

Target Market Determination

Made by	Redflow Limited ACN 130 227 271 of 1/27 Counihan Road, Seventeen Mile Rocks, Brisbane, QLD 4073 (Company)
Product	Unlisted free-attaching options (Options) to be granted in connection with a non-renounceable entitlement offer (Entitlement Offer) under the prospectus dated 15 April 2024 as amended by a supplementary prospectus dated 13 May 2024 (Prospectus)
Effective Date	13 May 2024

This target market determination (**TMD**) has been prepared by the Company in relation to an offer to grant Options made by the Company under the Prospectus under section 713 of the *Corporations Act 2001* (Cth) (**Corporations Act**). A copy of the Prospectus is available at: <https://www.asx.com.au/markets/trade-our-cash-market/announcements.rfx>.

The Entitlement Offer will be made under, or accompanied by, a copy of the Prospectus. Any recipient of this TGM should carefully read and the Prospectus in full and contact their stockbroker, accountant or other professional adviser if they have any questions. Any receipt of this TMD who wants to acquire Options will need to follow the instructions on their personalised entitlement and acceptance form. There is no cooling off period in respect of the issue of the Options.

This TMD sets out the class of consumers for which the Options would likely be consistent with their financial objectives, the distribution conditions and restrictions imposed on the distribution of the Options and the reporting requirements for distributors in accordance with section 994B of the Corporations Act.

This TMD is not a disclosure document for the purposes of the Corporations Act. Therefore, it does not contain a full summary of the terms and conditions of the Options and has not been lodged with the Australian Securities and Investments Commission (**ASIC**).

This TMD is not investment advice and does not take into account your financial objectives, financial situation or particular needs. It is important that you read and consider the Prospectus in full before making an investment decision and consider that risks that could affect the performance of the Company. The Company is not licensed to provide financial produce advice in relation to the Options.

1 Product Information

Key features of the Options are as follows:

Offer	1 Option for every 2 New Shares subscribed for under the Entitlement Offer.
Eligibility	Shareholders who are eligible to participate in the Entitlement Offer.
Exercise Price	\$0.20 per Option
Expiry Date	15 April 2026
Exercise Period	The Options are exercisable at any time on or prior to the Expiry Date
Shares issued on exercise	Shares issued on exercise of the Options will rank equally in all respects with the Company's existing shares on the date of issue.
Transferability	The Company will not apply for official quotation of the Options on the ASX. The Options are transferrable subject to compliance with the Corporations Act and ASX Listing Rules.

2 Target Market

The below table summarises the overall class of consumers that fall within the target market for the Options, based on the product's key attributes and the objectives, financial situation and needs that it has been designed to meet:

Factor	Target Market
Investment objective	<p>The Company expects that an investment in the Options will be suitable to investors who wish to profit from an increase in the market price of shares in a company listed on the Australian Securities Exchange (ASX) which designs and manufactures long-duration zinc-bromine flow batteries.</p>
Investment timeframe	<p>The target market of investors will take a short to medium term outlook on their investment.</p> <p>Investors with a short-term outlook for their investment will benefit from the ability to exercise the Options and trade the underlying shares issued on exercise if the exercise price of the Options is lower than the trading price of the shares in the Company.</p> <p>Investors with a medium-term outlook will benefit from an ability to exercise the Options up until the expiry date of 15 April 2026 and increase their shareholding and exposure to the potential upside in the Company's shares in the future.</p> <p>The Company will not apply for official quotation of the Options on the ASX. However, the Options will be transferrable subject to compliance with the Company's Constitution, the Corporations Act and the ASX Listing Rules.</p> <p>To exercise the Options, investors will need to pay the exercise price. Therefore, investors in the target market are in a financial position that is sufficient for them to invest their funds in the period until 15 April 2026. Any decision to exercise the Options is likely to be based on the trading price of the shares of the Company.</p>
Investor metrics	<p>While the Company does not have an established eligibility framework for investors based on metrics such as age, expected return or volatility, it is expected that the target market of investors will be able to withstand potential fluctuations in the value of their investment. The Options (and any resulting shares in the Company) offer no guaranteed income or capital protection.</p> <p>To realise the underlying value of the Options, the Options must be exercised on or before their expiry on 15 April 2026. Investors in the target market will need to be in a financial position to pay the exercise price to exercise the options prior to 15 April 2026.</p>
Risk	<p>When considering subscribing for shares under the Entitlement Offer and taking up their right to Options, Investors should consider that there is no guarantee that the Company's share price will exceed the exercise price of the Options.</p> <p>The Company considers that an investment in the Options is high risk and highly speculative, such that an investment in the Company is not appropriate for an investor who would not be able to bear a loss of some of all of the investment.</p> <p>Investors should have a sufficient level of financial literacy and resources (either alone or in conjunction with an appropriate adviser) to understand and appreciate the risks of investing in Options as an asset class and generally the high risks of investing in the Company.</p> <p>Specific risks relating to the Company and an investment in securities under the Entitlement Offer are set out in the Prospectus and investors should review those risks carefully before deciding whether to invest.</p>

3 Distribution conditions

The offer of Options under the Prospectus is being made to shareholders (**Eligible Shareholders**) who:

- (a) are registered as a holder of Shares as at 7pm Thursday, 18 April 2024;
- (b) have a registered address in Australia, New Zealand, the United Kingdom, Singapore or Hong Kong;
- (c) are not in the United States, are not a US Person and are not acting for the account or benefit of a person in the United States or a US Person; and
- (d) are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

The Options will only be issued to Eligible Shareholders who make a valid application under the terms of the Prospectus. In the Prospectus, the Company has outlined key risks of investment in the Options and emphasised that investment in the Options should be regarded as speculative. This would make it not suitable for investors for whom such an investment is inappropriate.

The Company considers that these distribution conditions will ensure that persons who invest in the Options fall within the target market in circumstances where personal advice is not being provided to those persons by the Company.

4 Review Triggers

The Options are being offered until the closing date set out in the Prospectus, after the conclusion of which the Options will no longer be available for investment by way of issue. It follows that the TMD will only apply in the period between the commencement of the offer of the Options and the issue of Options shortly after the close of the Entitlement Offer (**Offer Period**) after which the TMD will be withdrawn.

To allow the Company to determine whether circumstances exist that indicate this TMD is no longer appropriate to the Entitlement Offer and should be reviewed, the following review triggers apply:

- (a) there is a material change to the Options' key attributes that make it no longer consistent with the likely objectives, financial situation and needs of investors in the target market;
- (b) the Company lodges with the Australian Securities and Investments Commission (**ASIC**) as supplementary or replacement prospectus in relation to the Prospectus;
- (c) the occurrence of a significant dealing in Options that is not consistent with this TMD. The Company does not consider that an on-sale of the Options on market is a significant dealing;
- (d) the Company identifies a substantial divergence in how the Options are being distributed and purchased from this TMD;
- (e) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Options or this TMD; and
- (f) there are material changes to the regulatory environment that applies to an investment in the Options.

5 Review Period

If a review trigger occurs during the Offer Period, the Company will undertake a review of the TMD in light of the review trigger (as applicable) as soon as reasonably practicable and, in any case, within 5 business days of the review trigger occurring.

The Company will otherwise conduct a review of the TMD prior to the issue of Options under the Entitlement Offer.

6 Reporting Requirements

In the event of an external distributor is appointed to undertake retail product distribution of the Options, the following reporting requirements will apply.

Reporting Requirement	Period for reporting to the Company by the distributor	Information to be provided
Whether the distributor received complaints about the Options.	<ul style="list-style-type: none">For such time as the Offer Period remains open, within 5 business days after the end of each quarter.Within 5 business days after the end of the Offer Period.	<ul style="list-style-type: none">The number of complaints received.A summary of the nature of each complaint or a copy of each complaint.
A significant dealing of the Options that is not consistent with this TMD.	As soon as reasonably practicable after the significant dealing occurs, but in any event no later than 5 business days after the significant dealing occurs.	<ul style="list-style-type: none">Details of the significant dealing.Reasons why the distributor considers that the significant dealing is not consistent with this TMD.
A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.	Within 5 business days after the end of the close of the offer of Options in accordance with the Prospectus.	A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.

7 Contact details

Contact details in respect of this TMD are:

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