



Redflow Limited ACN 130 227 271

31 July 2020

Redflow - Entitlement offer update

As announced on 29 July 2020, Redflow Limited (ASX: RFX) received acceptances which totals \$4.899 million for its recent Entitlement Offer. The Directors thank participating shareholders for their support. The level of acceptances was lower than the \$6.25 million that Redflow had aimed to raise and we will look to place some or all of the Shortfall over the next 90 days.

Having considered Redflow's growth plans, the Directors have determined that the applications received from shareholders under the Entitlement Offer, combined with \$3.4 million cash at bank (as at 30 June 2020) and an expected R&D tax rebate for FY2020 will provide sufficient funding to meaningfully pursue Redflow's strategy, with a primary focus on the accelerated development of the new Gen3 battery.

With the available resources and recognising the challenges caused by the COVID-19 pandemic, Redflow will:

- Narrow its future sales focus and business development activity to support key markets (notably in Africa and our customers in Australia and New Zealand) and key applications where our energy storage batteries have achieved significant traction to date;
- Continue with development of Redflow battery enhanced features such as external housing, and Standby Power Supply mode;
- Focus development and testing for Gen3 using our Thailand and Brisbane facilities;
- Incur expenditure on retooling for volume production of Gen3 batteries based mainly on the achievement of further sales traction; and
- Continue to maintain the cost containment measures currently in place and pursue all other cost savings measures where it is prudent to do so.

In addition, as noted in its Entitlement Offer Booklet, Redflow will continue to explore strategic investment discussions and other non-equity financing options such as export financing. We will also explore options to licence our battery technology into specific markets where credible opportunities exist.

This announcement has been authorised for release to the ASX by the Board of Directors

- END -

For further information please contact:

Corporate
Tim Harris
07 3376 0008

tim.harris@redflow.com

Investors
Ronn Bechler
03 9591 8901

ronn.bechler@marketeye.com.au

Media
John Harris
08 8431 4000

john@impress.com.au

About Redflow

Redflow Limited, a publicly-listed Australian company (ASX: RFX), produces small 10kWh zinc-bromine flow batteries that tolerate daily hard work in harsh conditions. Marketed as [ZCell](#) and [ZBM2](#), Redflow batteries are designed for high cycle-rate, long time-base stationary energy storage applications in the residential, commercial & industrial and telecommunications sectors, and are scalable from a single battery installation through to grid-scale deployments. Redflow batteries are sold, installed and maintained by an international network of energy system integrators. Redflow's smart, self-protecting batteries offer unique advantages including secure remote management, 100 per cent daily depth of discharge, tolerance of high ambient temperatures, a simple recycling path, no propensity for thermal runaway and sustained energy delivery throughout their operating life.