



REDFLOW LTD

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Dear Shareholders,

As you may know, I joined Redflow Limited as its non-executive Chairman on September 27 this year. I bring to Redflow more than 10 years' experience as a director of listed companies, including Scott Corporation Limited and Helloworld Limited. I also worked for more than 25 years as a senior executive of listed Australian companies, including Memtec Limited and Qantas Airways Limited.

Redflow is at an exciting point in its history, after developing the world's smallest zinc-bromine flow batteries with unique energy storage benefits; having established demand for its batteries from telecommunications, commercial and residential customers; and recently starting the installation of its production line equipment at a new factory in Thailand.

Since joining Redflow, I have met with the company's executive team and a number of its major shareholders to inform and develop my views about the steps we need to take to continue and accelerate Redflow's success. I have deep respect for the work done by Richard Aird since his appointment as Redflow CEO, also on September 27. Through his many years of involvement with Redflow, mostly recently as Chief Operating Officer, Richard has a real depth of knowledge of our battery technology and an exciting vision for the company's future. I also note my thanks to Simon Hackett, Redflow's largest shareholder who was acting CEO and Executive Chairman until September. Simon remains fully engaged with Redflow as a non-executive director and a champion for our world-leading energy storage technology.

Richard and his team are now working tirelessly to establish our new manufacturing facility near Bangkok, installing the equipment required to permit initial operations to start this year. While fully supporting the work in Thailand, the Redflow team in Brisbane continue to enhance our battery technology, support our customer base and manufacture a limited number of batteries to ensure supply for our customers. Redflow's sales team is working with our ZBM2 and ZCell installation partners to ensure that once battery production commences in Bangkok, we have the orders and strategy to increase our installed base of Redflow batteries. We are lucky to have such a talented, professional and dedicated team.

Once fully operational, the Thai facility will have the capacity to manufacture as many as 250 batteries a month. I am confident that once our new factory is producing quality batteries, Redflow will be able to demonstrate that it has a unique and viable product with real benefits for many energy storage applications. Our initial sales focus will be on market sectors with established battery demand where our technology has a clear competitive advantage over conventional batteries, notably lead acid. These markets include telecommunications and network power and applications where there is either no or limited grid power available.



Telco



Commercial



Grid Scale



Residential

I look forward to working with the Redflow team and Board to deliver on the company's potential. Redflow has scheduled its 2017 Annual General Meeting for 10.30am on Friday, November 24, at the Jindalee Hotel, near our head office in Brisbane. We will use the AGM to provide a full update on progress in Thailand. I hope to meet as many of you as possible at that meeting. In the meantime, if you have any comments or questions, I invite you to contact me by email at bsj013@gmail.com.

Yours sincerely



Brett Johnson
Chairman