

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Fluence Corporation Limited (ASX:FLC)

ABN

52 127 734 196

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|----------------------------|
| 1 | +Class of +securities issued or to be issued | Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 3,988,973 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid Ordinary Shares |
| 4 | Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do | Yes |

<p>not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	
<p>5 Issue price or consideration</p>	<p>Issued as part of the second tranche of shares (totalling 22,500,000 Ordinary Shares)*, on the satisfaction of the second of two commercial milestones, as part of the consideration to a vendor of Emefcy Ltd, in accordance with the acquisition terms approved by the Company's shareholders on 17 November 2015.</p> <p>*The total of 22,500,000 Ordinary Shares (including the Ordinary Shares the subject of this Appendix 3B) have now been issued.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>As noted above, issued to an Emefcy Ltd vendor as part consideration.</p>
<p>6a Is the entity an *eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the *securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>5 May 2017</p>
<p>6c Number of *securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>
<p>6d Number of *securities issued with security holder approval under rule 7.1A</p>	<p>Nil</p>

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	3,988,973 Ordinary Shares approved at a general meeting on 17 November 2015					
6f	Number of +securities issued under an exception in rule 7.2	Nil					
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable					
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable					
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	71,074,210					
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	5 January 2018					
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="787 1323 1063 1354">Number</th> <th data-bbox="1063 1323 1347 1354">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="787 1354 1063 1518">415,268,167</td> <td data-bbox="1063 1354 1347 1518">Fully Paid Ordinary Shares</td> </tr> </tbody> </table>	Number	+Class	415,268,167	Fully Paid Ordinary Shares	
Number	+Class						
415,268,167	Fully Paid Ordinary Shares						

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number and ⁺ Class	
		Number	Class – Fully Paid Ordinary Shares
			Escrow Expiry Date
		Not applicable	Not applicable
		Total Fully Paid Ordinary Shares on issue (quoted and unquoted)	
415,268,167			
For Unlisted Options please see Schedule 1 attached.			
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Unchanged	

Part 2 - Pro rata issue

11	Is security holder approval required?	Not applicable.
12	Is the issue renounceable or non-renounceable?	Not applicable.
13	Ratio in which the ⁺ securities will be offered	Not applicable.
14	⁺ Class of ⁺ securities to which the offer relates	Not applicable.
15	⁺ Record date to determine entitlements	Not applicable.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable.
17	Policy for deciding entitlements in relation to fractions	Not applicable.
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable.

+ See chapter 19 for defined terms.

- 19 Closing date for receipt of acceptances or renunciations Not applicable.
- 20 Names of any underwriters Not applicable.
- 21 Amount of any underwriting fee or commission Not applicable.
- 22 Names of any brokers to the issue Not applicable.
- 23 Fee or commission payable to the broker to the issue Not applicable.
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders Not applicable.
- 25 If the issue is contingent on security holders' approval, the date of the meeting Not applicable.
- 26 Date entitlement and acceptance form and offer documents will be sent to persons entitled Not applicable.
- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders Not applicable.
- 28 Date rights trading will begin (if applicable) Not applicable.
- 29 Date rights trading will end (if applicable) Not applicable.
- 30 How do security holders sell their entitlements *in full* through a broker? Not applicable.
- 31 How do security holders sell *part* of their entitlements through a broker and accept for the balance? Not applicable.
- 32 How do security holders dispose Not applicable.

of their entitlements (except by sale through a broker)?

33 +Issue date

Not applicable.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

+ See chapter 19 for defined terms.

39 +Class of +securities for which quotation is sought

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40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

 - There is no reason why those +securities should not be granted +quotation.

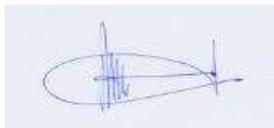
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Date: 9 January 2018

Company Secretary
Fluence Corporation Limited
Print name: Ross Kennedy

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	257,051,054
<i>Add</i> the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	135,662,848
<i>Subtract</i> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	392,713,902

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	58,907,085
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	10,795,264
“C”	10,795,264
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	58,907,085
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	10,795,264
Total [“A” x 0.15] – “C”	48,111,821 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	392,713,902
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	39,271,390
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
<i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	16,309,001
“E”	16,309,001

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	39,271,390
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	16,309,001
Total ["A" x 0.10] – "E"	22,962,389 <i>[Note: this is the remaining placement capacity under rule 7.1A]</i>

+ See chapter 19 for defined terms.

Appendix 3B – Schedule 1

Number	Class – Unlisted Options	
	Exercise Price	Expiration Date
2,500,000	\$0.30	18 Dec 2018
2,500,000	\$0.40	18 Dec 2019
1,940,000	\$0.30	31 Jul 2018
1,940,000	\$0.40	31 Jan 2019
500,000	\$0.35	13 Apr 2020
431,473	\$0.30	23 Dec 2019
431,473	\$0.40	23 Dec 2019
100,000	\$0.30	28 Feb 2020
100,000	\$0.40	28 Feb 2020
75,000	\$0.30	23 Mar 2020
75,000	\$0.40	23 Mar 2020
50,000	\$0.30	12 Apr 2020
50,000	\$0.40	12 Apr 2020
400,000	\$0.5909	16 May 2020
100,000	\$0.5909	28 May 2020
1,000,000	\$0.40	18 May 2020
1,000,000	\$0.40	18 May 2021
1,000,000	\$0.933	31 May 2020
500,000	\$0.64	31 July 2018
250,000	\$0.7926	25 July 2020
325,000	\$0.867	25 August 2020
200,000	\$1.00	25 September 2020
350,000	\$1.071	26 October 2020
500,000	\$0.74	31 October 2020
200,000	\$1.00	9 November 2020
350,000	\$1.00	9 February 2021
75,000	\$0.872	20 December 2020
25,000	\$0.84	10 January 2021
1,000,000	\$0.817	4 March 2021
2,000,000	\$0.72	31 March 2019
1,000,000	\$0.72	31 March 2019
175,000	\$0.86	3 May 2021
11,191,336	\$0.93	25 May 2025
1,500,000	\$0.85	25 May 2025
3,850,000	\$1.20	13 July 2021
3,850,000	\$1.50	13 July 2021
1,500,000	\$0.835	13 July 2021
350,000	\$0.835	25 May 2025
300,000	\$0.72	14 July 2019
100,000	\$0.97	6 July 2021
750,000	\$0.75	30 September 2019
1,140,000	\$0.86	13 November 2021
1,500,000	\$0.95	31 December 2020
1,000,000	\$1.10	31 December 2020
4,604,000	\$0.81	12 September 2021
52,778,282	Total Unlisted Options issued	

+ See chapter 19 for defined terms.



9 January 2018

The Manager
Company Announcements Office
ASX Limited

Fluence Corporation Limited (ASX code: FLC)

Cleansing Notice

This notice is given by Fluence Corporation Limited (**Company**) under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**).

As a result of the achievement of the second commercial milestone under the Share Exchange and Purchase Agreement dated as of October 1, 2015 between the Company, Emefcy Ltd and the former shareholders of Emefcy Ltd, on 5 January 2018 the Company issued 3,988,973 ordinary shares (**Shares**) to one of the former shareholders of Emefcy Ltd.

The Company advises that:

- 1 the Shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act and without a prospectus being prepared;
- 2 this notice is being given under section 708A(5)(e) of the Corporations Act;
- 3 as at the date of this notice, the Company has complied with the provisions of:
 - (a) Chapter 2M of the Corporations Act as they apply to the Company; and

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Fluence Corporation Limited

ABN: 52 127 734 196

www.fluencecorp.com

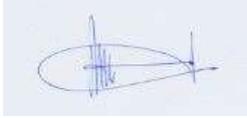
AUSTRALIA

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(b) section 674 of the Corporations Act as it applies to the Company; and

4 as at the date of this notice, there is no “excluded information” of the type referred to in sections 708A(7) or 708A(8) of the Corporations Act.

By the order of the Board,

A handwritten signature in blue ink, appearing to read 'Ross Kennedy', is displayed within a light blue rectangular box.

Ross Kennedy

Company Secretary