



RedFlow Limited
ACN 130 227 271

9th November, 2010

RedFlow Launches \$17.5M IPO, to List on ASX

RedFlow Limited, a leading Australian electricity storage company, today launched its \$17.5 million Initial Public Offering (IPO) ahead of an Australian Securities Exchange listing.

RedFlow is at the forefront of 'game changing' electricity storage technology, which stores conventional or solar electricity for release during periods of peak demand, with the aim of reducing distribution costs and helping to ease pressure on retail electricity price rises.

RBS Morgans, a leading Australian stockbroker, is lead managing and fully underwriting the share offering.

The application price of the IPO is \$1 per share. The proceeds will go directly towards expanding production and sales of RedFlow's packaged energy storage systems that are based around its proprietary zinc-bromine battery modules (ZBMs).

RedFlow CEO Phil Hutchings said the IPO Prospectus clearly demonstrated the company's growth plans, its expanded range of business relationships with leading companies and independent reports on both RedFlow's ZBM and market opportunities.

"We are particularly pleased to highlight our recent agreement with Jabil Circuit, Inc. for much larger scale production of ZBMs and our associated power electronics. This will allow us to meet customer demand and assist in reducing our unit costs while maintaining high quality," Mr Hutchings said.

"Since the business was founded in 2005, we've moved steadily forward with our products which are now of a commercial standard," he said.

"Our electricity storage systems are currently in demonstration use with power utilities in Australia and New Zealand and will soon be in several other countries. We will use the funds from the IPO to boost our manufacturing and ongoing product development program."

The demand for global energy storage is growing due to increasing costs of electricity distribution – electricity grids are ageing and suitable technology has not previously been available to time-shift demand or supply in locations close to consumers.



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The global energy storage market for grid connected applications by electricity utilities and for off-grid applications for use in rural locations is expected to grow rapidly over the next decade.

In response, RedFlow has doubled its staff over the past 18 months. It currently employs 49 people in Australia, including 15 degree-qualified engineers, and has representation in the USA. Its foundation customers include EnergyAustralia, Ergon Energy and Powerco (New Zealand).

Mr Hutchings also said that RedFlow's Phase Two ZBM factory, opened by the Queensland Treasurer on 10th August, has recently moved to working two 10 hour daily shifts to meet ZBM demand.

"The proceeds from the IPO will allow us to commit to the much larger Phase Three ZBM factory for opening in mid-2011," Mr Hutchings said. "RedFlow is also leasing additional factory space for an expanded systems assembly facility."

The IPO Prospectus can be downloaded from the company's website at www.redflow.com.au/prospectus.html. The offer of shares will be made in the Prospectus. The Prospectus should be considered in full if investors are deciding whether to acquire shares in RedFlow. RedFlow will only accept applications for shares that are made on the application form accompanying the printed Prospectus.

The IPO Offer is scheduled to close on 29th November, 2010 and this date may be varied or brought forward.

RedFlow is applying for listing on the ASX and has reserved the stock code RFX.

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About RedFlow

Founded in 2005, RedFlow is now acknowledged as one of the world leaders in high performance zinc-bromine flow batteries (ZBM) for grid-connected electricity storage. RedFlow's utility-scale energy storage systems help reduce electricity distribution costs and allow clean solar generated electricity to be used at night.

More information can be found at www.redflow.com.au



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Key dates for the RedFlow IPO:

Offer Closing Date	29th November 2010
Expected date for allotment and issue of Shares	6th December 2010
Expected despatch of holding statements	6th December 2010
Shares expected to commence trading on ASX	14th December 2010

Key offer statistics:

Offer Price per Share	\$1.00
Number of Shares on issue immediately prior to Offer	51,104,672
Number of Shares offered	17,500,000
Total Shares on issue on completion of the Offer	68,604,672
Total Options on issue on completion of the Offer	6,238,896
Market capitalisation at the Offer Price – undiluted	\$68,604,672
Market capitalisation at the Offer Price – diluted	\$74,843,568