Important Cautions Regarding Forward-Looking Statements

Certain statements in this presentation are “forward-looking statements.” These statements involve risks and uncertainties, and Elio Motors, Inc. (the “Company”) undertakes no obligation to update any forward-looking information. Risks and uncertainties that could cause actual results to differ materially from planned operations include, without limitation, delays in receipt of adequate financing, delays in commencement of production, decreased consumer interest in the Company's products, downturn in general economic conditions, increased production costs and availability of raw materials, competition, and unfavorable market and regulatory conditions, all of which are difficult or impossible to predict accurately and many of which are beyond the Company's control.

Readers are referred to the Company's periodic reports filed with the Securities and Exchange Commission, specifically the most recent reports which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements. The information contained in this presentation is a statement of the Company's present intentions, beliefs or expectations and is based upon, among other things, the existing business environment, industry conditions, market conditions and prices, the economy in general and the Company's assumptions.

The Company may change its intentions, beliefs or expectations at any time and without notice, based upon any changes in such factors, in its assumptions or otherwise, and it undertakes no obligation to revise or update publicly any forward-looking statements for any reason. The cautionary statements contained or referred to in this presentation should be considered in connection with any subsequent written or oral forward-looking statements that the Company or persons acting on its behalf may issue.
Elio Motors – The Revolutionary & Disruptive Vehicle

1. Compelling Value Proposition
   (price / mileage)

2. Safe

3. Low Execution Risk
   (no new technology)

4. Made in America

Elio Motors is the product of a mobile society naturally evolving to a more efficient, practical & affordable form of transportation
The *Elio*: Compelling Value Proposition

**Compelling Value Proposition**

**Low sticker price**
- Targeted $6,800\(^1\) base price including ABS/ESC, A/C and power windows & lock
- 75% supplier quotes in place

**High mileage with IAV-Elio engine**
- Up to 84 MPG EPA highway
- 49 MPG EPA city

---

1) Starting MSRP excludes destination/delivery charge, taxes, title, registration, and options/installation
Safe: Engineered to meet the highest vehicle safety standards

Low Execution Risk: No new technology – many components are off the shelf

Made in America:
- Conceived, engineered and manufactured in America
- Targeting utilization of 90% North American components

Featured in these publications & programs:
Basic Architecture: Three Wheels & Tandem Seating

- **Premise**: most households have at least one vehicle that is primarily used by only one occupant
- Two seats, front-to-back, key to highway mileage: ½ as wide a vehicle, moves ½ as much air
- 3-wheels qualifies vehicle as a motorcycle
  - Lower compliance requirements saves millions in development & launch costs
  - Development time reduced by years
  - HOV/Carpool lane access
  - *The Elio* is designed to meet the highest safety standards
Highly Engineered

- **Safety** – After substantial simulation, the Company and its safety system supplier believe that the vehicle will achieve desired safety standards in all directions.

- **Aerodynamics** – We believe that after numerous computational fluid dynamics (CFD) simulations, 80+ MPG EPA Highway is achievable.

- **Handling** – Built to achieve 0.85 lateral g’s and perform well in aggressive high speed maneuvers.

- **Fit and Finish** – Using current manufacturing techniques, we anticipate that the Elio will have world-class fit and finish.
Elio Motors Targets Four Segments

<table>
<thead>
<tr>
<th>Segment</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clunkers</td>
<td>100,500,000</td>
</tr>
<tr>
<td>Used Cars</td>
<td>38,000,000</td>
</tr>
<tr>
<td>New Cars</td>
<td>17,500,000</td>
</tr>
<tr>
<td>Third Vehicle</td>
<td>??,000,000</td>
</tr>
</tbody>
</table>

NEW SEGMENT – ELIO EXCLUSIVE DUE TO PURCHASE MODEL

We believe that Elio can compete effectively in traditional used car market.

**NEW SEGMENT – ELIO EXCLUSIVE**

- There are currently 264.2 million vehicles in the U.S.¹
- Elio Motors aims to compete successfully in the used car market & two non-traditional segments – the Third Vehicle and the Clunker segments

¹ IHS Automotive – Length of Vehicle Ownership
Strong Consumer Interest: Facebook “Likes” & Website Hits

### Facebook “Likes”

- **Dec. 2013**: 55,668
- **May 25, 2016**: 320,210

Facebook “Likes” up 475% to 320K

### “Unique” Visitors per Auto Manufacturer’s Website

<table>
<thead>
<tr>
<th>Manufacturer</th>
<th>Unique Visitors (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chrysler</td>
<td>1.3</td>
</tr>
<tr>
<td>Kia</td>
<td>1.3</td>
</tr>
<tr>
<td>Lexus</td>
<td>1.2</td>
</tr>
<tr>
<td>GMC</td>
<td>1.0</td>
</tr>
<tr>
<td>Volvo</td>
<td>0.7</td>
</tr>
<tr>
<td>Mini</td>
<td>0.6</td>
</tr>
<tr>
<td>Elio Motors</td>
<td>0.5</td>
</tr>
<tr>
<td>Fiat</td>
<td>0.5</td>
</tr>
<tr>
<td>Scion</td>
<td>0.4</td>
</tr>
</tbody>
</table>

1) Alexa.com; Elio ranks 18th among top auto manufacturers for most unique website visitors (spots 1-11 not shown)
May 31, 2016
Paid reservations: 54,467 units
Reservations received: $23.9M
Potential orders represented: $343M

All before the first production vehicle is built
Elio Motors has generated 54,467 reservations, despite only 6.5% brand awareness among adults age 25-75 in U.S.

### Reservation Distribution

<table>
<thead>
<tr>
<th>Brand</th>
<th>Reservation Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elio Motors</td>
<td>54,467</td>
</tr>
<tr>
<td>Tesla Motors</td>
<td></td>
</tr>
<tr>
<td>General Motors</td>
<td></td>
</tr>
<tr>
<td>Nissan</td>
<td></td>
</tr>
<tr>
<td>Toyota</td>
<td></td>
</tr>
</tbody>
</table>

### Source

Source: Independent Brand Awareness Study, conducted by Berline Communications May 2016, +/- 5% margin of error
Distribution – Retail Centers

Current System
• Uses package system (LX, SX, DX) to minimize build configuration
• Forces consumers to purchase options they do not want

• Retail centers will offer point-of-sale installed options which allows customers to purchase only the options they want
• Customers will choose from 14 combinations: 7 colors in either manual or automatic transmission
• The customer specific vehicle will be built out at the customization studios and delivered the next day

Value Proposition
• Under current system, ~25% of MSRP is for advertising and dealership network
• In Elio Motors’ system, mass personalization will happen at the point-of-sale which decreases cost and improves customer satisfaction
Retail Strategy – ePlus

How it will work

• A customer visits one of Elio Motors’ stores in any of the top 60 U.S. markets
• Selects color, transmission, and desired options
• Customer’s order goes to one of 7 customization studios
• Stores are open until 9 p.m., customization studios build out vehicles until midnight
• With 7 customization studios, all stores are within 9 hours
• The customer gets the vehicle exactly the way they want within 24 hours, no matter what time they come into the store

1) Does not apply to vehicle wrap option

Key Partners

Pep Boys is anticipated service provider to provide factory authorized service

ADESA will use their existing infrastructure at their auction sites to install options

CarsArrive will transport vehicles from customization studios to Elio Motors’ stores

1) Does not apply to vehicle wrap option
Impact of Abandoning the Package System

• According to JD Power and Associates, at least 20% of new-vehicle owners have never used 16 of the 33 technology features measured¹

• Consumer Affairs states that option packages lose value at a much quicker rate than vehicles²

• Consumers are being forced to buy expensive option packages that include unwanted, unused features

• The “ePlus: My Elio. My Way.” mass personalization system provides option suppliers with accurate data on the desirability of their offering

Elio features a purpose-designed engine by IAV

Elio is the first start-up vehicle manufacturer to develop its own engine in over 60 years\(^1\), using existing components

Specs:
- 0.9L
- 3 cylinder
- 55 hp power
- 55 ft-lb torque

1) Nash Motors in 1951 was the last to do so
Highly Engaged Supply Base
Manufacturing Facility

Former GM assembly plant in Shreveport, Louisiana

- Prior GM use – Mid-size pickup trucks
- Long-term lease for ~1M sq. ft. of 4M sq. ft. facility to be utilized for General Assembly; Body Shop; Paint
- Rail service
- Plan to sell 100 pre-production vehicles in Q4 2016
- Plant capacity of 250,000 cars per year
- Estimated cost to greenfield required infrastructure
  - Equipment: ~$300M
  - Plant: ~$100M
Elio Motors can prove to ourselves and the world that America can design & manufacture world-class, low-cost vehicles.


Photographed by Arthur Williamson, one of our readers in Johannesburg, South Africa. Cheap anti-Americanism? From a subsidiary of DaimlerChrysler, a company with a major American component?
Patriotic or Green – *the Elio* is Both

- The average gas mileage of the fleet is 17.5 MPG\(^1\)
- With IAV-Elio engine, up to 84 MPG EPA highway; 49 MPG EPA city
  - We anticipate that *the Elio* will get **60+ MPG** composite
- If an *Elio* is purchased, **our dependence on foreign oil and harmful emissions can be reduced**

### Percent Reduction in Total U.S. Fuel Consumption & Emissions\(^2\)

<table>
<thead>
<tr>
<th>Annual Volume</th>
<th>Years in Production</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>125,000</td>
<td>0.03%</td>
</tr>
<tr>
<td>250,000</td>
<td>0.07%</td>
</tr>
<tr>
<td>500,000</td>
<td>0.14%</td>
</tr>
</tbody>
</table>

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1) Based on Highway Statistics 2014 published by the Federal Highway Administration
2) Table reflects impact of replacing a vehicle getting 17.5 MPG with an Elio getting 64.75 MPG
Mobility for the Masses

**Ultra-Low Sticker Price**
Targeted $6,800\(^1\) base price including ABS/ESC, A/C and power windows and lock

**Lowered Costs of Vehicle Development**
Many components, including chassis, powertrain and body, are either available off-the-shelf or can be modified from off-the-shelf items for use in production of the Elio

**High Safety Standards**
Three air bags, Anti-lock Brake System (ABS), electronic stability control, reinforced-steel full roll cage frame and side intrusion beams

---

1) Starting MSRP excludes destination/delivery charge, taxes, title, registration, and options/installation

**Standard Equipment**
A/C and heat, AM/FM stereo, power windows, power door lock, manual transmission, mechanically adjustable seats, fold-down rear seat, parking brake, cruise control

**Add-on Options**
Automatic transmission, personalized colors, power seats, leather seats, back-up camera, keyless entry, remote engine ignition, navigational aids, blind spot detecting mirrors
• Recent automotive product launches cost $750M-$1B
  • Tesla raised over $800 million in equity and debt prior to cash flow positive
  • GM spent over $1B on the development and launch of the Chevy Volt

• Elio Motors has raised a total of $99.0M through May 31, 2016. The Company estimates that it needs to raise additional capital of $272M to start production
  • Motorcycle vs. passenger car substantially reduces engineering development cost
  • B Round Debt was partly used to purchase equipment, originally $850M installed cost, at Shreveport manufacturing facility for $26M as a result of GM bankruptcy and slump in the automotive market

• We intend to raise the remaining capital primarily through customer reservations and/or additional equity and/or debt offerings

---

**Capital Raised through May 31, 2016**

<table>
<thead>
<tr>
<th>Source</th>
<th>Net Funds</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series A &amp; B Equity</td>
<td>$20.4M</td>
<td>Includes Convertible Notes</td>
</tr>
<tr>
<td>A &amp; B Round Debt</td>
<td>$37.8M</td>
<td>Some debt has been paid down</td>
</tr>
<tr>
<td>Customer Reservations(1)</td>
<td>$23.9M</td>
<td></td>
</tr>
<tr>
<td>Reg A+</td>
<td>$16.9M</td>
<td></td>
</tr>
<tr>
<td><strong>Total Raised</strong></td>
<td><strong>$99.0M</strong></td>
<td></td>
</tr>
</tbody>
</table>

(1) As of May 31, 2016; Total Reservations
ELIO: Key Stats (OTCQX: ELIO)

**Stock Price (7/8/16)** $19.58

- 52 Week Low-High $13.01-$75.00
- Avg. Vol. (30d) ~4,441
- Shares Outstanding (mrq) 26.4M
- Free Float (est.) 2.9M

**Insider Holdings (est.)** 89%

**Institutional Holdings** <1%

**Market Cap** $514M

**Founded** 2009

**Reg. A+ Offering Closed** Feb 2016

**Fiscal Year End** Dec 31

<table>
<thead>
<tr>
<th><strong>Cash Raised</strong></th>
<th><strong>$99.0M</strong></th>
<th><strong>Paid Reservation Growth</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Loss (mrq)</td>
<td>$9.1M</td>
<td>$ millions</td>
</tr>
<tr>
<td>Total Assets (mrq)</td>
<td>$35.4M</td>
<td></td>
</tr>
<tr>
<td><strong>Total Debt (mrq)</strong></td>
<td>$38.1M</td>
<td></td>
</tr>
<tr>
<td>Total Liabilities (mrq)</td>
<td>$77.7M</td>
<td></td>
</tr>
<tr>
<td>Reservations Received**(2)**</td>
<td>$23.9M</td>
<td></td>
</tr>
<tr>
<td>Potential Orders Represented**(2)**</td>
<td>$343M</td>
<td></td>
</tr>
</tbody>
</table>

1) Capital raised through May 31, 2016
2) As of May 31, 2016

Stock Data Source: OTC Markets, Capital IQ, Company Estimates

(mrq) = most recent quarter at March 31, 2016

---

May 31, 2016
Paid reservations: 54,467 units
Reservations received: $23.9M**(2)**
Potential orders represented: $343M**(2)**
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Elio Motors, Inc.
2942 N 24th St., Suite 114-700
Phoenix, AZ 85016
Since the Elio is a motorcycle by NHTSA definition, state laws and regulations pertaining to the operation of a motorcycle and wearing a helmet apply.

Starting Point

As of June 27, 2016

Note: Currently, 5 states have age specific helmet requirements. Legislation is in process in 4 of these states and the Company is actively working with the remaining, by seeking exemptions from the application of these requirements.
Elio Motors continues with its successful plan of obtaining exemptions from motorcycle licensing in the remaining 9 states.

Starting Point As of June 28, 2016

Note: Elio Motors has identified sponsors and is in the process of gaining exemptions in 6 of the 9 remaining states that require a license.
Regulatory Considerations – Autocycle Definition

- **30 states with autocycle definition** and 8 states exempt by different name

- 4 states with no autocycle definition – legislation in progress

- 8 states with autocycle definition in progress, of which:
  - AR, HI, and ME are states with age specific helmet requirements
  - AR, NY, ME, and WV are states where Elio Motors is in the process of gaining motorcycle license exceptions

As of June 27, 2016

In general, “autocycle” means a motor vehicle, other than a tractor, that is: (1) designed to have when propelled not more than three wheels on the ground; (2) equipped with a steering wheel; (3) equipped with seating that does not require the operator to straddle or sit astride the seat.
## Board of Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Experience</th>
</tr>
</thead>
</table>
| Paul Elio         | Chairman & CEO | • 18+ years engineering & management in automotive  
|                   |           | • CEO, ESG Engineering; Johnson Controls  
|                   |           | • B.S. General Motors Institute |
| James Holden      | Director  | • 27+ years in automotive  
|                   |           | • President & CEO, DaimlerChrysler Corporation ['99-'00]; Various current Board positions  
|                   |           | • B.S., Western Michigan University; MBA, Michigan State University |
| Kenneth Way       | Director  | • 37+ years in automotive  
|                   |           | • Chairman ['88-'02] & CEO ['88-'00], Lear Corporation; Various current Board positions  
|                   |           | • B.S., Hunter College; MBA, Pace University |
| Stuart Lichter    | Director  | • 37+ years in commercial and industrial real estate (>100 million sq. ft.)  
|                   |           | • Founder & Chairman, Industrial Realty Group, LLC  
|                   |           | • B.S., Hunter College; MBA, Pace University |
| Hari Iyer         | Director  | • 25+ years product development, strategy & operations in automotive  
|                   |           | • EVP, Envia Systems; VP, Engineering, Next Autoworks; COO, ESG Engineering; Johnson Controls  
|                   |           | • MSME, Penn State; MBA, Stanford |
| David C. Schembri | Director  | • 30+ years in automotive marketing & operations  
|                   |           | • Former President, Smart USA; EVP, Mitsubishi Motors America; Penske Group; Volkswagen  
|                   |           | • B.S., MBA, University of Detroit |
### Senior Management Team

**Paul Elio**
*Chairman & CEO*
- 18+ years engineering & management in automotive
- CEO, ESG Engineering; Johnson Controls
- B.S. General Motors Institute

**Connie Grennan**
*CFO*
- 30+ years financial and operational experience
- CFO; Division of Lockheed Martin; OZMo Devices, ESG engineering, Anadigm
- B.S., Arizona State University

**Tim Andrews**
*Senior VP, Marketing*
- 22+ years in marketing
- Managing Director, RR Partners; Owner, TLA Marketing; Prof. of Mktg, Grand Canyon University
- B.A., Arizona State University

**Gino Raffin**
*VP, Manufacturing*
- 48+ years experience in automotive
- Plant Manager, Chrysler
- Lawrence Institute of Technology
- B.S., Lawrence Technological University

**Jeffrey Johnston**
*VP, Engineering*
- 30+ years experience working for Top 10 automakers and suppliers in the international automotive arena
- Held positions at GM, TRW Automotive, Morton ASP (now Autoliv) and Takata Corporation
- B.S., Lawrence Technological University

**Jerome Vassallo**
*VP, Sales*
- 25+ years experience in automotive
- Area Executive, National Distribution Manager, VW of America; Mitsubishi; Suzuki
- University of Michigan

**Don Harris**
*VP, Retail Operations*
- 34+ years in automotive auction operations
- President, CarBuyCo; COO, Adesa
- Florida State University – College of Business

**Steve Semansky**
*VP, Supply Chain*
- 22+ years supply chain management in automotive
- Founder, J Marc Engineering & Sales
- B.S., Wayne State University

**Joel Sheltrown**
*VP, Governmental Affairs*
- Former 3-term State Representative, Michigan House of Representatives
- Western Michigan University