

# ASX ANNOUNCEMENT

6 February 2023

## Redflow secures c\$2.5 million at 30% premium from strategic investor

### Key highlights:

- **5% Placement undertaken at a 30% premium to Redflow's closing price on Friday 3<sup>rd</sup> February 2023, when the placement was first considered**
- **Introduces strategic investor Scale Facilitation<sup>®</sup> to the Company's register, demonstrating strong endorsement of Redflow's energy storage technology and growth opportunities**

Redflow Limited (ASX: RFX; **Redflow** or **Company**) is pleased to announce that it has secured a firm commitment from Scale Facilitation Pty Ltd (**Scale Facilitation<sup>®</sup>**) to raise circa \$2.5 million (before costs) via a share placement (**Placement**).

The Placement price of 26 cents per share represents a 30% premium to the Company's last closing price on Friday 3 February 2023, when the placement was first considered. In addition Scale Facilitation<sup>®</sup> has agreed to a voluntary escrow of the Placement shares for 12 months, allowing Redflow and Scale Facilitation<sup>®</sup> to explore strategic partnership opportunities to create value for both companies and their shareholders.

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

"We are delighted to welcome Scale Facilitation<sup>®</sup> to our register, and their recognition of Redflow as an exciting investment proposition within the global energy storage ecosystem they are building. This investment, at a significant premium to the closing price on Friday 3 February 2023, when the placement was first considered, is another validation of Redflow's energy storage solution and our growth strategy in Australia and the US. It provides the potential for Redflow to benefit from the broad energy storage ecosystem Scale Facilitation<sup>®</sup> is building in the US, Australia and other markets."

### Scale Facilitation<sup>®</sup> Founder & CEO David A. Collard said:

"We are focused on green energy, and building several strategic investments and key projects in this fast growing and critical sector. Having just been selected as preferred bidder for Britishvolt in the UK, we are delighted to expand our ecosystem with this investment in Redflow. The Company is a leader in flow battery technology globally, and we believe Redflow's proven zinc based solution has a huge role to play in the burgeoning energy storage market as a complement to established Lithium battery solutions."

As well as providing Redflow with working capital to underpin its business plan and growth objectives, Redflow intends to use the proceeds of the equity raising to:

- support sales and business development, core infrastructure and general working capital activities
- support ramp up of Gen3 battery manufacturing in our Thailand facility, including funding supply chain raw materials and finished goods inventory
- support cost reduction, product development and research activities

- provide capital for product development, Gen3 factory retooling and IP protection

### Placement details

Redflow has successfully secured a firm commitment from Scale Facilitation Pty Ltd to raise circa \$2.5 million (before costs). The Placement comprises an offer of 9,525,126 new fully paid ordinary shares in the Company (**Placement Shares**) at an issue price of 26 cents per share. The issue price represents a 30% premium to the closing share price on 3 February 2023, when the placement was first considered and a 20% premium to the 10-day volume weighted average market price of the Company's shares on ASX up to 3 February 2023.

Settlement of the placement of 9,525,126 fully paid ordinary shares is expected to occur on Monday 13<sup>th</sup> February following the planned completion of the acquisition of Britishvolt by Scale Facilitation®, with the shares being issued on or around Tuesday 14<sup>th</sup> February. These placement shares will be issued under the Company's existing 15% ASX Listing Rule 7.1 placement capacity.

The investor is a wholly owned subsidiary of Scale Facilitation, an advisory and investment firm which is focused on scaling technology and other innovations to commercialisation and scale. Founded by CEO David A. Collard with offices in New York and Geelong, Victoria, Scale Facilitation has a number of initiatives and investments across green energy, med-tech and artificial intelligence.

### 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.*

-- ENDS --

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## 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](http://www.redflow.com)