



Fluence Corporation Announces Strategic Investments in the Company

*Direct Investment of US \$11.0 million
Anchored by Large US-based Institutional Investor*

August 8, 2017

Melbourne, Australia and New York, USA: Fluence Corporation (ASX: FLC), a global leader in decentralized water and wastewater treatment solutions, has announced a US \$10.0 million strategic investment in the Company by a large US-based institutional investor. A second investor will also participate in the Private Placement, bringing the total amount raised to US \$11 million. The issue price of A \$0.85 per share represents a 4.9% premium to the closing market price of A\$0.81 as of August 3.

The Private Placement will help satisfy several of Fluence's stated objectives, including a steady transformation of the Company's share register towards a more global investor base, attracting high-quality US-based funds in anticipation of a future potential listing on a U.S. stock exchange and providing working capital to fund new growth opportunities.

"We are pleased to welcome these investors to Fluence," said Executive Chairman Richard Irving. "The global water sector is an estimated US\$700 billion annual market and we are delighted that one of the world's largest and most respected financial institutions has put their confidence in Fluence as a promising growth company in the sector. We hope this initial investment will be a stepping stone for future support from this, and other high-quality funds."

Henry Charrabé, Managing Director & CEO of Fluence noted, "Fluence has emerged as one of the leaders in the fast-growing decentralized water, wastewater treatment and waste-to-energy markets, an estimated US \$13 billion annual market that is expected to grow to US \$22 billion a year by 2021¹. Fluence's wide array of water products and services position the Company to become one of the largest providers to this segment for years to come. This strategic investment provides Fluence with additional flexibility over the coming year, to target, and rapidly deliver on further growth opportunities as they materialize."

With approximately US \$48 million cash on hand, the Company is well positioned to fund its ongoing operational and global strategic needs, and to source additional off-balance-sheet financing as and when such opportunities arise. Fluence was advised on the Private Placement in the USA by EAS Advisors LLC, acting through Odeon Capital Group, LLC, a member of FINRA/SIPC/MSRB ("EAS") and Henslow in Australia.

¹ Source: MarketsandMarkets Analysis, Global Water Intelligence and company estimates



Statutory Information required for ASX

The Company provides the following information as required under ASX Listing Rules 7.1A.4(b) and 3.10.5A, as these ordinary shares are being issued under the Company's 10% placement capacity under Listing Rule 7.1A:

(a) The dilutive effect of the placement on existing shareholders is as follows:

	Shares	Percentage (%)
Number of shares on issue prior to Private Placement	376,339,166	95.8
Dilution as a result of issues under Listing Rule 7.1A	16,309,001	4.2
Number of shares on issue following Private Placement	392,648,167	100%

(b) The Company issued the shares in Private Placement under ASX Listing Rule 7.1A based on the view that the placement would be an efficient and expedient mechanism to enhance the institutional component of the Company's share register (particularly through the addition of another cornerstone investor) while raising further funds to assist the Company in achieving its stated objectives.

(c) No underwriting arrangements were in place in respect of the Private Placement.

(d) The Company was advised on the private placement by EAS in the USA and Henslow in Australia. The Company will pay a total cash fee of 5% of the funds raised to EAS Advisors and Henslow in connection with the Private Placement.

About Fluence Corporation

Fluence Corporation's vision is to become a leading global provider of fast-to-deploy decentralized and packaged water and wastewater treatment solutions, already an estimated A\$17 billion market in 2016, excluding the China rural market opportunity. Fluence has experience operating in over 70 countries worldwide and employs more than 300 highly trained water professionals around the globe. The Company provides local, sustainable treatment and reuse solutions while empowering businesses and communities worldwide to make the most of their water resources.

Fluence offers an integrated range of services across the complete water cycle, from early stage evaluation, through design and delivery to ongoing support and optimization of water related assets. With core operations in North America, South America, the Middle East and



Europe, one of Fluence's main focuses will be expanding into the vast market in China for rural wastewater treatment.

For further information, please contact:

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