

RedFlow Limited

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Acceleration of USA Partnering & Market Entry

Electricity storage system company RedFlow Limited (ASX:RFX) has today announced its plans to accelerate its engagement with larger customers and system integration partners in the USA market in 2012.

RedFlow has had a small sales presence in the USA for all of 2011 and has participated in numerous industry conferences there. The company's first zinc bromine battery module (ZBM) was delivered to the USA in November 2011 for testing at Sandia National Laboratories.

The company is now preparing to ramp up operations with the shipment of five R510 packaged energy storage systems to selected customers and system integration partners in the USA.

These activities reinforce RedFlow's position as one of the few companies globally able to deliver and integrate advanced flow batteries for stationary energy storage.

RedFlow's global manufacturing partner, Jabil Circuit, Inc is headquartered in the USA and this relationship can also assist RedFlow in developing sales and market channels there. The initial outsourced production line is being established in Singapore for good access to low cost regional sub-suppliers.

RedFlow will build on this USA base in 2012 by a systematic engagement with a range of system integration partners and customers.

The company currently has discussions underway at varying levels of maturity with companies in these categories in the USA.

To accelerate this process, the company has engaged specialist cleantech energy advisory business Jane Capital Partners, LLC ("JCP"). The agreed fee structure comprises cash and scrip components. Under the scrip component, RedFlow has agreed to issue up to a maximum of 611,000 fully paid ordinary shares in the Company, subject to meeting certain milestones. The shares to be issued will rank equally with all other shares then on issue. No shareholder approval is required or will be sought in relation to the proposed issue of these shares.

RedFlow will report on progress in USA and its other selected international markets as 2012 progresses.

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About RedFlow

RedFlow is one of the few companies globally to manufacture and sell flowing electrolyte batteries.

The RedFlow zinc bromine flowing electrolyte battery module (ZBM) delivers peak power of 5 kW and can store up to 10kWh.

The ZBM is light-weight, compact and with volume manufacturing, low cost compared to alternative batteries.

RedFlow's IP development is centred in Brisbane. Its mass manufacturing facility is being established in Singapore as part of an outsourced contract manufacturing agreement.

RedFlow ZBMs are currently installed in applications providing gridfeed network support, renewable energy integration and off-grid power.

More information can be found at www.redflow.com