



Accelerating a carbon-free future

Commercial strategy update

May 2022

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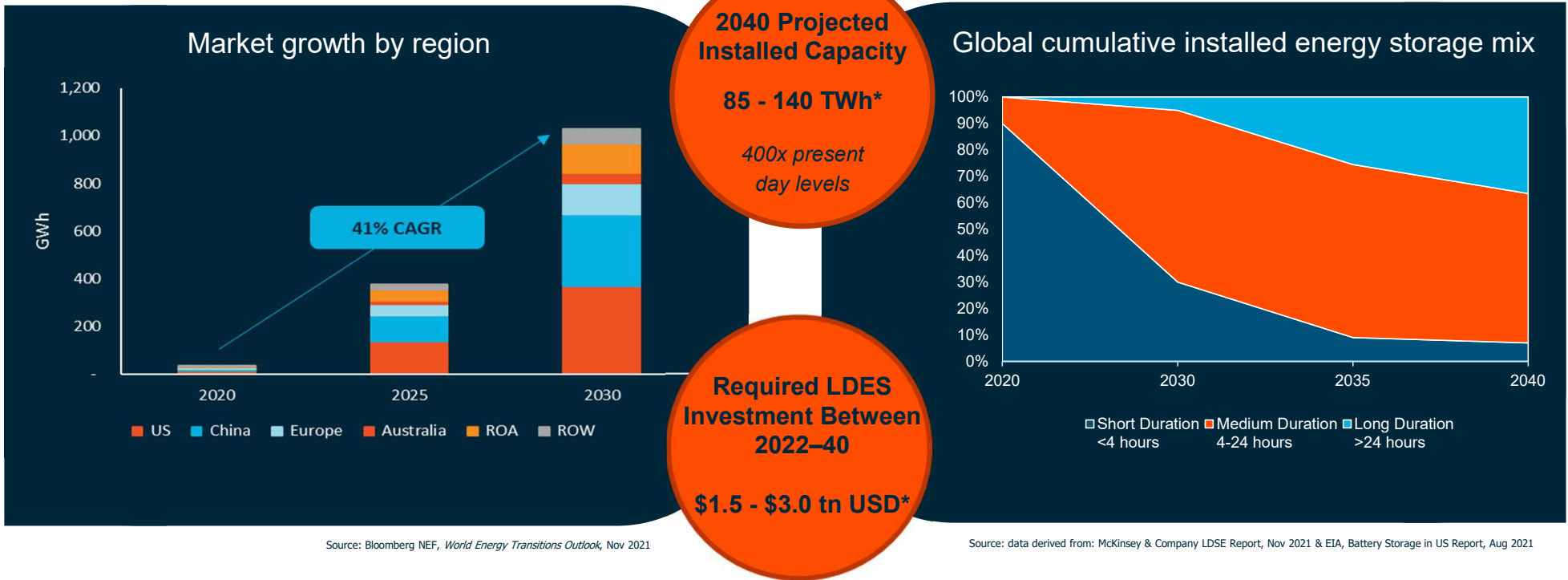
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Medium duration storage set for rapid growth



Industry leadership developed over many years

Initial prototyping



2005

Redflow formed
Gen1 developed



2008

2010

Gen2.5 launched



2014

2017

Redflow Thailand
Established



2018

2020

Energy Pod launch
for larger systems



2021

2 MWh system
implemented in US



2022

Gen3 launch
(end FY22)



Gen2 battery
1st large scale system



Launch Battery
Management System



Gen3
First customer trial



Hibernation
mode launched



US team
established

Broad suite of patents and trade secrets developed over 17 years

Over 2 GWh of energy delivered through Redflow systems

10 million hours of field operations since 2018



Sales pipeline capitalising on market position*

Selected highlights

Anaergia Phase 2

6MWh / Target 2023 Deployment

Repeat customer. LOI with Anaergia signed (March '22) – RFX preferred technology. EPC down-selected; Redflow named as preferred battery provider.

Fortune 500 US Financial

500MWh+ / 2022-26 Deployment

RFX named as preferred storage technology in RFI (July '21) for bank branches. Additional Operations Centres now in scope. Engagement ongoing.

Global Mining Company

100MWh+ / Target 2023 pilot

Large global mining and renewable companies. Engagement since late 2021. Targeting initial pilot projects.

Arizona Corporate Campus

4MWh / Target 2023 Deployment

Solar + storage project for corporate campus. EPC appointed. Redflow under evaluation for storage solution.

US Government

500kWh / Target 2023 Deployment

Working with engineering services company on California-based project at US government facility which requested flow batteries for backup power application.

AU Government

180kWh / Target 2022 Deployment

Equip remote sites with battery resilience. First phase at 3 sites totaling 180 kWh, with follow-on project for 200 sites possible.

California IPP

600MWh / Target 2026 Deployment

Front of the meter (grid-scale) project for Californian load-serving company. Total project being scoped with RFX storage as a component.

South Asian Conglomerate

30MWh / Target 2023 Phase 1

Significant flow battery program. Initial phase providing model for full scale deployment with GWh potential.

Luxury Ecolodge

560kWh / Target 2022 Deployment

Shortlisted for project at one of Australia's most acclaimed and eco-friendly lodges. Currently tendering for solar and storage.

* These are examples of sales opportunities. There is no guarantee or assurance that Redflow will secure any of these opportunities, or that, even if secured, they will generate material revenue or earnings.



United States Australia Rest of World

Strong platform for a high growth market

Deployment leadership

- + Supporting deployments for over a decade with 200+ active deployments provides depth and breadth of operational experience

Commercially mature

- + Gen 3.0 product built on Gen 2.5 model, providing major shift in cost competitiveness and scale up

Modular scalable solutions

- + Ability to tailor deployments across grid, industrial and commercial scale projects

Intellectual property moat

- + Software, battery IP patents and O&M service established for sustainable advantage

Logistics and quality control

- + Own manufacturing facility and established supply-chain allows more control over logistics and quality

Fundamental cost advantages

- + Raw material cost advantages at scale delivers a cost advantage over Li-Ion batteries and other energy storage solutions

High quality, qualified pipeline

- + Multiple MWh-scale customers in a growing GWh sized pipeline across key target markets

Competitively positioned

- + Product maturity, price point, unique features and operational experience offer credible alternative to Li and other non-Li solutions

Margin and profit expansion

- + Existing battery, manufacturing and deployment capability provides platform for high growth, cost-down, margin expansion and profitability

Rapid product iteration

- + Form factor allows accelerated product improvements and rapid testing



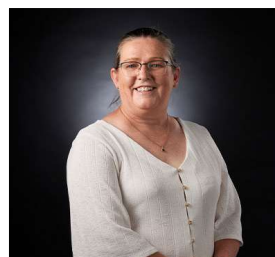
Highly experienced management team and board



Tim Harris
Chief Executive
Officer &
Managing Director



Steve Hickey
Chief Technology
Officer



Trudy Walsh
Chief Financial
Officer & Company
Secretary



Richard Aird
Chief Operations
Officer



**Tim
MacTaggart**
Chief Deployment
Officer



Mark Higgins
President, North
America & Chief
Commercial Officer



Brett Johnson
Independent
Non-Executive
Chairman



David Knox
Non-Executive
Director



John Lindsay
Non-Executive
Director



David Brant
Non-Executive
Director

New leadership to drive growth in US market



Mark Higgins, President Americas and Chief Commercial Officer

- + A globally recognised leader in energy storage strategy and an experienced executive with deep connections throughout North America's energy ecosystem
- + Current chair of US Dept of Commerce's Renewable Energy & Energy Efficiency Advisory Committee
- + Past leadership at Strategen, California Energy Storage Alliance, Pacific Gas & Electric, SunEdison, FRV
- + Brought on as advisor in early 2021 to formulate US market entry plan
- + Transitioned to President Americas and Chief Commercial Officer in March 2022
- + Additional US roles recruited include energy veteran Paul Kelleher as VP of Project Engineering & Business Development. Previously at Primus Power, a California based zinc bromine flow battery company.

Market is increasingly looking beyond lithium

Fundamental drivers for energy storage and Redflow have never been stronger



Rapidly increasing renewable energy commitments and installations driving need for longer duration storage



Lithium supply chain challenges and price increases have heightened interest in non-Li chemistries



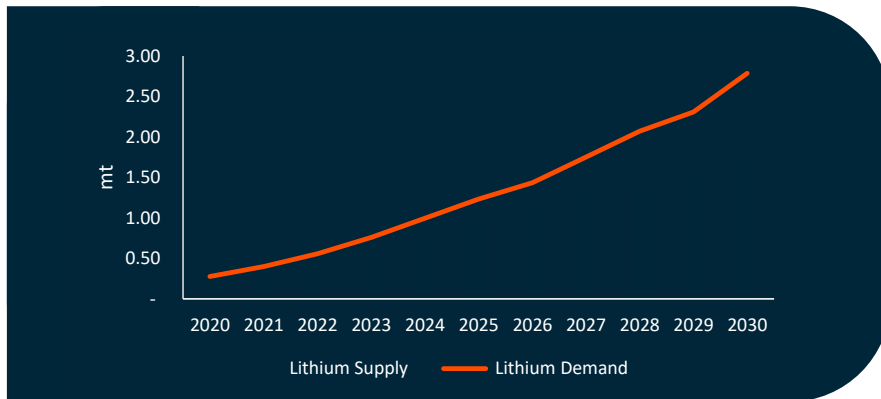
Lithium fire incidents and safety issues make alternatives more desirable in many markets and applications



Industry actively looking to next era of energy storage solutions (CEC, ARENA, DOE, LDES etc.)

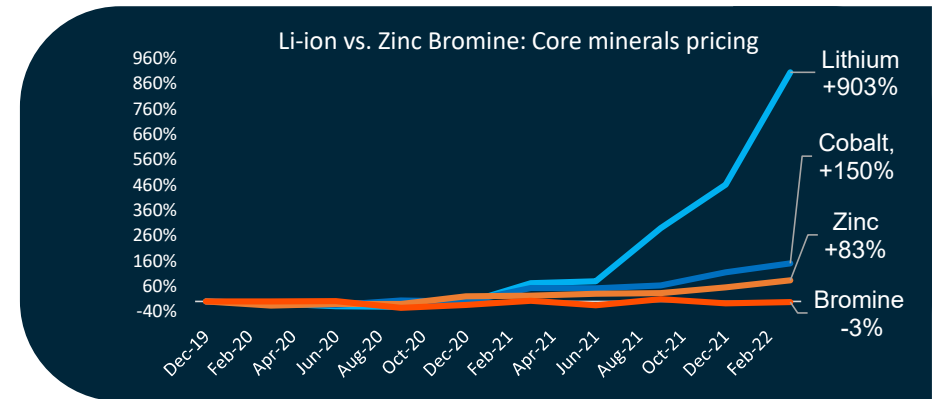
Increasing structural challenges around lithium

Lithium supply constraints expected to accelerate



Source: Benchmark Forecasts, LCE Demand Supply and Deficit, 2021

Significant lithium-ion price increase and volatility



Source: Trading Economics, Historical pricing, 2022

- + Various industry commentary indicates that lithium supply constraints will persist due to the scarcity of raw materials, locations of existing mines, and delay for new sources to come on-line
- + Rise of EVs increasingly putting pressure on lithium-ion battery availability and cost for stationary energy storage applications
- + Dynamic is reflected by a material increase in viable projects and partnership opportunities from inbound inquiries in 2022

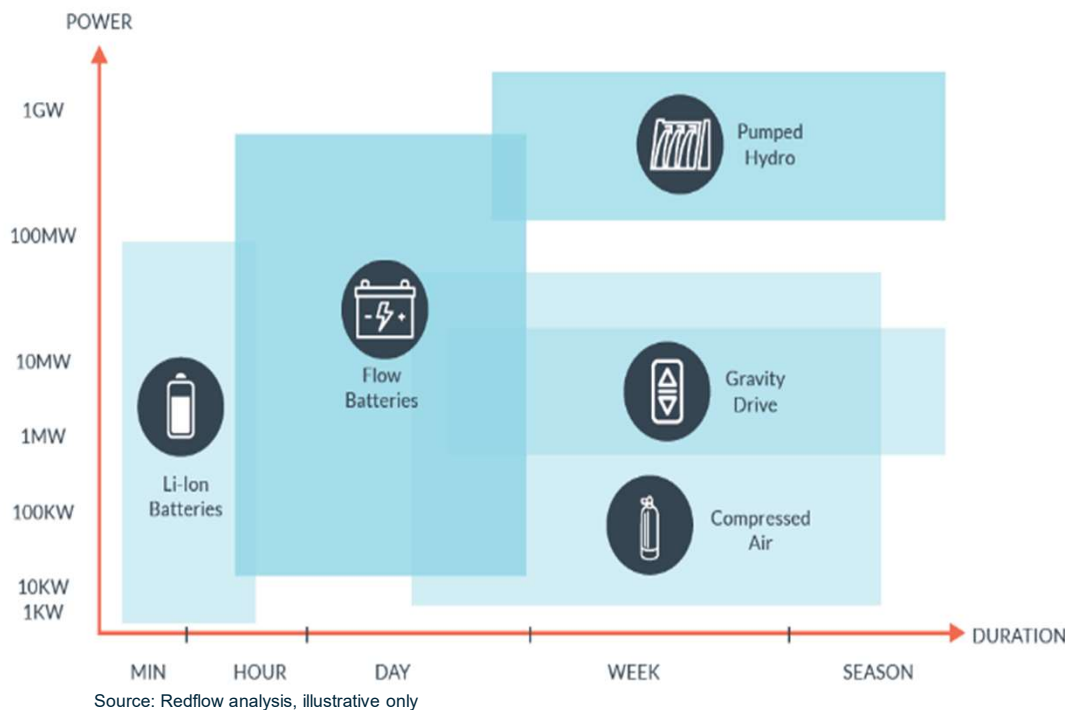
- + Tesla have been raising prices for their Megapack utility energy storage solution: \$400/kWh in (June 2021) to \$512/kWh (March 2022)
- + Redflow's cost structure has remained largely stable due to limited commodity pricing pressure.
- + Zinc and bromine price increases have muted impact compared with materials that are critical for lithium-ion batteries



Large opportunity for medium duration storage

Redflow is strategically positioned in the high growth medium duration market segment

- + Short duration dominated first wave of storage deployment as cost was high and renewable penetration low
- + Increasing renewables and lower cost driving demand for longer duration storage between now and 2040



- 1 SHORT DURATION**
(Duration: 0-3 hrs)
Market size: 34 GWh
Uses: Ancillary Services, Energy Arb, Demand Charge Reduction
Customer driver: High power, high RTE
- 2 MEDIUM DURATION**
(Duration: 3-12 hrs)
Market size: 115 GWh
Uses: Renewables integration, Peaker replacement, Bulk energy shifting
Customer driver: Duration flexibility, Asset reliability, Safety
- 3 LONG DURATION**
(Duration: 12+ hrs)
Market size: 125 GWh
Uses: Capacity and seasonal flexibility, Grid resiliency
Customer driver: Low marginal cost of adding energy at same power

Competitive advantage vs non-lithium peers



Highest energy density across all commercial flow batteries

- + Up to 3x higher energy and power density than nearest competitor*



Proven operational experience

- + 400% more active commercial deployments than closest peer*



Flexibility and agility in deployment and performance

- + Modular approach and hibernation mode maximises design capacity flexibility and aligns energy delivery to need



Low raw materials cost profile

- + Zinc is 4th most abundant mineral – lowest raw material cost potential with scale

* Source: Redflow analysis using publicly available information

Commercial strategy

COMMERCIAL & INDUSTRIAL



200 kWh+

Energy arbitrage, decarbonisation goals, resiliency

REMOTE & COMMUNITY SYSTEMS



1 MWh+

Energy arbitrage, decarbonisation goals, resiliency

UTILITIES & IPPs



10 MWh+

Ancillary services, non-wires solutions

TELCO



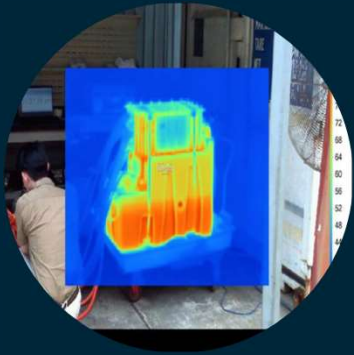
200 kWh+

Medium to longer term duration requirements, durability

Strategy Emphasis

- EPC partnerships
- Near term orders
- 200 kWh minimum
- Referenceable projects
- Paired with renewables
- Grants & subsidies
- Non-dilutive funding for manufacturing scale-up

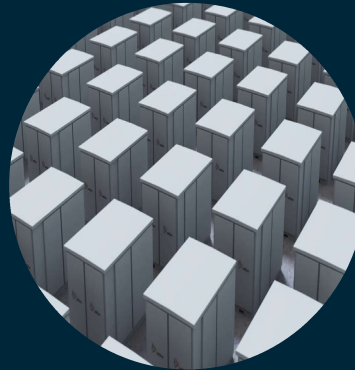
Why customers are choosing Redflow



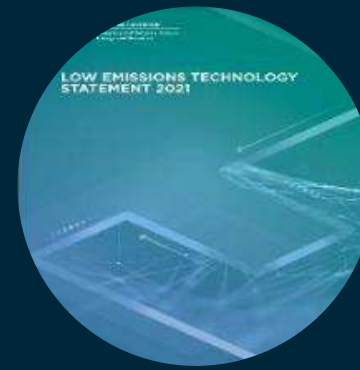
Safety



Operational track record



Unique features and modular approach



Cost competitive profile



Sustainability

Aligning strategy to the market opportunity

Present - 2025

Primary Applications: C&I, utility, remote systems, microgrids

Project Size: 200 kWh – 100 MWh

Regions:

- + Primary: US, Australia
- + Secondary: Europe, LatAm, Southern Africa, select ROW

Sales Strategy: Regionally segmented outbound approach. Focus on relationships with EPCs & developers targeting:

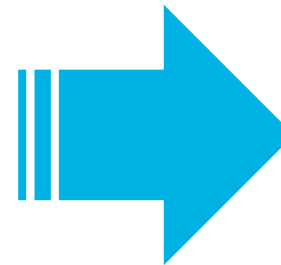
- + MWh+ projects, referenceable to larger buyers
- + Paired with renewables
- + Near-term orders

Target Developments

- + US supply chain localisation
- + 300+ MWh of sales to support scale up
- + Manufacturing ramp up to 500 MWh+ p.a. capable by 2025
- + Cost competitive on capex & LCOS basis with li-ion

Target Reference Projects

- + Next 12 months: large C&I project, 5+ MWh
- + Next 24 months: utility scale project, 20+ MWh



2025 & Beyond

Primary Application

- + C&I, front-of-meter utility

Project Size

- + 1 MWh – 500 MWh+

Region

- + Primary: US, Australia, Europe
- + Secondary: Rest of world

Sales Strategy

- + Regionally segmented outbound approach, focus on relationships with system integrators & project partners

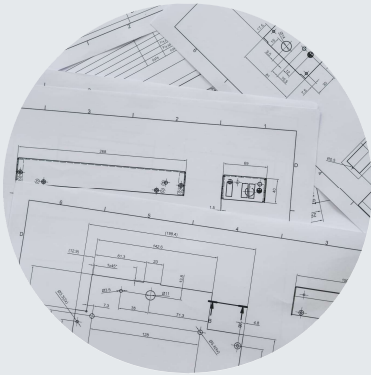
Target Developments

- + Multiple utility scale deployments, multi-hundred MWh



EPC relationships will drive further traction

DELIVER ON SCOPED PROJECTS



Deepen EPC relationships that enable Redflow to deliver large-scale turnkey projects

MASTER SERVICE AGREEMENTS



Currently negotiating MSAs with EPCs in support of large C&I portfolio deployments

SALES CHANNEL LEVERAGE



MSAs enable preferred vendor status, accelerate sales opportunities and enhance quality of project pipeline

JOINT PRODUCT DEVELOPMENT



Joint development of turnkey solutions enable our batteries to be incorporated in the design phase of new projects

Redflow investment highlights



Large market opportunities with accelerating growth

Expand US and Australia presence and visibility to support sales pipeline and Redflow advantages

Execute commercial strategy to leverage current market conditions and expanding interest in medium duration solutions



Commercial momentum expected to accelerate market demand

Convert existing sales opportunities for market penetration and revenue growth

Build high visibility deployments

Develop EPC partnerships for accelerated sales opportunities and broader product support



Global industry leader with proven technology

Launch Gen3 battery for higher margin and greater operating performance

Continue to extend technical, operational and commercial leadership through targeted investment



Ready to scale to meet opportunities

Deliver manufacturing capacity through a phased approach

Utilise Thailand facility, followed by options for Thailand expansion and US localisation

Deliver scale benefits through volume, productivity and product design for mass manufacturing



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Appendix: Financial Results

FY2022 First Half Results

Profit & Loss

Revenue up 172% to \$1.2m

- + Underpinned by Anaergia project completion. Strong growth despite COVID-19 impacting sales conversion opportunities and delivery of orders
- + H1 FY22 other income is the R&D Tax rebate, the pcg included JobKeeper payments and Government Cash Flow Boost
- + Raw materials and consumables used increased to \$2.2m due to increase in production volume
- + Other Expenses increased by payroll expenses, share-based payment expenses, removal of COVID austerity actions, and professional fees including commencement of UL Certification for US expansion
- + Order backlog of 105 batteries at 31 December 2021



A\$'000	H1 FY22	H1 FY21
Revenue	1,174.2	431.2
Other Income	1,360.8	2,445.4
Expenses		
Raw Materials and Consumables Used	(2,226.7)	(1,641.9)
Other Expenses	(5,498.9)	(4,166.9)
Profit/ (Loss) before Income Tax	(5,190.5)	(2,932.1)
Income Tax Expense	(3.1)	(17.3)
Profit/ (Loss) after Income Tax	(5,193.6)	(2,949.5)
Other Comprehensive Income	(1.9)	(34.2)
Total Comprehensive Loss	(5,195.6)	(2,983.7)

Sum of individual items may not equal total due to rounding effects

Balance Sheet

Strong net cash position of \$14.4m as at 31 Dec 2021

Current assets

- + Trade and other receivables down 38.3% due to the completion of projects.

Non-current assets

- + Increase in PP&E reflects planned investments in manufacturing capabilities ahead of production ramp up.

Current liabilities

- + Trade and other payables has been restated for 30 June due to a change in audit opinion on the accounting treatment of a portion of the NTCG share placement agreement. Circa \$1m increase in equity (non-cash impacting).

A\$'000	31 Dec 21	30 June 21 (restated)
Cash and cash equivalents	14,454.3	9,808.3
Trade and other receivables	583.4	944.8
Inventories	3,236.1	3,346.5
Other current assets	1,960.3	236.9
Total current assets	20,234.2	14,336.5
Property plant and equipment	776	617.8
Intangible assets	445.2	415.7
Right of use assets	493.4	75.1
Total non-current assets	1,714.6	1,108.6
Total assets	21,948.8	15,445.2
Trade and other payables	5,359.7	5,153.2
Other current liabilities	1,119.1	953.5
Provisions	1,753.1	1,724.8
Total current liabilities	8,231.9	7,831.4
Total non-current liabilities	134	112.2
Total liabilities	8,365.9	7,943.7
NET ASSETS	13,582.9	7,501.5

Sum of individual items may not equal total due to rounding effects



Cash Flow

Receipts from customers substantially higher by 156%

- + Reflects project milestone payments received.
- + Payments to suppliers and employees up 61% to \$6.8m, due to increased production and selected hires in key markets.
- + Increase in payments for property plant and equipment includes deposit for equipment for planned increased manufacturing capabilities for production ramp up.
- + Capital raising activities:
 - \$10.9m raised from July 2021 Entitlement Offer and August Shortfall Placement.

A\$'000	H1 FY22	H1 FY21
Cashflows from operating activities		
Receipts from customers	1,574.7	615.5
Payments to suppliers and employees	(6,783.2)	(4,210.1)
Grants R&D tax incentive received	-	2,498.6
Other	(8.1)	(21.1)
Net cash (outflows) from operating activities	(5,216.6)	(1,117.2)
Cashflows from investing activities		
Payment for property plant and equipment	(526.1)	(69.8)
Payments for intangible assets	(27.8)	(98.6)
Proceeds from sales of PP&E	-	29.2
Net cash (outflows) from investing activities	(533.9)	(139.1)
Cashflows from financing activities		
Proceeds from capital raising activities	10,859.8	6,919
Transaction costs related to equity issues	(357.8)	(269.3)
Principal elements of lease payments	(89.3)	(87.3)
Net cash (outflows) from financing activities	10,412.7	6,562.3
Net increase/(decrease) in cash and cash equivalents	4,642.2	5,306.1

Sum of individual items may not equal total due to rounding effects