



17 August 2017

## **ASX Market Update**

### **Sales performance update**

Redflow integration partners have installed or are currently deploying its ZCell batteries at residential and commercial properties in Queensland, New South Wales, ACT, Tasmania, Victoria and South Australia. While Redflow has provided ZCells for some single-battery sites, most ZCell batteries are deployed in scalable configurations using multiple parallel batteries, which leverage the key technical and economic advantages of Redflow's unique technology. Popular configurations include 2-6 battery off-grid residential systems and 3-6 battery on-grid residential and commercial systems.

Redflow has now delivered all the batteries for its largest order to date, to New Zealand-based telecommunication systems integrator Hitech Solutions. Hitech Solutions has commenced construction of the first of its modular energy systems to include the use of Redflow batteries. These energy systems are sized to suit the requirements of each destination site and will be deployed progressively across multiple locations in a Pacific Island nation.

### **Battery performance update**

Based on monitoring since our last market update, Redflow is confident that the performance issues reported earlier this year are now resolved.

Redflow has successfully tested and proved the process to remediate battery electrolyte in cases where battery quality testing indicates that this is desirable. Redflow is now progressively applying this remediation to those batteries that require it.

### **Transfer of manufacturing to South East Asia**

The final North American production batch of ZBM2 batteries is now in transit to Australia.

Redflow has selected Thailand as the South East Asian country where it will recommence production with its new manufacturing partner MPTS.

Redflow is pleased to report that its stack manufacturing equipment from North America has arrived in Thailand ahead of schedule.

Redflow has established an appropriate commercial entity in Thailand. Redflow (Thailand) Limited is negotiating a lease on suitable premises in a Thai free trade zone and is undertaking the routine steps needed to comply with Thai licensing and regulatory requirements.

Redflow remains on track to commence its new manufacturing operations with MPTS as planned.

Simon Hackett  
CEO & Executive Chairman, Redflow  
Phone: +61 8 7324 5564  
Email: [simon.hackett@redflow.com](mailto:simon.hackett@redflow.com)