

ASX ANNOUNCEMENT

12 August 2022

Redflow secures \$5 million to accelerate growth activities

Key highlights:

- **Successful \$5 million Placement to support growth**
- **Introduces well known tier one Australian based institutional investors to the Company's register, demonstrating strong endorsement for Redflow's technology and growth opportunities**
- **Simon Hackett, Redflow's largest investor, is also participating in the Placement**
- **Non-underwritten Share Purchase Plan to raise up to \$5 million to be offered to eligible shareholders on the same terms as the Placement**

Redflow Limited (ASX: RFX; **Redflow** or **Company**) is pleased to announce that it has secured firm commitments from new and existing sophisticated and institutional investors to raise \$5 million (before costs) via a share placement (**Placement**).

Placement proceeds will enable Redflow to accelerate its growth initiatives, including supporting sales and business development, Gen3 production ramp up, further research & development, and working capital.

Commenting on the Placement, Redflow CEO & Managing Director Tim Harris said:

"We are very encouraged by the support shown by both new and existing investors. I would like to thank our existing shareholders for their continued support, including the Company's largest shareholder Simon Hackett. We also welcome the new shareholders, including well known Australian based institutional investors, to our register during an exciting time for Redflow as the Company commences production of its Gen3 battery and we expand further into key energy storage markets like the US.

"After successfully completing our Gen3 development, and progressing very large opportunities in the US, we are very excited by the opportunities we see for Redflow's energy storage battery technology solution to rapidly increase adoption. We see huge potential for Redflow's technology in the US and other markets like Australia. This Placement allows us to bring forward growth initiatives to accelerate take-up of our new Gen3 battery."

As well as providing Redflow with working capital to be applied towards funding the Company's business plan and growth objectives, Redflow intends to use the net proceeds of the equity raising to:

- support sales and business development and core infrastructure
- support ramp up of Gen3 battery manufacturing in our Thailand facility, including funding supply chain raw materials and finished goods inventory
- support cost down, product development and research activities
- capital for product development, Gen3 factory retooling and IP protection
- capital raising expenses.

Placement details

Redflow has successfully secured firm commitments to raise \$5 million (before costs). The Placement was supported by existing shareholders (including the Company's largest shareholder Simon Hackett), several new leading institutional and sophisticated investors (including well known Australian based institutional investors) and, subject to shareholder approval, the Directors.

The Placement comprises an offer of 116,279,069 new fully paid ordinary shares in the Company (**Placement Shares**) at an issue price of \$0.043 per share. The issue price of \$0.043 per share represents a 12.2% discount to the last closing share price on 10 August 2022, and a 16.6% discount to the 5-day volume weighted average market price of the Company's shares on ASX.

The Company has issued 37,910,083 Placement Shares under its existing 15% placement capacity (under ASX Listing Rule 7.1) and 78,368,986 Placement Shares under its enhanced 10% placement capacity (under ASX Listing Rule 7.1A). Accordingly, other than the Placement Shares to be issued to Directors (which will require shareholder approval under ASX Listing Rule 10.11), the Placement Shares will be issued without shareholder approval.

Curran & Co acted as Lead Manager to the Placement.

Share Purchase Plan (SPP) details

Redflow intends to offer the opportunity to all Eligible Shareholders to subscribe for up to \$30,000 of fully paid ordinary shares in a non-underwritten Share Purchase Plan (**SPP Shares**), under the same terms as the Placement to raise up to \$5 million.

'Eligible Shareholders' will be registered Redflow shareholders, as at 7:00pm Brisbane time on 11 August 2022 who have a registered address in Australia, New Zealand, Singapore or the United Kingdom, and do not hold Redflow shares on behalf of another person who resides outside Australia, New Zealand, Singapore or the United Kingdom and are not in the United States or acting for the account or benefit of any person in the United States or otherwise excluded from participating.

If the offer is oversubscribed, the Company reserves the right to scale back applications under the SPP in its absolute discretion, including on the basis of when applications were received. SPP Shares will rank equally with the Company's existing ordinary shares on issue. No brokerage or commissions are payable in respect of subscribing for shares under the SPP.

Details of the SPP will be set out in the SPP Offer Booklet, which will be dispatched to Eligible Shareholders on or around Thursday, 18 August 2022.

Timetable of key dates

Below is an indicative timetable for completion of the Placement and SPP:

Event	Date
SPP Record Date – 7.00pm (Brisbane time)	Thursday 11 August 2022
Settlement of Placement Shares	Thursday 18 August 2022
SPP offer opens and SPP Offer Booklet dispatched	Thursday 18 August 2022
Allotment and normal trading of Placement Shares	Friday, 19 August 2022
SPP offer closes – last date for acceptance and payment in full	5:00pm on Thursday, 8 September 2022
Announcement of result of SPP	Friday, 9 September 2022
SPP allotment date	Wednesday 14 September 2022
Normal trading of SPP shares	Thursday, 15 September 2022
Dispatch of holding statements	Thursday, 15 September 2022

Note: All dates and times are indicative and Redflow reserves the right to amend any or all of these events, dates and times subject to the Corporations Act 2001 (Cth), ASX Listing Rules and other applicable laws. All times and dates are in reference to Brisbane, Australia time.

Important information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available. This document may not be distributed or released in the United States.

This announcement may contain certain 'forward-looking statements' within the meaning of the securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as 'may,' 'should,' 'expect,' 'anticipate,' 'estimate,' 'scheduled' or 'continue' or the negative thereof or comparable terminology. Any forecasts or other forward looking statements contained in this announcement are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There are usually differences between forecast and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. Redflow does not give any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur and you are cautioned not to place undue reliance on forward-looking statements.

This announcement has been approved for release by the Chairman of the Board of Redflow Limited.

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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 zinc-bromine flow batteries that tolerate daily hard work in harsh conditions. Redflow batteries are designed for high cycle-rate, long time-base stationary energy storage applications and are scalable from small systems through to grid-scale deployments. 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.

For further information, please visit www.redflow.com