



*Proven Lithium-Ion Technology Poised to Displace
Lead-Acid Batteries in Industrial Applications*



May 2017

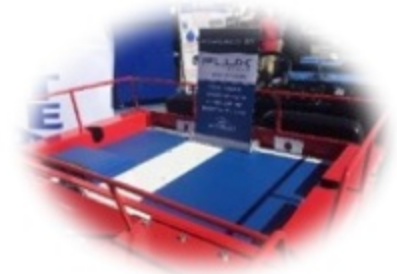
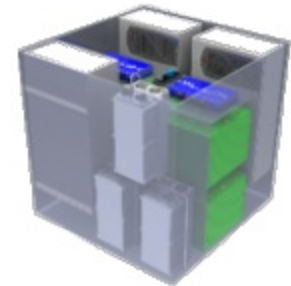
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WHO IS FLUX POWER?

- Company founded in 2009
- Based in Vista, CA
- Proven Lithium Battery history & experience:
 - Electric Transport
 - Electric automobiles
 - Mine Exploration
 - Boats
 - Portable Power
 - Over \$7M in energy storage product sales
 - Highly capable & agile development team
- Evolved into Industrial transport niche in 2013



OUR INDUSTRY LEADING PRODUCTS

- Focus on Industrial Transport market since 2013
- LiFT Pack introduced in 2014

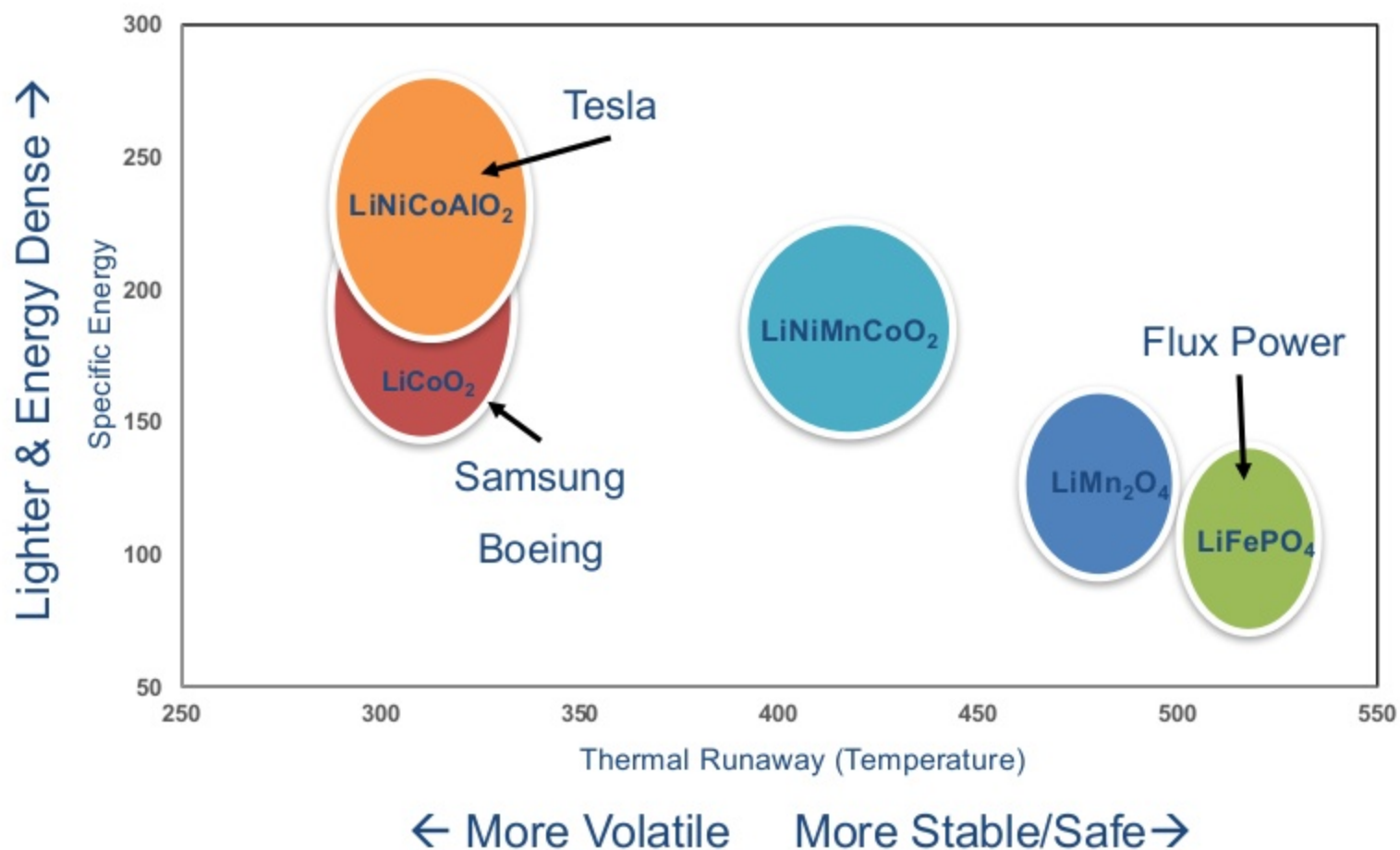
Only pack tested & approved by major OEM's: Toyota,
Raymond, and Crown Equipment

UL Approval 2016: first UL Listed pack in the forklift industry

Over 900 packs in service with customers

- Airport GSE pack launched in 2016
- Class 1 & 2 planned for Fall 2017
- Class 3 End Rider planned for Fall 2017





FLUX SEEKS TO DISPLACE INDUSTRIAL LEAD-ACID POWER

STARTING WITH FORKLIFTS AND AIRPORT GROUND SUPPORT EQUIPMENT

Flux Value Proposition

- Superior performance + lower total cost vs. incumbent lead-acid batteries
- Environmental and safety benefits

Flux Competitive Advantages

- First-mover in Class III lift truck market
- Only **UL Listed** Class III Lithium-Ion Pack – meets rigorous quality & safety standards
- Technical approvals from OEMs controlling 75% of Class III lift truck market
- Nationwide distribution and service network

Additional Growth Channels

- Airport ground support equipment (GSE)
- Larger forklifts = End Riders and Class 1 & 2



SOLVING DECADE'S-OLD ENERGY STORAGE DILEMMA

Problem

Lead-acid batteries are frustrating

- *Runtime & performance limitations*
- *16 Hour charge / cooling cycle*
- *Short life span*
- *Require ventilation and regular water maintenance*
- *Clean up acid spills*

Solution

Flux LiFT Packs perform

- *Longer run times and lifespan*
- *Faster & opportunity charging*
- *Lower total cost of ownership*
- *Virtually no maintenance*
- *Environmentally friendly*

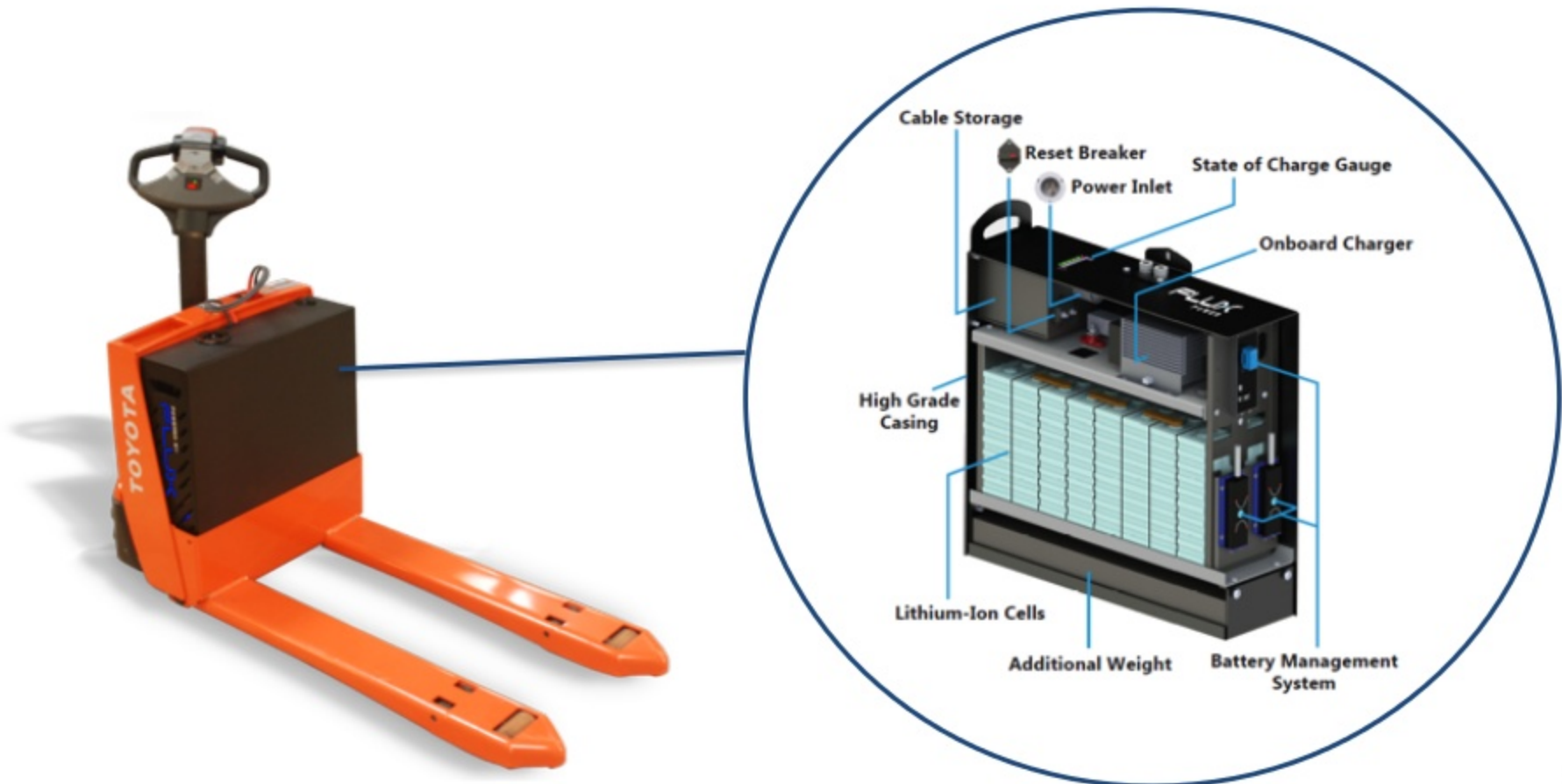


Flux Removes Headaches + Cost from Supply Chains

INTRODUCING PLUG & PLAY LEAD-ACID BATTERY REPLACEMENT

Flux's LiFT Pack is a New Paradigm for Forklift Power

- Class III Walkie Pallet Jack Used as "Proving Ground"
- Flux Now Poised to Ramp LiFT Pack Unit Sales
- Scaling Technology to Larger Material Handling Applications.



WALKIE PALLET JACK APPLICATIONS

Targeting material-handling intensive industries where supply chains are large and sophisticated, margins can be thin and efficiency is paramount.

- Beverages
- Grocery
- Food Processing
- Consumer Products



FLUX TECH IS MODULAR & SCALABLE

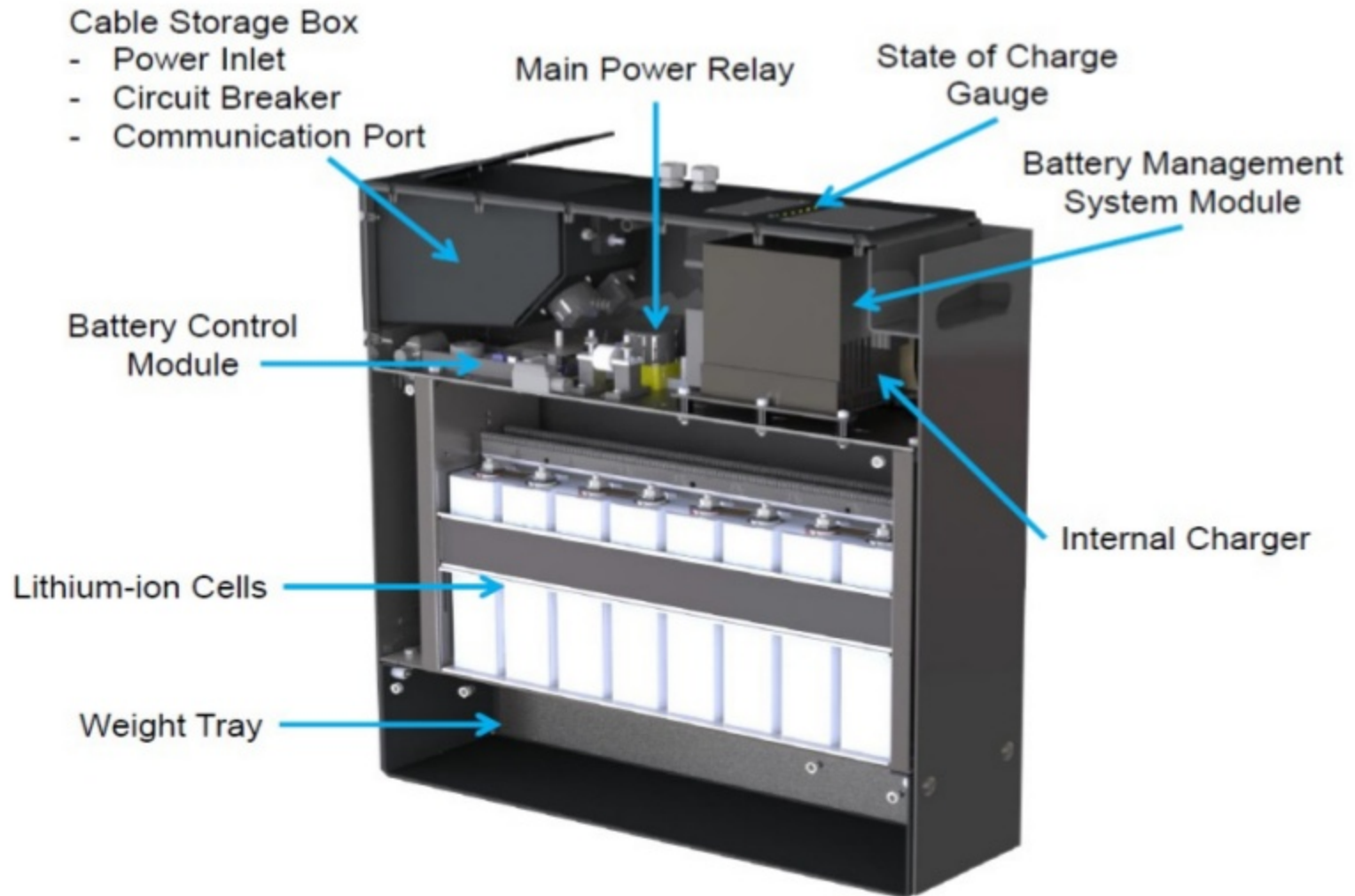
Picture	Equipment	Trial Status	Details	Launch Date
	Class III Walkie	Complete	24 Volts; Lifts up to 4k lbs.	Apr 2014
	Class III End Rider	Developing prototype to meet UL requirements	24 volts but double size & power of Walkie	Oct 2017 (expected)
	Class 1 & 2	OEM's want prototype ASAP	36-48 volts - 6x energy of Walkie	Oct 2017 (expected)
	Airport Ground Service Equipment	Purchases and trials with several carriers and support of major dealer	72 volts and 300-600 amps	Feb 2017

ADDRESSABLE MARKET

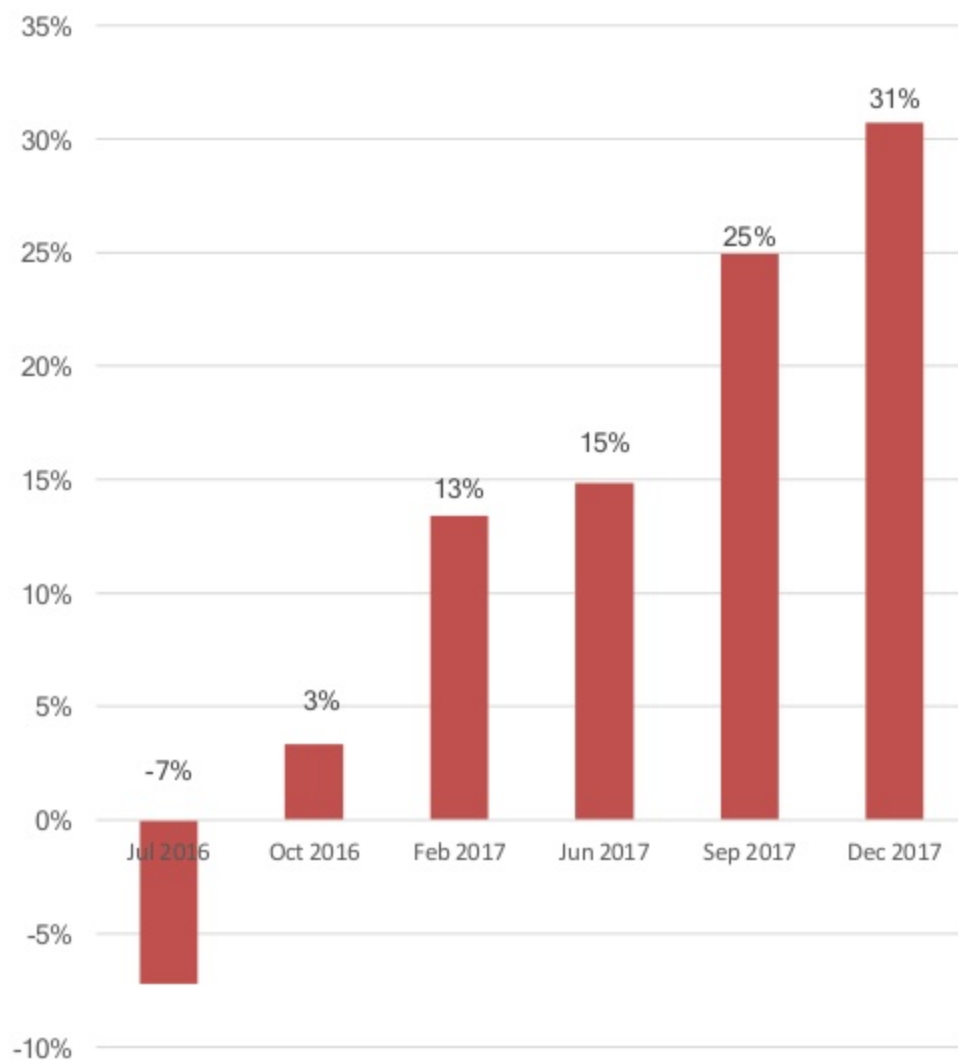
- Flux established foothold in Class III and is ramping sales now
- Airport GSE packs delivered in February 2017
- Class 1 prototype packs planned for introduction in October 2017

Segment	Equipment Market Size	Battery Average Selling Price	Flux Addressable Market
Class III Forklifts			
* Walkies	120,000	\$3,300	\$400M
* End Riders	125,000	\$9,000	\$1,125M
Class I & II Forklifts	300,000	\$20,000	\$6,000M
Airport GSE	20,000	\$25,000	\$500M
Grand Total			\$8,135M

WHAT'S IN THE FLUX LIFT PACK FOR WALKIE PALLET JACKS?



GROWTH MARGIN PLAN



Key Items: Jan -Dec

BMS 2.0 \$350 Sep

Pricing \$200 Jan

Cells \$120 Sep

Volume \$110 Dec

Design \$50 Sep

\$920

CURRENT CUSTOMERS

FLUX[®]
POWER
OTCQB: FLUX



TESTIMONIALS



"Toyota sees lithium-ion batteries as viable and in demand now. We're pleased the Flux LiFT-24V-TRW battery pack testing went well."



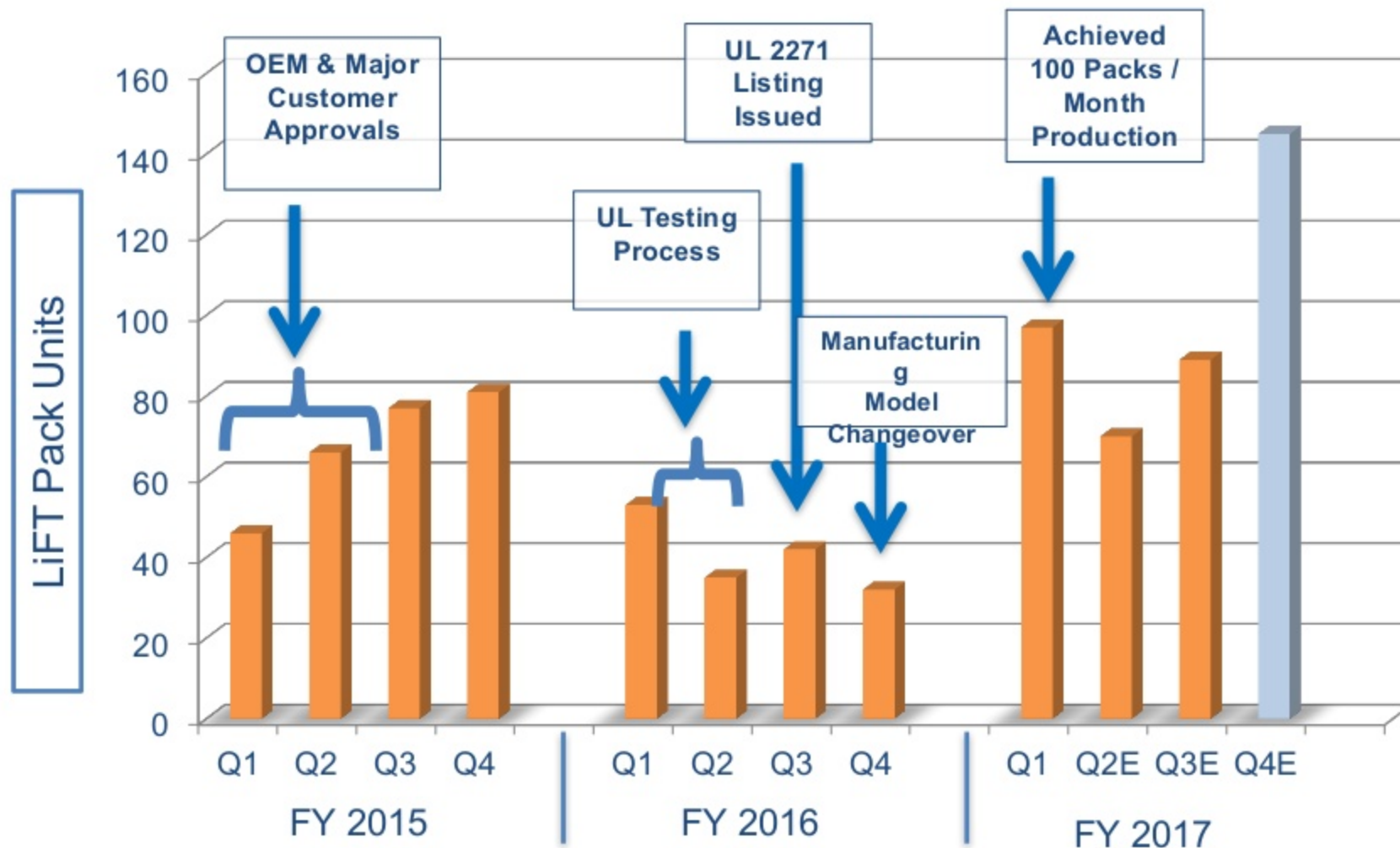
"We are excited about the partnership with Flux Power and appreciate the continued education, support and training. It really makes a difference having a team behind the product and service."



"We've witnessed the performance benefits of lithium batteries in airport ground support equipment for three years. Our customers rave about the reliability and absence of maintenance."

RAMPING LiFT PACK PRODUCTION & SALES

Flux Targets FY 2017 Sales of 400 Walkie LiFT Pack Units



STRONG WALKIE LIFT PACK CUSTOMER PIPELINE**

Segment	# of Customers	# Firms Piloting	Total # Cust's/ Firms Piloting	Cust. Revenue *	Estimated Walkies Per Segment*	Total LiFT Pack Opportunity via these Customers*
Beverage	2	--	2	>\$100B	7,000	\$24M
Consumer Products	17	1	18	>\$4.4B	327	\$ 1M
Food & Beverage	9	5	14	>\$98B	6,842	\$23M
Grocery	6	5	11	>\$59B	6,390	\$22M
Logistics/ Trucking	46	2	48	\$9B	900	\$ 3M
Retail - Specialty	1	1	2	\$9B	600	\$ 2M
Total	81	14	95	--	22,059	\$75M

* Flux Estimates; ** Excludes GSE & End Riders

- 13 Major Regional Battery Distributors,
- Over 200 Equipment Dealers, and
- 3 leading OEMs



BUSINESS ROADMAP / KEY MILESTONES

Ramp LiFT Pack Production

Packs Per Month	Delivery Date / Target
100	September 2016
150	March 2017
300	November 2017

Introduce Product Extensions

Additional Channel	Delivery Date / Target
Airport GSE	February 2017
End Rider (Stand-on)	October 2017
Class 1 & 2 (Sit-on)	October 2017

Improve Gross Margins (design, sourcing, volume)

Gross Margin	Delivery Date / Target
6%	December 2016
15%	July 2017
31%	December 2017

EXPAND PRODUCT OFFERINGS IN 2018

**More GSE
opportunities!**



Scrubbers and Sweepers!



Stationary Power!



Order Pickers, Stackers, Riders and Tow Tractors!