RedFlow Closes IPO after Strong Demand, To List on ASX

RedFlow Limited(RedFlow), a leading electricity storage technology company, has closed its $17.5million initial public offering (IPO) after experiencing strong demand frominvestors.

A total of17.5 million shares were issued in the IPO at $1.00 each. RBS Morgans CorporateLimited lead managed and fully underwrote the offering.

Theresponse from investors has been gratifying and we look forward to RedFlowcommencing trading as a listed company on the Australian Stock Exchange, said RedFlowChairman Peter Pursey.

Weconsider RedFlow to be a leader in the development of flow batteries for the rapidlygrowing global energy storage market and are looking forward to developing thecompanys business through this new fundraising and in line with the plan weoutlined in our Prospectus, he said.

RedFlowsproducts are currently in use with power utilities in Australia and NewZealand.

Mr Purseysaid funds from the IPO would be used to deliver the companys commercialstrategy, particularly RedFlows packaged energy storage systems based around itsproprietary zinc-bromine battery modules (ZBMs), and to boost the companysmanufacturing and ongoing product development program.

RedFlow CEOPhil Hutchings said in the past five years, the company had made significanttechnical advances to develop its technology to a commercial standard.

RedFlowsPhase Two ZBM factory, opened by Queenslands State Treasurer on 10thAugust, has recently moved to working two 10 hour shifts daily.

The proceedsfrom the IPO will allow us to commit to the much larger Phase Three ZBM factoryfor opening in mid-2011, Mr Hutchings said.

RedFlowrecently reached an agreement with Jabil Circuit, Inc, one of the worldsleading contract manufacturers, for planned future larger scale production ofZBMs and associated power electronics.

RedFlow has doubled its staff over the past 18months. It currently employs over 50 people in Australia, and hasrepresentation in the USA. Its foundation customers include EnergyAustralia,Ergon Energy and Powerco (New Zealand).

The demand for global energy storage is growing dueto increasing costs of electricity distribution; electricity grids are ageingand suitable technology has not previously been available to time-shift demandor supply in locations close to consumers.

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

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

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AboutRedFlow

Founded in 2005, RedFlowis now acknowledged as one of the world leaders in high performancezinc-bromine flow batteries (ZBM) for grid-connected electricity storage. RedFlowsutility-scale energy storage systems help reduce electricity distribution costsand allow clean solar generated electricity to be used at night.

More information can befound at www.redflow.com.au