



## **Fluence successfully raises A\$33.1 million to underpin growth plans**

- **Share Purchase Plan<sup>1</sup> to enable shareholders to participate up to A\$15,000 per eligible shareholder**
- **Company well-funded to progress its growth strategy**

*Melbourne, New York 30 October 2018*

Fluence Corporation Limited (ASX: FLC) is pleased to announce that it has successfully raised A\$33.1 million via a share placement of ordinary shares to global and domestic sophisticated, professional and other institutional investors (**Placement**), and will also conduct a non-underwritten Share Purchase Plan (**SPP**)<sup>1</sup>.

**Commenting on the successful placement, Henry Charrabé, Managing Director and CEO of Fluence, said:**

*"We are delighted that this capital raise was anchored by several large, well-known and high-quality US-based institutions. Furthermore, we were gratified to see the participation from several existing shareholders, including our major shareholder RSL Investments Corporation, who have joined us on this journey of rapid growth since our merger 15 months ago. The high calibre of the four new anchor US-based institutions joining our share register reflects the global capital market's confidence in Fluence's technologies, solutions, global market position, and growth pathways.*

*"There is growing global recognition of Fluence's ability to deliver the most cost effective and convenient water and wastewater treatment solutions whilst meeting environmental specifications, which is driving increased demand for our products and services. The proceeds from this capital raising put us in a stronger financial position to meet this growing global demand and to generate further sales growth. Together with the management and the board, I am excited about Fluence's global growth prospects."*

Fluence is experiencing a period of rapid and sustained growth in demand for its innovative, cost-effective decentralised water, wastewater and reuse solutions for businesses and communities around the world, and this capital raising underpins the Company's global growth plans by supporting:

- working capital to fund business growth in China for MABR and SUBRE based sales
- the equity component of potential Build Own and Operate projects
- general working capital for the business.

US-based investors anchored this capital raising, reflecting the growing North American interest in the Company's execution of a global water and wastewater treatment solutions strategy. In addition, the growing interest in MABR sales to the US represents a key market opportunity.

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<sup>1</sup> Fluence proposes to cap the SPP at A\$5.0 million and may decide to scale back applications under the SPP at its absolute discretion.

As the business continues to grow in scale, the Board intends to undertake detailed planning in 2019 for a potential dual listing in North America at an appropriate time in the future.

**Mr Ben Block, Partner at Ardsley Advisory Partners that participated in the placement, commented:**

*“We are pleased to invest in a dynamic water treatment company like Fluence. While it has been a challenge for us to identify North American-listed water infrastructure companies, our extensive diligence on Fluence and its unique competitive positioning vis-à-vis MABR has suggested that it is a perfect fit in our portfolio. We look forward to helping the Fluence team gain broader exposure in the North American market.”*

**Mr Ronald Lauder, on behalf of RSL Investments Corporation, commented:**

*“I am pleased to see that Fluence’s strategy as a global water solutions provider in the decentralized water and wastewater market is showing such promise, underpinned by very strong top line year on year growth. This is the rationale that drove the decision to merge RWL Water with Emefcy a little over a year ago. I am especially pleased to see that the company’s stated goal of building a strong pipeline of packaged plants in China and other water stressed markets such as North Africa and the US is bearing fruit. That is why I remain such a strong supporter of Fluence and its management team.”*

**Placement details**

Fluence has successfully completed a share Placement to institutional, sophisticated and professional investors, raising A\$33.1 million (before costs). The Placement was strongly supported by existing investors as well several new high quality offshore and Australian institutional and sophisticated investors.

The Placement comprised an offer of approximately 89.5 million fully paid ordinary shares (Shares) in Fluence at an issue price of A\$0.37 per share. Of this, 45,768,479 shares were issued under ASX Listing Rule 7.1 capacity and 43,686,816 shares were issued under ASX Listing Rule 7.1A capacity.

The issue price represented a discount of 16% to the 15-day VWAP of A\$0.44 prior to the trading halt on 26 October 2018.

New shares issued under the Placement will rank equally with the Company’s existing ordinary shares on issue. The Placement of these new shares will be within the Company’s ASX Listing Rule 7.1 and 7.1A capacity available for issue.

Settlement of the Placement is scheduled to take place on Friday 2 November 2018, with allotment and quotation of shares expected to occur on ASX on Monday 5 November 2018.

Fluence was advised by Canaccord Genuity (Australia) Pty Limited as Lead Manager and Bookrunner, Odeon Capital Group LLC on behalf of EAS Advisors LLC as Co- Manager, Lander & Rogers, and Market Eye.

**Share Purchase Plan details**

Fluence is offering the opportunity to each of its existing eligible shareholders to subscribe for up to A\$15,000 of fully paid ordinary shares, at an offer price of A\$0.37 per share (the same price as the Placement).

Fluence will limit the SPP to a maximum of A\$5.0 million and may decide to scale back applications under the SPP at its absolute discretion. New shares issued under the SPP 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 Tuesday, 6 November 2018. The SPP is proposed to open on Tuesday, 6 November 2018, and is scheduled to close at 5pm (Melbourne time) on Wednesday, 21 November 2018. Participation in the SPP will be open to all eligible shareholders as at 5pm on Thursday, 25 October 2018 (**Record Date**) with a registered address on the share register in Australia or New Zealand<sup>2</sup>.

### Timetable for key dates

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

SPP record date	Thursday, 25 October 2018
Settlement of new shares issued under the Placement	Friday, 2 November 2018
Allotment and normal trading of new shares under the Placement	Monday, 5 November 2018
SPP Offer Booklet dispatched to shareholders	Tuesday, 6 November 2018
SPP close date	Wednesday, 21 November 2018

*Note: The dates above are in Melbourne, and could be subject to change*

### Investor conference call

Richard Irving (Executive Chairman), Henry Charrabé (Managing Director & CEO) and Francesco Fragasso (CFO) will host an investor conference call regarding the Company's Q3 2018 quarterly update and successful capital raising.

The conference call will be held this morning (Tuesday 30 October) at 10:30am Australia Eastern Daylight Savings Time (Monday 29 October at 7:30 pm US Eastern Daylight Time).

For those wishing to dial into the call, please use Conference ID: 8925366, and call your respective local number below:

AUSTRALIA TOLL-FREE	1800 573 793
US TOLL-FREE	1-866-548-4713
US TOLL/INTERNATIONAL	1-323-794-2093
ISRAEL TOLL-FREE	1809 212 883

A live webcast will be accessible on the Company's "Investor Relations" page at <https://www.fluencecorp.com/investor-news/>. Questions will need to be submitted electronically through the webcast interface: <http://public.viavid.com/index.php?id=132009>.

Please contact [investor@fluencecorp.com](mailto:investor@fluencecorp.com) or [info@fluencecorp.com](mailto:info@fluencecorp.com) with any questions.

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<sup>2</sup> With certain exceptions set out in the SPP Offer Booklet

-ENDS-

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**About Fluence Corporation Limited (ASX: FLC)**

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 established operations in North America, South America, the Middle East and Europe, Fluence is also expanding into China's rural wastewater treatment market.

Global consultancy Frost and Sullivan recently awarded Fluence Corporation "2018 Global Decentralized Water and Wastewater Treatment Company of the Year", noting in their award dissertation:

*"While typical decentralized water treatment systems are relatively expensive, complicated, and inefficient, Fluence Corporation leverages innovative and smart technology solutions backed by decades of industrial know-how to excel in water and wastewater treatment solutions. Fluence's excellence becomes apparent through its success, as the company continues to expand its existing offerings as well as partnerships with other prominent companies in the industry. With its easy to use, sustainable, smart and cost-effective solutions as well as a remarkable year of growth, innovation, and leadership, Fluence Corporation earns Frost & Sullivan's 2018 Global Company of the Year Award in the decentralized water and wastewater treatment industry."*

Further information can be found at <https://www.fluencecorp.com/>.

**Forward looking statements**

This ASX release contains “forward-looking” statements. Forward looking words, such as “expect”, “anticipate”, “should”, “could”, “may”, “predict”, “plan”, “will”, “believe”, “forecast”, “estimate”, “target” and other similar expressions are intended to identify forward-looking statements. Forward-looking statements, opinions and estimates provided in this update are based on estimates and assumptions related to future business, contractual, economic, market, political and other conditions that, while Fluence considers them to be reasonable, are inherently subject to significant uncertainties, contingencies and (potentially) delays.

Many known and unknown factors could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Such factors include, but are not limited to: operating, competition and development risks, economic and political risks, and a number of other risks and also include unanticipated and unusual events, many of which are beyond Fluence's ability to control or predict.