



TELECONFERENCE BRIEFING

BY CEO RIGGS ECKELBERRY

3 January 2019, 5PM PDT

(Transcript from recording)

SAFE HARBOR STATEMENT

To the extent any statements made in this presentation deal with information that is not historical, these are forward-looking statements under the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about OriginClear's plans, objectives, expectations and intentions with respect to future operations and products and other statements identified by words such as "will," "potential," "could," "can," "believe," "intends," "continue," "plans," "expects," "estimates" or comparable terminology. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Uncertainties and risks may cause OriginClear's actual results to be materially different than those expressed in or implied by OriginClear's forward-looking statements. For OriginClear, particular uncertainties and risks include, among others, risks associated with the failure to realize the anticipated benefits from its operational plan thereof; operating costs and business disruption following the general business and economic conditions; OriginClear's need for and ability to obtain additional financing, the challenge of developing and successfully licensing new technology, and achieving market efficiency; the operational success of OriginClear's acquisition business; and the success of effective operations. More detailed information on these and additional factors that could affect OriginClear's actual results are described in OriginClear's annual and quarterly reports that have been issued and filed with the Securities and Exchange Commission. All forward-looking statements in this presentation speak only as of the date of this presentation. OriginClear undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Riggs: Okay, welcome everyone.

All right. As I said in the update this morning, we're really looking at a period of integration. I just had an hour-long conversation with our CTO - Chief Technology Officer, Dan Early, who has bought us the amazing Modular Water technology, making a plan for where we're going in 2019.

Really what we are doing now is anything that has not proven to be really, really valuable, for example, this WaterChain thing we're doing and so forth, we're putting on the back burner because the focus now is on creating consecutive quarters of growing revenues. And that is the plan of action.

What we're doing here now, is finally to have a solid first quarter, a dramatic increase for the second quarter, a dramatic increase in the third quarter, etc, of revenue and profits. And so what we have to do now is organize the company around delivery of these amazing prefabricated hundred-year systems that are so bankable. So bankable in the industry. Every single potential customer or rep organization or reseller that understands what this is, is blown away.

Why? Number one, speed of delivery. This stuff can be prefabricated. It can be created as products as opposed to custom. This is why I keep calling it the "Henry Ford opportunity." Secondly it is a 5 to 15% less expensive system. Thirdly, it is a hundred



A leading provider of water treatment solutions.

years life span or more. Whereas, concrete, steel, and fiberglass are in the 12 to 25 year range.

Right now in Los Angeles, we have literally hundreds of pump stations. These are wells with a pump at the bottom that are rotting away and all this water's leaking. And water is really, really important in Southern California and yet trillions of gallons are lost to leakage every year in the state of California. So that is one of the many values of this.

So we have this technology in-house. We've now proven that it sells, it sells readily. And what we have to do is get the word out. And the primary way we do that is by enlisting manufacturer's rep organizations. And we intend to have as many as 50 of these by the time the first quarter is done. When reps like what you've got and when it becomes a cookie cutter, we basically, rinse and repeat, rinse and repeat. So that's the core activity.

The other thing we're going to do is to take our really cool technology, Electro Water Separation™ and Advanced Oxidation™ which work either separately or in combination, and instead of pushing string and trying to get other people to figure out how to integrate them into systems, we're going to do it ourselves. We're going to integrate our own technology into a Modular Water Systems package.

What we're intending to do here is to create a complete product in the Modular Water Systems form factor as it's called, and it will do this amazing job of electro-coagulation and oxidation of the water. That is so amazing and we're going to deliver it ourselves as a product.

I was speaking to Jean-Louis Kindler earlier today as part of our planning exercise and I told him this is what we're doing. We're not stopping the licensing activity. We have some great things going on right now, an amazing project happening at this very minute with dairy farms in Illinois that is moving ahead, there's deals with national petroleum companies in progress. All that stuff's well and good, but it takes a lot of hard work to get other people to do stuff. Why not just do it yourself? And so, we also plan to do it working closely with our own subsidiary in China, which is doing an amazing job. They can deliver, even with tariffs, a much less expensive system and dramatically improve the price point of these systems as well.

So that's the picture there. And really what it adds up to right now is to focus on the fundamentals. We're trying now to completely organize things around the high-volume delivery of these Modular Water Systems units. Now what we had, since we started with, July onward, these Modular Water System sales, we had Dan Early being chief



A leading provider of water treatment solutions.

cook and bottle washer on everything that he was trying to do. Which meant that he was selling and he was spec'ing and he was negotiating and he was building and he was working with the reps, you name it.

That meant that, when he was building, he wasn't selling and when he was selling, he wasn't building. We've now put the team behind him. we have an amazing team, Charles Laverty who got us, knowing nothing about the water industry, got us a brewery and literally in what was it, three days. And we have a great organization team with Brian Pearce doing operations, Kevin Pruett doing marketing, etc. So, we have a team now that is fully [in place]. Bill Charneski, who's got an excellent relationship with the water industry is going to be working on bringing in reps, while we still keep the mergers and acquisitions going.

But we're really putting ourselves directly behind the thing that we know is going to work because the locomotive's wheels are starting to spin already. Deals are happening as I speak and what we need to do now is get efficient, get delegation occurring around Dan so that Dan is the technology guy, but he's leveraging Progressive Water Treatment for the manufacturing. That means we are going to be buying equipment for Progressive that does all the roto-molding of these units in house, which again will speed up delivery, enable us to customize these systems and we'll give us a much lower price point.

So Progressive Water in McKinney, Texas is going to be doing more and more to support Modular Water while continuing their business. And like I say, we're going to have the administrative and marketing team, sales team, channel development, all of it's going to be happening. And that's, to me, the tent pole or the strategy of the year to come, this coming year is going to be around getting revenues really, really humming.

Why? Because we can control that and we know how to do that if we do it ourselves. So, I'm keeping it pretty short today primarily because, I'm really in the middle of this whole strategization legwork. I'm in the middle of it all. But it is a process that I'm going to start reporting on in CEO updates and briefings.

The other piece of news is that CEO briefings are now going to be every month. The reason is very simple. I need to do CEO updates that don't just promote the CEO briefing that week. And so what we're going to have is CEO updates that happen roughly once a week, CEO briefings that take up substantial news development once a month. And, we'll probably ease our way into it, maybe have the next one two or three weeks from now and then get into a monthly schedule. My guess is that we will see the next one in the last week of January, but stay tuned in the CEO updates for that information.



I really appreciate the support as investors that you've given during this period, last six months of 2018. We were madly putting in place this ability to generate these world-class prefab, ultra-durable and much, much more cost efficient systems to the world. Now we are organizing activities to be highly centered around this very scalable activity.

Remember that in water, decentralization has become the new trend. So, on-premises water treatment is what is happening. It's an underserved space right now. Everybody's been mostly serving the municipals and utilities. But really what's happening is more and more business customers are having to do their own water treatment and this is heaven-sent to them. We intend to dominate the decentralized water treatment space, as a company in solar would dominate the solar space, because decentralization creates huge markets. We think that's going to be happening in water.

So to summarize, we've got Modular Water Systems which is our flagship product line, the product. We will not neglect our technology. In fact, we're going to speed up its revenue generation by taking it in house, in addition to the licensing and creating a perfect marriage of the technology. Electro Water Separation, Advanced Oxidation, with the Modular Water Systems package so that people can get a complete system that delivers these amazing capabilities in house.

So that's the simple story. Back to basics. Everybody focuses on revenue generation, getting sales, developing channel. And meanwhile on the mergers and acquisitions side, we continue to work with our investment banker in New York, the current deal is live. If this massive, massive, massive set of four different acquisitions doesn't happen, which would be the Hail Mary pass, then we have a running game of making a single acquisition at a time and that is already set up as a fallback, which we intend to do.

But the thing about mergers and acquisitions is you don't necessarily control them. It happens when it happens. The deals are very emotionally based, based on somebody's agreeing that it's a good deal, etc. So I'm going to keep running it with Bill Charneski's help, but we're going to focus on something we can control which is revenue generation.

So that's the picture live from where I was at the last few days. I'm going to be continuing to do this. I will see you guys again in probably three weeks and I'll let you know further about that. Don't hesitate to let me know if you have any questions or concerns. And of course, you can always contact the team. bizdev@originclear.com and (323) 939-6645 extensions 106 and 210.



A leading provider of water treatment solutions.

But in any case, thank you guys. It's a pleasure. And Ken is at extension 210 and Devin is extension 116. (323) 939-6645. Don't hesitate to call them and they'll be happy to conference me in. Thank you all. Stay warm if you're in a cold place and I'll see you on the other side. Thank you so much.

IMPORTANT DISCLAIMER

This communication shall not constitute an offer to sell or the solicitation of an offer to buy securities



A leading provider of water treatment solutions.