

COMPENSATION COMMITTEE CHARTER
of
LIQUIDMETAL TECHNOLOGIES, INC.

Adopted May 8, 2013

Purpose

The Compensation Committee (the “Committee”) shall assist the Board of Directors (the “Board”) of Liquidmetal Technologies, Inc., a Delaware corporation (the “Company”), in the discharge of its responsibilities relating to (a) the Company’s compensation programs for its executives and employees and the members of the Board and (b) (when and if applicable to the Company) the preparation of an annual report on executive compensation for inclusion in the Company’s proxy statement in accordance with the rules and regulations of the U.S. Securities and Exchange Commission (the “SEC”).

This charter (“Charter”) is adopted as the Charter of the Compensation Committee by the Board on May 8, 2013.

Committee Membership

The Committee shall be composed of at least three (3) directors, each of whom shall be “independent” under the criteria set by the NASDAQ Stock Market (even if the Company’s securities are not listed on such market) and any applicable law, regulation, and/or listing requirement, including those of the SEC. Each of the members of the Committee shall be elected for a one year term. The election of members of the Committee shall be held each year at the first meeting of the Board following the annual meeting of stockholders. Should a member of the Committee for any reason be unable to serve for the term to which he or she was elected, the vacancy may be filled by a majority vote of the Board at its next meeting. All such independent Directors shall also be “outside directors” within the meaning of Section 162(m) of the Internal Revenue Code.

The Board will appoint the Committee members and a Chairman based on the recommendation of the Corporate Governance and Nominating Committee. The Board may remove Committee members at any time with or without cause and may fill any vacancies on the Committee.

Meetings

The Committee shall meet as needed, and may meet in any manner permitted by law and the Bylaws of the Company (as such may be amended from time to time), including telephonically. The Committee may request any officer or employee of the Company or the Company’s outside counsel or outside auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Chief Executive Officer of the Company should not attend meetings of the Committee at which his or her performance or compensation are discussed, and may not be present during voting or deliberations on his or her compensation. A majority of the Committee members shall constitute a quorum, and a majority of the members present shall decide any question brought before the Committee. The Committee shall report to the full Board any actions taken at its meetings at the Board meeting next following each Committee meeting.

Committee Authority and Responsibilities

The Committee shall:

1. Review and recommend to the Board the overall compensation policies for the Company.
2. Review and approve corporate goals and objectives relevant to the Chief Executive Officer’s

compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives, and determine and approve the Chief Executive Officer's compensation level based on this evaluation.

3. Review the performance of the Company's executive officers and make recommendations to the Board with respect to such executive officers' compensation.
4. As part of its review, determinations, and recommendations concerning the compensation of the Company's executive officers and in connection with the preparation of the Committee's annual report on executive compensation (if applicable), take into account the advisory stockholder vote on executive compensation (the "say on pay" vote) for the most recent and upcoming annual meetings of the Company in accordance with applicable laws and regulations (including voting standards) and prior say on pay votes (if any).
5. Determine and recommend to the Board a desired frequency for say on pay votes to be proposed to the Company's stockholders at the annual meeting at least once every six years and in accordance with applicable laws, regulations and listing standards and prior stockholder votes (if any).
6. Recommend to the Board and periodically review policies for administration of executive compensation programs and the objectives of such programs. In reviewing the executive compensation programs, the Committee shall take into account any factors it deems relevant to the determination of executive compensation, including:
 - the objectives of the Company's executive compensation programs;
 - how each element of the executive compensation programs contributes to achieving such objectives; and
 - how each element of the executive compensation programs fits into the Company's overall compensation objectives for all employees.
7. Review on a periodic basis the administration of the Company's executive compensation programs to determine whether they are properly coordinated and achieving their intended purposes.
8. Review trends in executive compensation, oversee the development of new compensation plans, and, when necessary, approve the revision of existing plans.
9. Make recommendations to the Board with respect to incentive compensation plans and equity-based plans that are subject to Board approval.
10. Serve as the committee required under Section 162(m) of the Internal Revenue Code, and make all grants of stock options and restricted stock awards under the Company's equity incentive plans under Section 16(b).
11. Administer the Company's equity compensation plans and grant awards under such plans, with the authority to delegate all or part of such responsibilities to one or more subcommittees, including management members, to the maximum extent permitted by applicable laws.
12. Oversee the administration of the Company's employee benefit plans.
13. If required by the rules and regulations of the SEC, prepare or cause to be prepared the "Compensation Discussion and Analysis" and the "Compensation Committee Report" to be

included in the Company's proxy statement.

14. At least once per year, evaluate the Company's performance in the area of diversity in the Company's workforce.
15. Have authority, at the Committee's sole discretion, to engage a compensation consultant to study and make recommendations regarding director or executive level compensation matters, including authority to approve the compensation of the consultants and other terms of their engagement.
16. Have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
17. Conduct an annual self-evaluation of the Committee and each of its members individually; its performance of its duties under this Charter; and the effectiveness of the overall compensation philosophy of the Company.
18. Oversee regulatory compliance with respect to compensation matters.
19. Review and approve employment or severance arrangements with senior management.
20. Report to the Board following each Committee meeting as to actions taken and recommendations made to the full Board.
21. Review this Charter at least once annually for the purpose of assessing the adequacy of this Charter and recommend any proposed changes to the Board.