Redflow Annual General Meeting

10.00am – Thursday 23 November 2023

CEO's Address

Thank you all for joining Redflow's Annual General Meeting this morning. I know a number of you have travelled specifically for this occasion and it is nice to see a few familiar faces.

As per ASX listing rules, Redflow has released the Chairman's and my address earlier today which will be available on our website.

My address today will follow a similar format to previous years in reflecting on Redflow's progress since our last AGM in November 2022, and providing you some clarity on our focus areas looking forward.

In preparing for today's event, I took some time to review my speech at our AGM 12 months ago. In my address I noted how our strategy was to focus on bigger systems and would require a sacrifice of short-term revenue in pursuit of larger projects, market credibility and longer-term momentum. I also noted that our investment in building our US presence would help position us to tap into the enormous stimulus for energy storage that the US Inflation Reduction Act would create. I then referred to how our 2 MWh reference project with Anaergia in California provided us with the perfect platform to establish a presence and prove our technology in the world's largest energy storage market.

Finally, I noted to investors how our strategy would, and I quote, "put us on a fundamentally different trajectory of market validation, scale up and market visibility."

Looking back today, we have achieved many of the things we set out to investors twelve months ago.

We have announced over 60 MWh of projects which we expect will generate over $55m of revenue for Redflow. This is by far the largest pipeline of projects that Redflow has ever achieved across its long history. Specifically, the projects we have announced include:

- A 4 MWh energy storage system for Energy Queensland as part of a $12 million network battery project. This is our first behind the meter utility project which will provide a large scale multi MWh reference deployment in our home market only 30 minutes drive from our head office and where we sit today;
- A 20 MWh system for a solar & storage microgrid, funded by the California Energy Commission, providing power for the Paskenta Band of Nomlaki Indians;
- A 1.2 MWh microgrid contract, which will provide clean energy storage at a military base for the US Department of Defense through its Long Duration Energy Storage (LDES) program. This project is hugely exciting for us for a number of reasons. Firstly, it is the first project we have announced where we are working with Ameresco, one of the largest EPC companies in the US. Secondly, it is our first US federal government project and we are the lead contractor. Lastly, the US Department of Defense has around 450 bases worldwide and is one of the largest procurement organisations in the world. I note we have ongoing discussions with the DOD on other potential projects;

- We announced a 34.4 MWh project for resiliency microgrid for the Madera Valley Children's Hospital in California, funded by the US Department of Energy and the California Energy Commission. This is our largest project to date and is part of the DOE's US$325 million LDES program which seeks to advance critical clean energy technologies.

- Finally, an initial Pod deployment for Acciona Energía in Spain, which will integrate our technology with front-of-meter grid-participating applications. Acciona is a Spanish multinational conglomerate and the world's largest fossil free utility who operates exclusively in renewable technologies.

These projects - especially when taken together - represent the inflection point that we have steadily been building towards and I point out we have consistently referred to these specific sales opportunities in our pipeline slides across various market updates over the last 12+ months. It is also worth noting the inflection point in scale these represent: the US DOE project we announced is 17 times the size of our largest project in the field today with our 2 MWh Anaergia system, and is 70 times bigger than the largest project we had before that.

Investors should also recognise that these projects are the outcome of many years of patient investment from our shareholders and ongoing effort from the Redflow team. Specifically, this includes:

- Our decision to target, develop and execute against our 2 MWh project in California which has now been in operation for over 18 months and served as a major customer reference project. All of the projects announced will use the Pod modular system that we first installed in Anaergia.;
- Investment in a top-quality highly experienced US commercial team based in California who have led our efforts in the US;
- Successful ongoing engagement with the Californian Energy Commission (CEC) which partly funded our Anaergia project, are funding our 20 MWh project with Paskenta and it was the CEC that proposed our 34.4 MWh project into the US DOE;
- Key features of our battery that we have developed over the past few years, specifically our unique hibernation mode. This feature allows us to 'park' a fully charged battery for extended periods of time with no impact on performance or losses from self-discharge as with other chemistries. This has been successfully operating for over two years at over 50 Optus mobile towers across Australia as part of their bushfire resilience program after the 2020 bushfire disaster. In fact, the US Department of Defense referred to our hibernation feature as a key reason they selected us for the Stewart Air Force base project.
- Finally, our operational history puts us in a leading position, with more than 270 active deployments, delivered over 3.2 GWh of energy through our systems, accumulating over 24 million cumulative hours of field operations. It is no secret that some of the lessons we have learnt across these deployments have been painful and challenging to navigate over the years. But it is this operational history that is highly valued by our target end customers and partners who recognise the value of real-life operational experience versus the promise lab simulations or technologies untested in the field.

So to my mind over the last 12 months we have enabled a step change in the business across a number of dimensions. This includes a step change in the total number of batteries to be deployed over the coming months, a step change in the size of the projects which reflect the fact that Redflow is now considered to have a strong and viable solution at multi-MWh scale and finally a major breakthrough in the profile and calibre of our customers and partners that have chosen to select Redflow to support their critical infrastructure at an unprecedented scale.

This new scale will also allow us to bring further efficiencies and yield benefits into our Thailand production facility whilst also allowing us to engage with existing and new suppliers to secure better

commercial terms. There is considerable opportunities and work for us to do in this space.

I would also like to stress that it is not just the value of these projects themselves which represent an inflection point, but the impact of these projects in terms of our market visibility and credibility. These announcements have not only enabled us to advance a number of other exciting projects in our pipeline - which now stands at over 6 GWh of qualified opportunities - but have also led to new opportunities that we might not otherwise have been in a position to target. When combined with selected market activities and industry events, including a strong presence at All Energy Australia last month and RE+ in Las Vegas – America's largest renewable energy event, we are increasingly being recognised as a global leader in alternative lithium energy storage technologies.

These projects also reflect our growing position in the industry which will allow us to capture the accelerating demand for stationary long duration energy storage. The addressable market for long-duration energy storage is also accelerating as the need for LDES to shift the power to match demand will be crucial to ensure a reliable, low-cost, renewables-based grid. Bloomberg reported in October that the global installed energy storage capacity additions are expected to hit a record in 2023, with 99GWh[1]. LDES now firmly on the agenda of governments, utilities and the private sector seeking 24/7 Clean PPAs. According to the LDES Council, about 8TW of long-duration storage is need by 2040 to keep the world on-track for limiting the impacts of climate change and transitioning to renewables.[2]

So we see an increasing focus on commercially and operationally proven lithium alternatives which can scale rapidly over the next five years, and industry recognition that the energy transition in our target markets urgently requires longer duration storage solutions and features which our battery is very well suited to. On this basis, we have gained major traction in the last few months and points to a bright future for us in our target market. This includes:

- Californian Energy Commission executives have publicly stated that they have a specific goal of helping companies in their Long Duration Energy Storage program to scale up to achieve 200 - 400 MWh type projects. It is important to note that Redflow is one of only four non-lithium manufacturers selected by the CEC for large scale LDES projects to date and we are the only Australian energy storage company in this high profile LDES program.[3]
- We are the only Australian energy storage company to be selected as part of the US Department of Energy Long Duration Storage program through our 34.4 MWh Madera Hospital project;
- We have received strong endorsement for our world leading solution by Ed Husic, Federal Minister for Industry and Science, following his visit to our Brisbane facility in May 2023.
- Redflow was a key guest at the signing of the California- Australia Clean Energy MOU in August of this year. Throughout the proceedings we were regularly referenced as a key example of a successful Australian clean technology and Australian-US collaboration by both California Secretary for Natural Resources, Wade Crowfoot, and Australian Ambassador to the United States, Kevin Rudd.
- Closer to home, over the last few months, Queensland Minister for Energy, Renewables and Hydrogen and Minister for Public Works & Procurement, Mick De Brenni has referred to how our "Energy Queensland zinc-bromine battery projects are an important part of the transformation of Queensland's energy system to deliver clean, reliable and affordable energy to provide power for generations." Given the need for an estimated 22 GWh of energy storage to deliver the A$62bn Queensland Energy and Jobs plan, this is an exciting position to be in.[4]

More recently, we were honoured to be invited to a series of events in Washington for the state visit by

[1] See https://about.bnef.com/blog/2h-2023-energy-storage-market-outlook/
[2] See https://www.energy-storage.news/world-needs-collaborative-competition-to-capture-us4-trillion-long-duration-opportunity/
[3] See CEC presentation https://www.youtube.com/watch?v=VrIBcu7-yq0
[4] Queensland State Development, *Battery industry opportunities for Queensland*, 2022

Australian Prime Minister Antony Albanese last month. This included a private meeting with the Prime Minister who was highly supportive of our company, our projects and our plans, both in the US and Australia. During his White House address, Prime Minister Albanese referred to the commitment by both nations to seize the transformative economic opportunities of clean energy and to help every nation meet the global challenge of climate change. This builds on the Australia United States Climate, Critical Minerals, and Clean Energy Transformation Compact, signed in May 2023 that affirmed the position of climate and clean energy as the third pillar of the Alliance, and specifically referred to emerging energy storage technologies as a major area of focus and collaboration.

We can see no other energy storage company in Australia who is as well positioned as we are to take advantage of these ambitions and the opportunities that this collaboration will bring.

So we have much to celebrate and we feel we are very well positioned to continue this momentum into 2024. However, we must also recognise that the last 12 months has not been without its challenges. These have primarily been around ongoing issues around the quality of one of our key materials for manufacturing our ZBM3 stack, specifically the glass filled High Density Polyethylene (HDPE) material. This has been a particularly frustrating experience which has held back our production ramp up trajectory and regularity of production due to repeated poor performing batches from our suppliers and also variations within batches. As noted in our last quarterly update, a new engineering approach of injection moulded parts that significantly reduces the need for this glass filled HDPE has been in development for the last six months. We currently expect this to be introduced into production around the end of December 2023. Based on our current plan, I am confident we have a line of sight to full production in the coming weeks and a strong base to ramp production further.

Even with these challenges, I would note that annualised production is currently at approximately 8-10 MWh per annum and is expected to increase to circa 40 MWh in second quarter of 2024 as key engineering and productivity projects are delivered. This is aligned with the expected delivery timetables for major projects we have announced – notably Energy Queensland, US DOD, Acciona and the 20 MWh project in California which we expect to have final contract signature imminently. All of these projects will be delivered using Redflow's EnergyPod enclosure which is also being supplied by our local partners in Thailand.

More broadly, as we have previously highlighted to investors, we are now actively looking at manufacturing capabilities well beyond the ceiling which we believe our current facility can achieve. This is based on three key dynamics:

- Firstly, a number of our customers – both current and potential – are actively expecting us to build more manufacturing capacity and capability to meet their future needs. Current projects, as referenced by the CEC, are often seen a stepping stone to larger Multi MWh system deployments which are far larger than our current facility;
- Secondly, we see the potential for Redflow to achieve further step changes in profitability and market competitiveness through volume-based manufacturing and automation and further evolution of our battery design; and
- Lastly, we see significant potential for non-dilutive government support to facilitate manufacturing scaling in our target markets. Only a few weeks ago, the U.S. Department of Energy (DOE) announced up to $3.5 billion from the Infrastructure Law to boost domestic production of advanced batteries and battery materials nationwide, with prioritisation towards next-generation technologies and battery chemistries, in addition to lithium-based technologies.[5] Investors will also be aware of activities and plans being established at the State and Federal level to encourage manufacturing in Australia.

5 See https://www.energy.gov *Biden-Harris Administration Announces $3.5 Billion to Strengthen Domestic Battery Manufacturing*, November 15, 2023

I note that Redflow has a number of discussions in this space and we will continue to update investors as appropriate.

So, we have a lot of work to do. Our focus over the next 12 months is around four key areas:

1. Execution of the key projects announced, notably scaling manufacturing whilst continuing to produce high quality batteries and preparing our business to deliver and support a step change in the size of deployments and number of batteries in the field;
2. Continuing on core engineering work to continually evolve our battery design to improve quality, cost and performance;
3. Continue the market momentum achieved over the last 12 months through converting our pipeline into firm commitments and orders and generating new market interest; and
4. Position Redflow for the next phase of our journey as we build on recent project wins and position ourselves for accelerated growth in 2025 and beyond with a clear manufacturing strategy that will maximise commercial success and shareholder value.

As noted in our FY23 annual results, the Redflow Board has commenced a strategic review with the objective of accelerating market penetration, achieving scale and maximising shareholder value. This review is ongoing with current engagement across a number of market participants and potential strategic partners. We will keep shareholders informed about the progress and outcomes of the review in accordance with our continuous disclosure obligations.

In summary, the progress we have shown in the last six months to my mind are the most consequential in Redflow's long history. We have set a platform for accelerated growth with a series of projects that provide us scale, market significance and high-profile reference deployments. For the first time we now have a trajectory to deliver a step change in our revenue over the next 18 months and a full order book to scale up manufacturing. It further sets a precedent for more multi-MWh projects that will in turn help to deliver profitability, long-term commercial success and shareholder value. We are not quite yet at the stage of providing guidance on revenue and our pathway to company profitability, but we expect to do so in the coming months as final negotiations on these key projects are concluded and other engineering projects are completed.

I would like to extend my thanks to Brett and the rest of the Redflow board for their support, our customers, ecosystem of partners and the extended Redflow family for all of their efforts to get us to this point and reiterate our commitment to roll up our collective sleeves for the exciting road ahead.

I would also like to personally extend my thanks to our outgoing CFO and Company Secretary, Trudy Walsh, who is retiring today. Trudy was one of the first hires I made after joining Redflow and she has played a key role in the strategic path which has led to our latest announcements. Being a CFO of a company like Redflow presents a number of unique dynamics which Trudy has navigated well over the past five years, especially during COVID which was extremely challenging time for us. We wish Trudy all the best in her retirement. As noted in recent ASX announcements, we are delighted to welcome professional Company Secretary Adam Gallagher as our new Company Secretary. On the topic of announcement of a replacement CFO, we are progressing through the hiring process and have a preferred candidate which we hope to announce soon. In the interim, Stephen Walsh, our current Financial Controller will step in as Interim CFO. Stephen is a highly experienced financial professional and has been with the company for nearly 18 months. I am very confident in Stephen's ability to perform the CFO duties well in the coming months.

Lastly, to our shareholders, thank you for your ongoing support, particularly those who contributed during our last capital raise. We are a leader in an industry which is core to the energy transition and which is accelerating dramatically, we have built a strong platform to execute on our strategy and we

now have a series of multi-MWh scale projects that positions us for further success. I look forward to sharing further updates as we progress.

This announcement was authorised for release by the Chairman of the Board of Redflow Limited.

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About Redflow

Redflow, a publicly listed Australian company (ASX: RFX) with offices in Australia and the US, designs and manufactures long-duration zinc-bromine flow batteries for stationary commercial, industrial, and utility applications. Redflow batteries are modular, scalable, fire-safe, and capable of 100% depth of discharge. They can also operate in a wide range of environments without supplemental heating or cooling and offer an extended life with minimal degradation over time. The company's smart, self-protecting storage technology offers unique advantages, including a hibernation feature, secure remote management, a simple recycling path, and sustained energy delivery throughout its operating life. Redflow's energy storage solutions have been in use for more than a decade at more than 250 sites in over 9 countries.

For further information, please visit: www.redflow.com