Safe Harbor Statement

The documents presented on this presentation (or directly accessible from) may contain forward-looking statements. These statements relate to future events or Applied Energetics Inc. future financial performance. Any statements that are not statements of historical fact (including without limitation statements to the effect that the Company or its management "believes", "expects", "anticipates", "plans" (and similar expressions) should be considered forward looking statements. There are a number of important factors that could cause Applied Energetics actual results to differ materially from those indicated by the forward looking statements. Applied Energetics disclaims any obligation to update any forward looking statement.

Additional Information

Applied Energetics, Inc.’s internet address is www.aergs.com. The company makes available, free of charge, all SEC filings at www.aergs.com. Its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, are available as soon as reasonably practicable after they are electronically filed or furnished to, the SEC. You also may request a copy of each document at no cost, by writing or calling us at the following address or telephone number:

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2480 W Ruthrauff Road, Suite 140Q
Tucson, AZ 85705
Office 520.628.7415
Attention: Financial Manager
Website: aergs.com
Applied Energetics Inc.
Advanced Directed Energy Technologies

Positioned to Connect a Revolutionary Technology Platform with End Markets Through Science and Business Development

Scientific Lab Under Via AOS Arrangement
Corporate Headquarters
Tucson, AZ

1st Quarter 2019
Applied Energetics Inc.

A Platform of Directed Energy Technologies

Ultra Short Pulse (USP) Lasers, Laser Induced Plasma Channel (LIPC®) Laser Guided Energy (LGE™) and Banshee C-IED Technology with LGE™

Rapidly Growing Markets for LGE™ Technologies

“Revenues of Directed Energy Weapons Systems Were Projected at $1.82 Billion Globally in 2017 Growing to $4.56 Billion by 2025” - According to Studies by Market Forecast
**Company Description**

Applied Energetics, Inc. (AE), based in Tucson, Arizona, specializes in development and manufacture of advanced high-performance lasers, high voltage electronics, advanced optical systems, Banshee Counter-IED technology and integrated guided energy systems for defense, aerospace, industrial, and scientific customers. AE pioneered and holds all crucial intellectual property rights to the development and use of Laser Guided Energy (LGE™), a transformative technology of the future.

**History /Background**

<table>
<thead>
<tr>
<th>Company: Applied Energetics</th>
<th>Symbol: AERG</th>
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<tbody>
<tr>
<td>Founded: 2002 as Ionatron/2008 Changed name to Applied Energetics</td>
<td>Market Trades: OTC Markets QB</td>
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<tr>
<td>Current Price: $.15 Current Market Cap (As of 03/31/2018): $30.6 million</td>
<td>Net Federal Operating Loss Carry: $62.1 million</td>
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<tr>
<td>Authorized Shares Outstanding: 204 million</td>
<td>Previous Research Coverage: Suntrust and Raymond James</td>
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<tr>
<td>R&amp;D Funding: Over $100 mil. of past and current R &amp; D</td>
<td>Founders: Tom Dearmin, Stephen McCahon, Joe Hayden</td>
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**Technology/Roadmap**

**Patent Portfolio:** 25 regular patents, 11 additional patents under DOD classified GSPA secrecy order and trademarks for both LIPC®, and LGE™

**Three Distinct Technologies:**

1. **Laser Guided Energy:** Breakthroughs in LGE capabilities to support perimeter protection, counter IED, close-combat urban warfare and commercial applications with advanced manufacturing.

2. **Banshee Platform:** Proven Counter-IED platform for the military, future Banshee’s are expected to integrate with LGE in next generation platforms.

3. **Short Pulse/Ultra Short Pulse:** Breakthroughs in power scaling and wavelengths to increase defense applications in counter UAS, counter optical, stand-off detection, open air communication.
Moving Forward:

- **Viability:** LGE and Banshee C-IED are considered certified “viable new technologies of the future” by agencies of the US Government.
- **Leading Edge Technology Platform:** Targeting Department of Defense and commercial markets with opportunities in Short Pulse, Laser Guided Energy and related Directed Energy technologies.

*AE’s sophisticated laser technology creates filaments which brake the bond between oxygen electrons from oxygen molecules in the atmosphere creating a laser induced plasma channel. The laser then transverses a conductive path which allows controllable electrical pulses of up to a million volts down the LIPC channel to achieve the desired effect at the target. We call this Laser Guided Energy (LGE).*

Applied Energetics, Inc.
In the Market Today, Two Key Types of Directed Energy Weapon Technologies Exist

- **High Energy Lasers**: Weapons that are lightweight and require enormous amounts of photons, generated to cause effects, have long logistics chain: expensive
- **High Power Microwave**: Directed microwaves to cause an effect, limited target environment: expensive
- **Limiting Factors**: Both require a continuous wave, time and energy

Now, a Third: **Laser Guided Energy (LGE)**

- Specialized lasers create a “Guiding Channel” in the atmosphere, then a high voltage source is connected to the channel.
- A specially shaped electrical discharge propagates down the channel to an extended range.
- The electrical discharge contacts a target and a *target specific* electrical discharge is applied.
- In contrast to High Power Laser and High Power Microwave, LGE uses electrons as the weapon that then directly causes the damaging effects at the target.
- This allows for extremely high peak power and energy to be coupled to the target with tenability; relatively compact short logistics chain, with low cost in manufacturing quantities.

**A New Weapon Technology that is “Fundamentally Owned” by a Single Developer**

**Represents a “Generational Opportunity”**
LGE Markets are Large with Long Tails

Applied Energetics has Developed Long Range Laser Guided Electrical Energy Technologies (Wireless Electricity).

❖ LGE Demonstrated Counter-Measures
  ➢ Human Effects: Non-Lethal to Lethal
  ➢ Electronics (cell phones, computers, etc.)
  ➢ Automobiles
  ➢ Improvised Explosive Devices
    • Vehicle
    • Roadside - Buried
    • Suicide
  ➢ Infrastructure
    • Buildings
    • Wired Communication Links
    • Electrical Grid

❖ Companion Laser Capabilities
  ➢ Counter-Situational Awareness
  ➢ Counter-Sensor/ Sniper
  ➢ Remote Sensing for Bio/Chem/Explosives
  ➢ Secondary Radiation Generation for Advanced Sensing and Imaging

LGE and Related USP Laser Technologies can be Leveraged to
Many Advanced Processes with the DoD
Banshee’s JIN-Joint IED Neutralizer Roadside Bomb Disposal

Proven Mission Success

❖ AE’s Banshee JIN is Wholly Owned
❖ 211 Convoy Missions Supported
❖ 15,000 Miles of Convoy Escort, 1589 Hours of Operation
❖ 100% Availability for Convoy Support in Afghanistan
❖ 0 Incidents Involving Vehicles Following the Cleared Path by Banshee

Extremely Rapid, Innovative, and Successfully Engineered Weapon Development Program
Legacy Laser Induced Plasma Channel (LIPC), Laser Guided Energy (LGE) and Ultra-Short Pulsed (USP) Laser Technology Development Opportunities

Industry 4.0

Advanced Material Fabrication
USP Material Plasmas

Advanced Processing
Armal Machining

Advanced Hybrid Manufacturing
Additive, Subtractive, Modification at High Precision
Enabled by Fundamental Processes
• Intense Laser Fields
• External Electric and Magnetic Fields
• Generation, Temperature, and Control over Material Plasma Transport
• LIPC Electrical Power Transfer

1. Applicable to nearly all materials
2. Real time control of composition, particle size, and kinetic energy
3. Low to high temperature processes allowed

Focus on Exponential Technologies

Fits perfectly in GE’s “Pathway of Innovation in Manufacturing 4.0 and Technology 4.0”
IP Generator - Long-Term R&D Capability for Development of Advanced Photonics, Optical Physics, and Specialized Laser Applications

- Optical Physics and Material Science Laboratory
  - ~ 3300 sq. ft. Leased Facility

- On-going USP Laser Development
  - Advanced Yb:YAG Thin Disk/Short Rod Amplifiers
  - Spatially Dispersed Amplifier Development Testbed

- Thin Film Optical Materials Growth and Photonics
  - USP Laser Based Photonic Pattern Writing Workstation
  - Advanced Optical Thin Films via Pulsed Laser Deposition

- Advanced Imaging Systems
  - Linear and Non-Linear Imaging through turbid media
  - 2D and 3D imaging through multimode optical fibers
  - Nonlinear imaging and Active Beams through multimode optical fibers

- Material Science and Characterization
  - Variable Pressure Scanning Electron Microscope
  - Atomic Probe Microscope
  - Optical Surface Profiling

*AOS Provides a Low Cost, High Return Research and Development Capability*
Applied Energetics Inc.

Board of Directors

Brad Adamczyk – Principle Executive Officer, Hong Kong, Director
Jon Barcklow – V.P. Business Development, Washington D.C., Director
John Schultz – Director, Los Angeles, CA

Lead Scientist

Stephen McCahon Ph.D. – Via AOS TA, Advanced Technology, Tucson, AZ

Project Manager Consultants

Patrick Williams – Advanced Business Programs, Washington D.C.
Greg Quarles Ph.D. – SAB*, Advanced Business Programs, Washington D.C.

*Scientific Advisory Board Member
Applied Energetics Inc.

For More Information:

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www.aergs.com