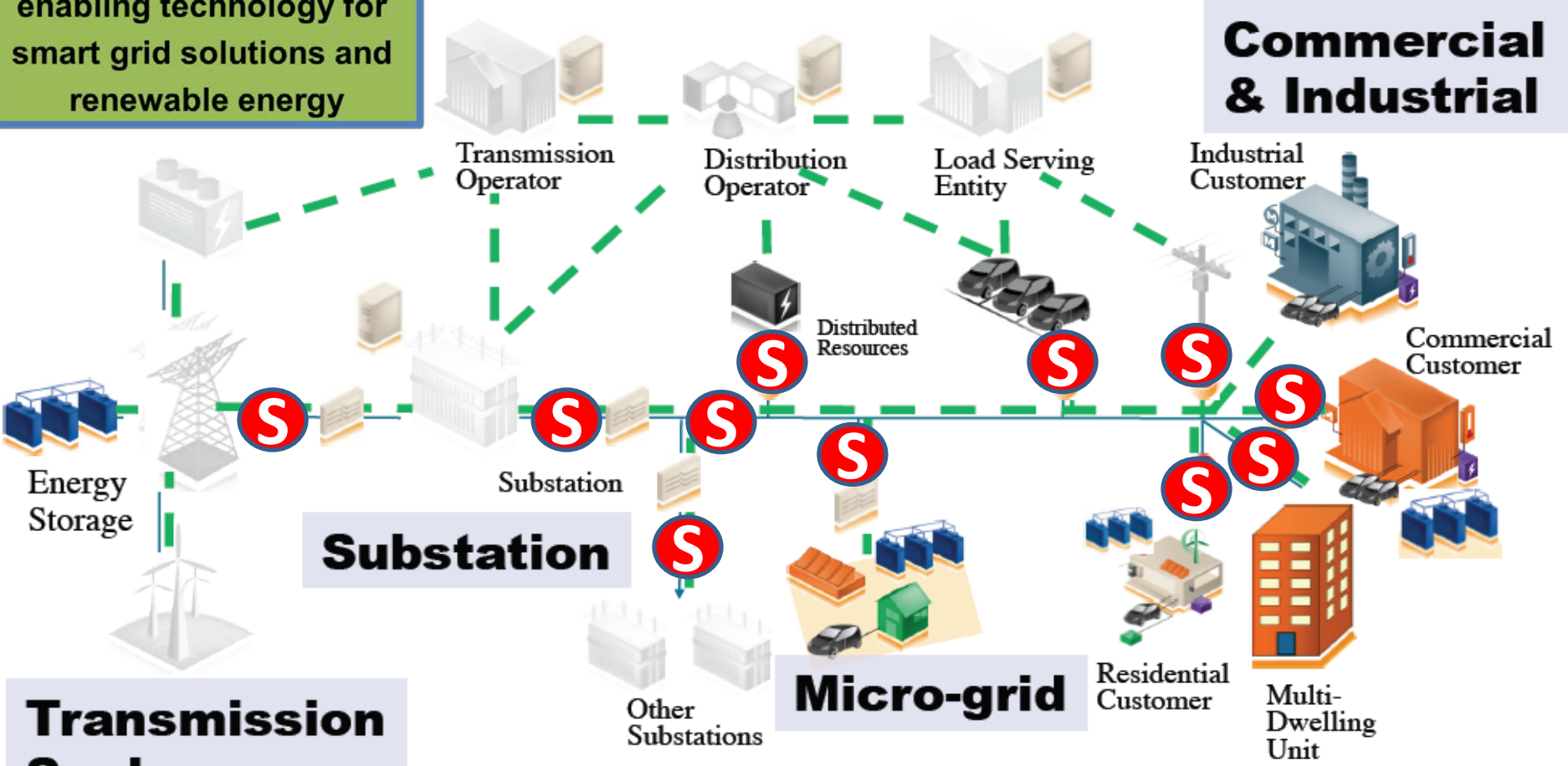
- Product delivers lowest all-in costs with best Price/Performance
- Safe and Reliable
- Multiple industry leading customers representing Utilities, Transmission, and Renewable Energy
- Typical projects from 100kW to 100MW.
- High volume supply-chain with outsourced manufacturing and installation with off-the-shelf components.
- Installation and balance-of-system partners with experience.
- Experienced management team complimented by strong advisory boards. Disciplined financial operations. Customer focused and results driven.
- Zinc Air, Inc. (ZAI) is an innovative energy technology company focused on grid-scale energy storage. 11 years of R&D and 17 filed patents.

Benefits of Electrochemical Storage

- Not geographically limited
- Not transmission limited
- Distributed storage creates greater balance for the grid
- Easier to place storage at the load
- Lower capital expenditure per project
- Flexibility to scale up or down depending upon project
- Better suited for fast growing micro-grid applications
- Better suited to meet multiple revenue streams
 - Arbitrage
 - Power Quality
 - Ancillary Services

Market Segments - Storage is the "Holy Grail"

Distributed storage is the enabling technology for smart grid solutions and renewable energy



Transmission Scale

Commercial & Industrial

Substation

Micro-grid

Residential

S Energy Storage



Initial Markets

Growing mandate for storage resulting from rising global demand for power/energy and influx of intermittent renewable power generation.



Applications

Generation

- Conventional
- Renewables

Transmission

- Main Lines
- Local, End-of-line

End Users

- Residential
- Community
- Commercial
- Industrial
- Micro grids

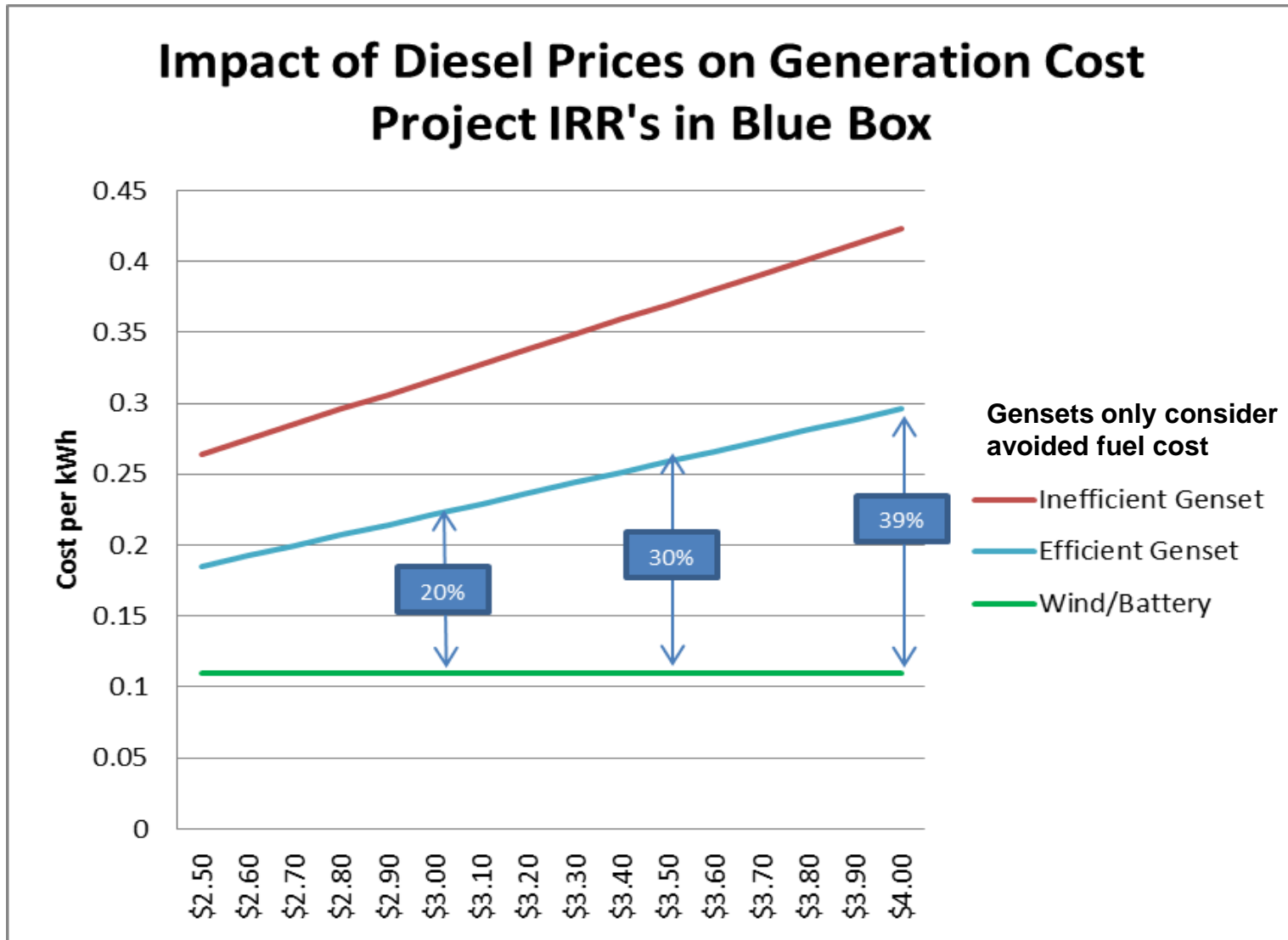
Applications

- Islanding
- Peak shaving
- Frequency regulation
- Ancillary services
- Arbitrage
- Load shifting
- Renewables firming
- Backup power systems
- Deferral of Transmission
- Integrated systems
- VAR support
- Black start

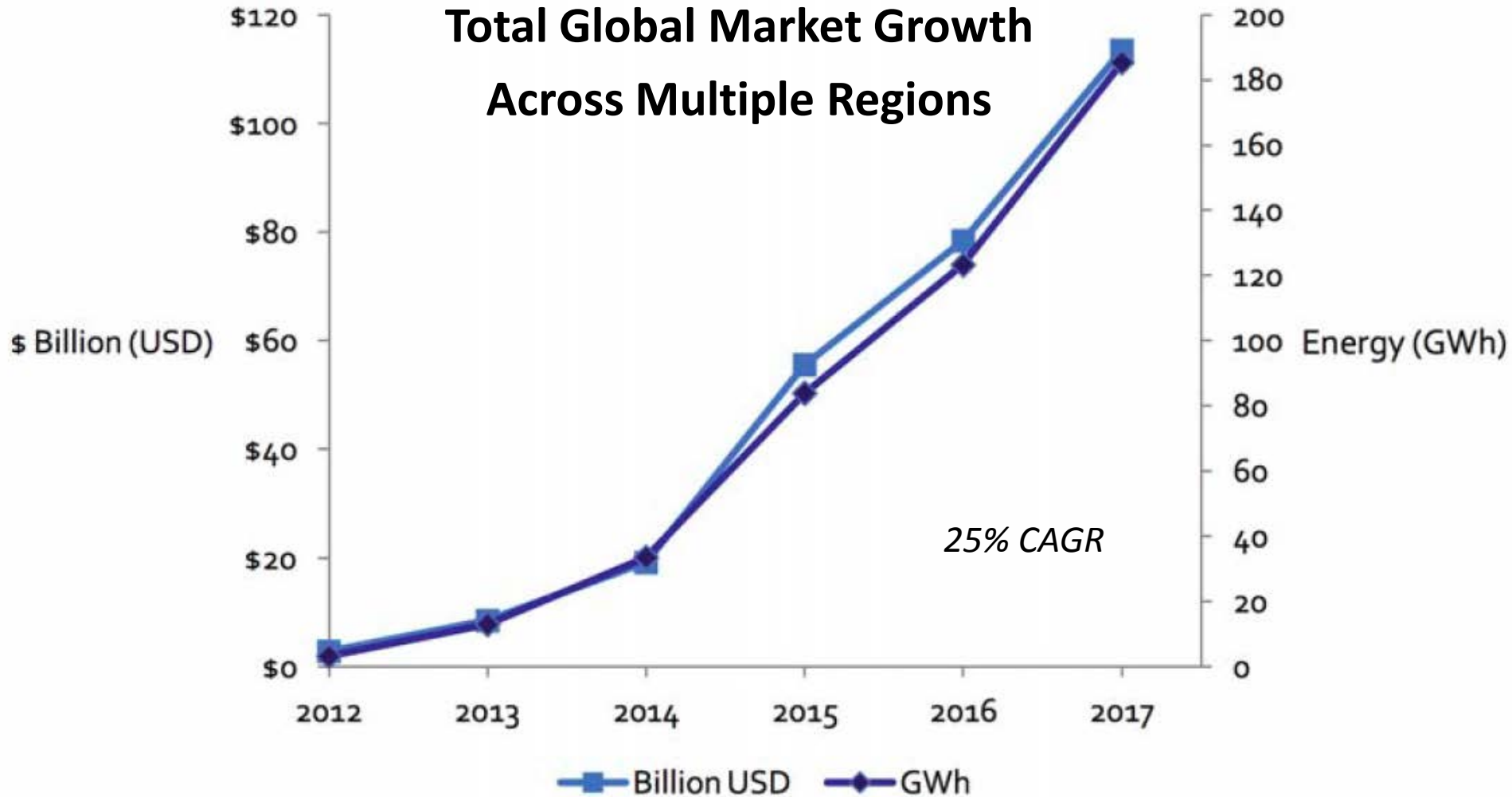
Revenues



Projected Financial Returns On Diesel vs. Wind/Battery



Significant Grid Storage Sector Growth Over Next 5 Years



Current Storage Solutions and Limitations

- **Pumped Hydro** - cost effective but geographically limited by regulation and large capital costs
- **Compressed Air** – unproven and limited geographically
- **Current Battery Technologies** under Development
 - **Lithium** – Expensive, uses scarce resources, explosive
 - **Sodium Sulfur** – Expensive, dangerous, recent fire
 - **Vanadium** – Expensive and cost limited by scarce resource
 - **Other Flow-battery technologies** - failed due to system corrosion, complex system design, toxic nature of chemistry and poor performance.

Advantages of the ZAI Technology

Price Differentiators

- Low cost chemistry/ raw material
- Simple battery construction
- Easy to operate

Performance Differentiators

- Large temperature operating range
- Patented high efficiency electrodes and flow screens
- Broad operating range for applications

Safety Differentiators

- Non-toxic/hazardous/flammable/explosive
- Sustainable with Iron and Zinc
- Fail-safe discharge and fire suppression

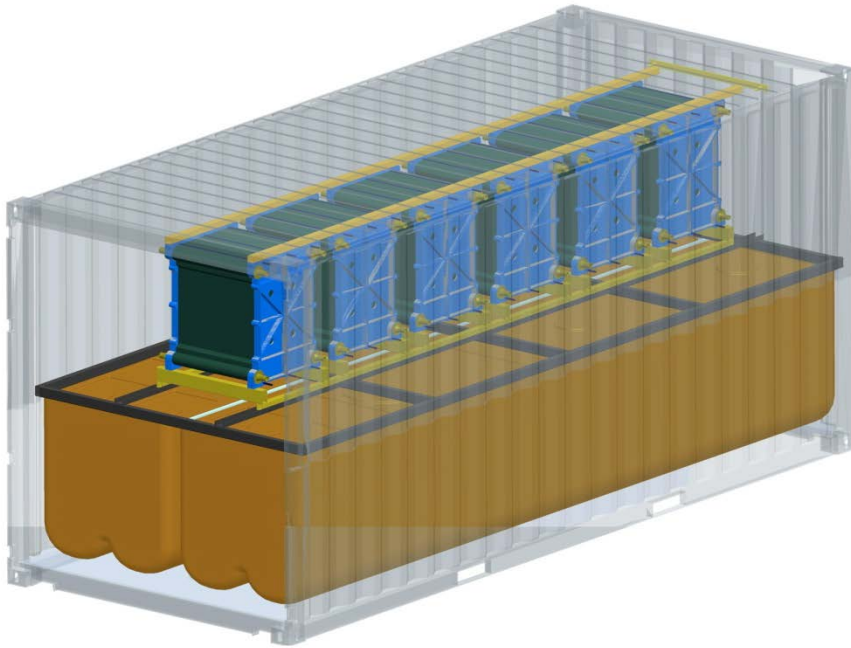
Reliability

- Proven off-the-shelf components
- Existing high volume quality manufacturing
- Redundancy of critical systems



Standard Single-Unit Configuration: Z20 ESS

*Standard Components and Manufacturing Processes
Field Proven in High Volume*

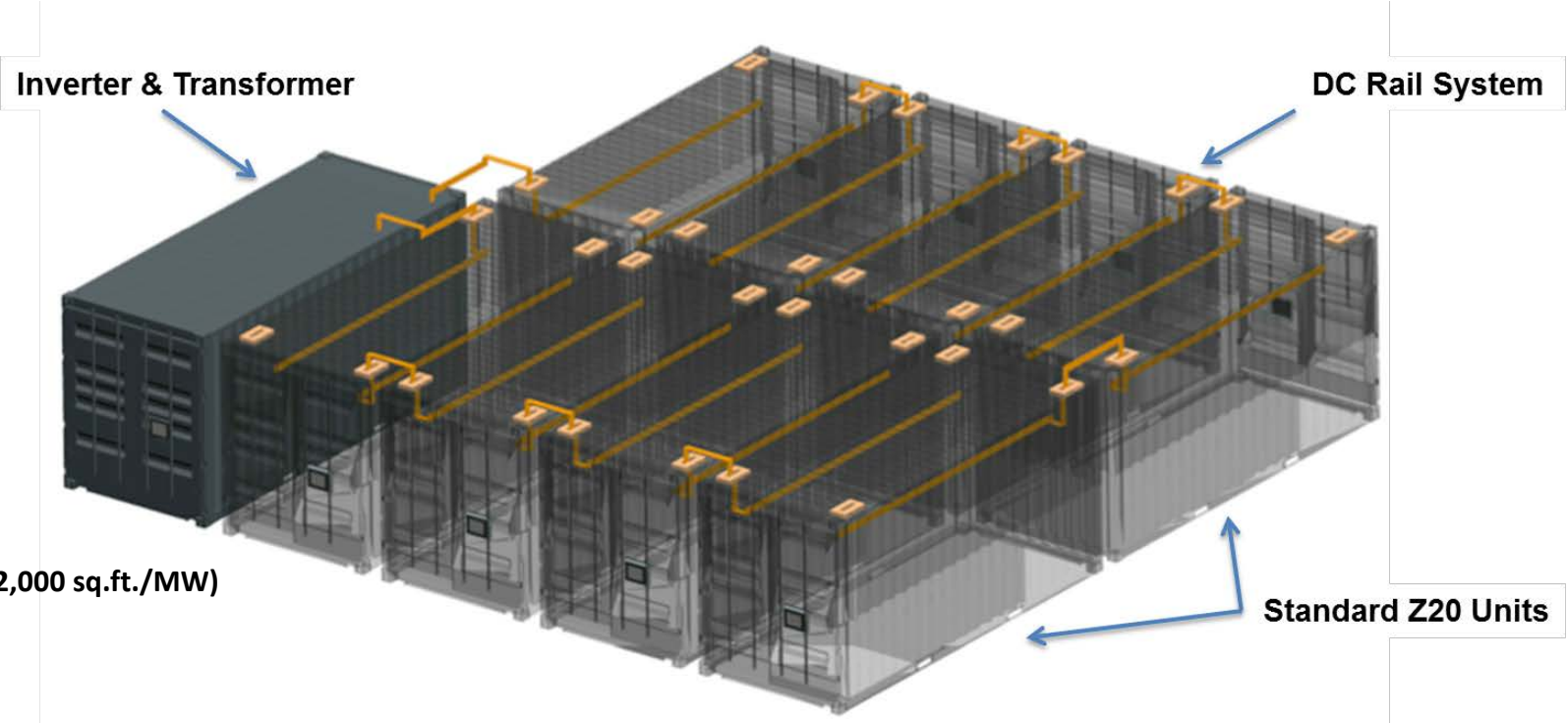


Option	Battery Stacks	Max. Power kW	Max. Energy kWh	Hrs @ Max. Power
Z20-25/80	2	25	70	2.8
Z20-50/140	4	50	140	2.8
Z20-75/140	6	75	140	1.9

**Z20 Unit - 20' Length x 8' Width x 9'6" Height
Standard Shipment Container**

Multi-Unit Configuration

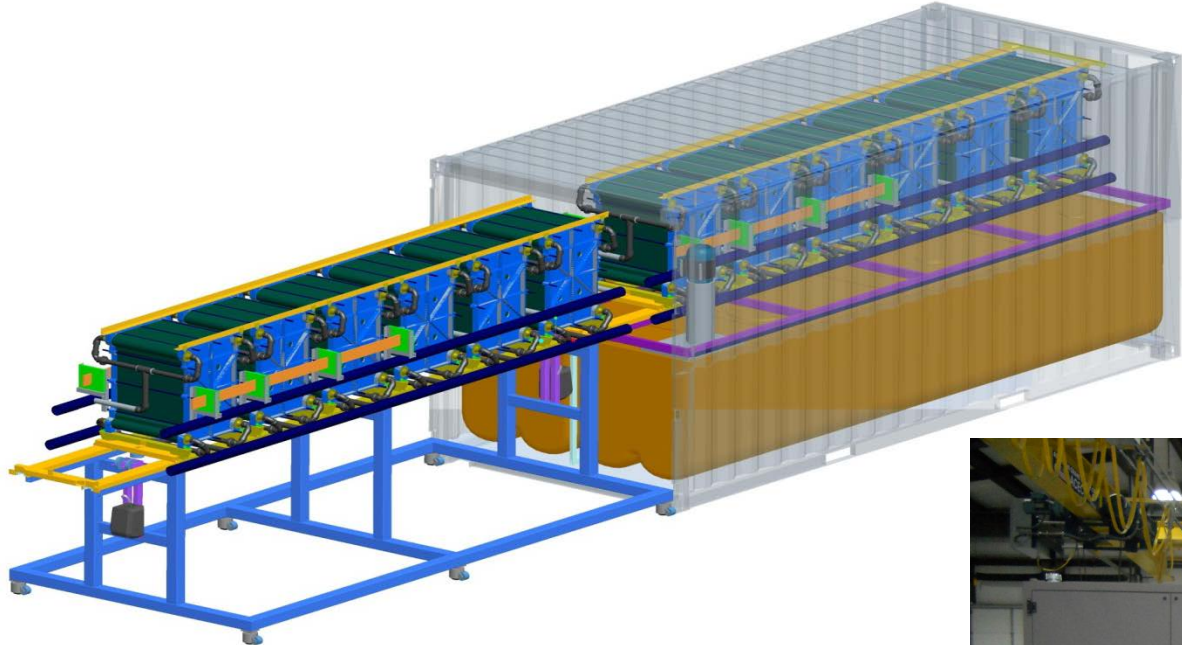
Factory Integration for Easy Low Cost Installation



Option	Stacks/ Unit	Number of Units	Max. Power kW	Max. Energy kWh	Hrs @ Max. Power
Z20-50/140	4	2	100	280	2.8
Z20-50/140	4	4	200	560	2.8
Z20-50/140	4	18	900	2,520	2.8
Z20-75/140	6	18	1,350	2,520	1.9



Low Operation Costs



- Easy Servicing
- Extensive Validation



Standard Validation Units

World Class Manufacturing and Supply Partners



Benefit	Role	Qualifications
Quality, scalability, warranty, global	Manufacturing, assembly, test	\$7B tier-1 contract manufacturer. IBM heritage
Quality, scalability, process control, global, warranty	Large plastics, inverters, gaskets	\$12B company, tier-1 component supplier, material life testing
Quality, process control, scalability	Materials	\$3B company in 30 countries. Deep material knowledge and testing
Large scale deployment experience	Project Developer & Financing	Renewable energy developer with over 1,706MW of projects deployed. Strong balance sheet
Experienced Engineering Procurement Contractor (EPC)	Integration, Construction, system engineering	Licensed and bonded electrical contractor with a 25 year track record and vast project experience.

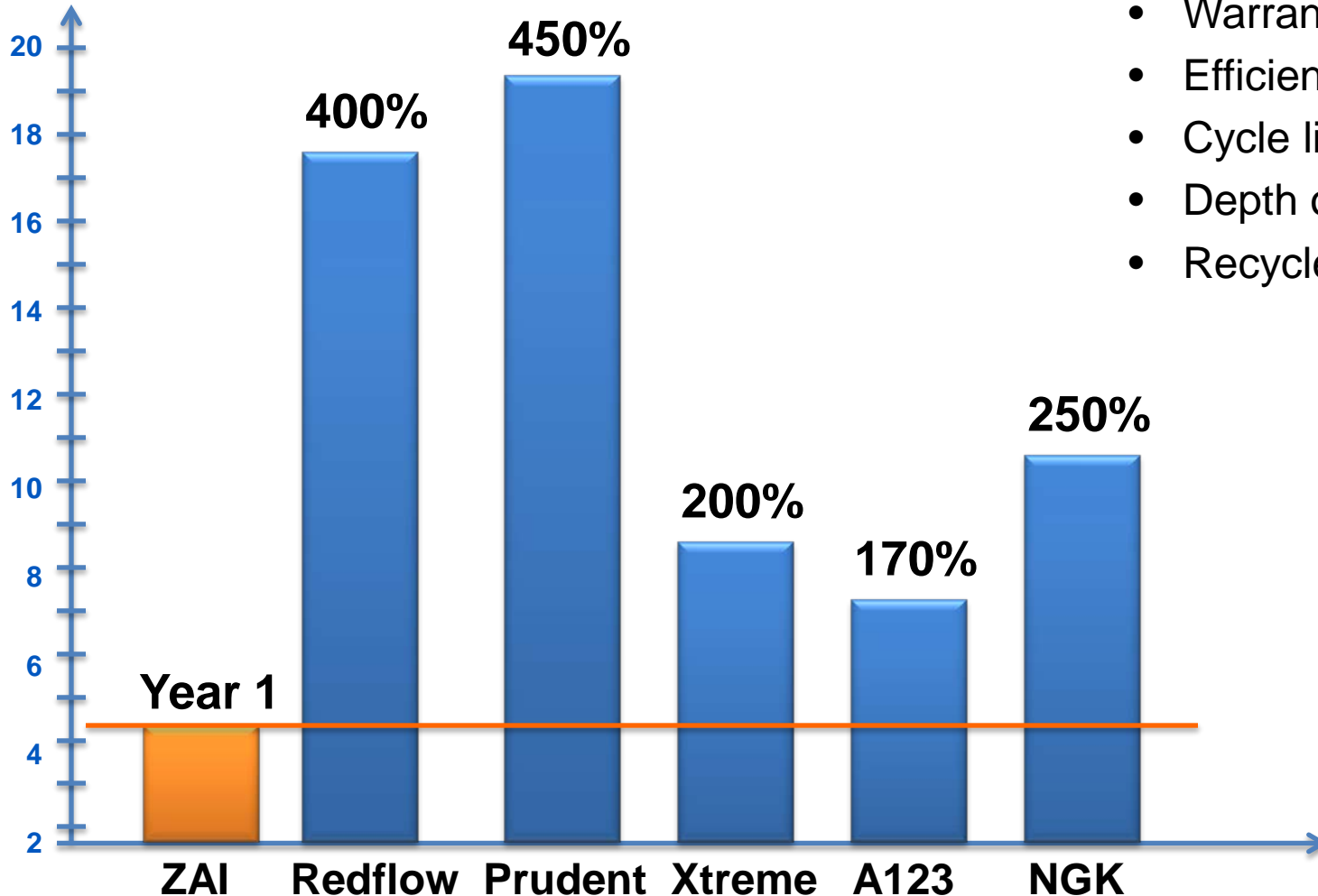


Total Cost of Ownership Over 20 Years

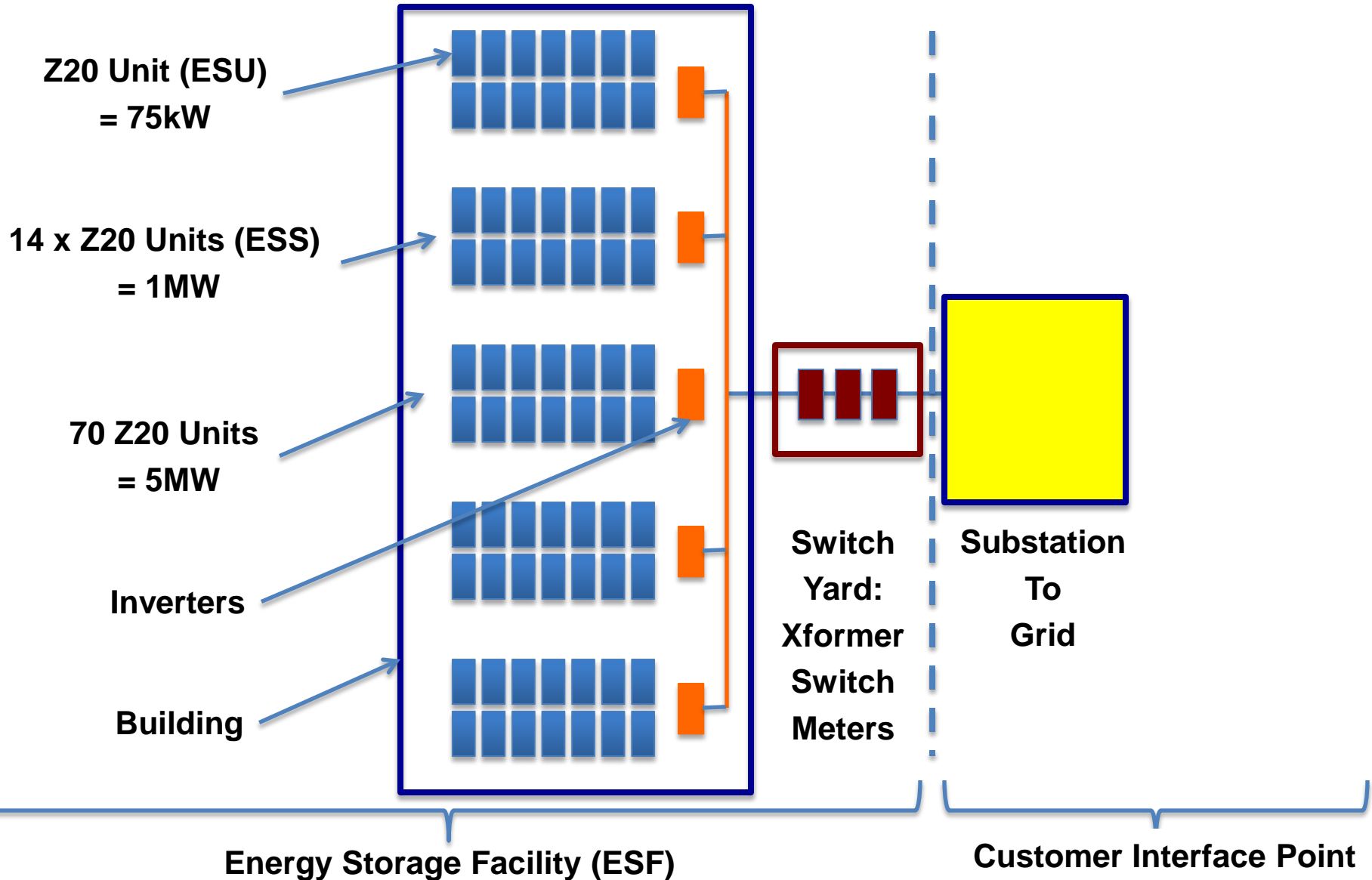
Factors in:

- CapEx
- Replacement
- Service
- Warranty
- Efficiency
- Cycle life
- Depth of discharge
- Recycle costs

\$million/MW



Typical 5MW Installed System Configuration



Summary

- Best price/performance product
- Safe and reliable
- Scalable from 100kW to 100MW
- Experienced team thru to install, maintenance, and operation
- Tier-1 supply-chain partners
- 11 years research and product development
- 17 patent applications, 1 patent issued

