

10 August 2010

News Update

Expanded zinc-bromine battery factory opening

- **RedFlow's zinc-bromine battery factory becomes largest in the Southern Hemisphere**
- **Production ramps up at Seventeen Mile Rocks site, opened today by Treasurer Fraser**
- **Expansion targets Australia's rising peak electricity demand and helps makes storage of large scale solar generation a reality**

Brisbane-born company RedFlow is to triple production of its power storage systems, helping electricity utilities better handle peak energy demand and fight rising electricity prices.

Already acknowledged as an international leader in electricity storage technology, the expansion of its Seventeen Mile Rocks factory site marks a significant milestone for the company and its energy systems.

RedFlow CEO Phil Hutchings explains:

"When it comes to coping with increased electricity demand, the country is at a crossroads. The first option is to spend large amounts of money continually upgrading substations, transformers, poles and wires. The second – our solution – is to design systems which can store and then release energy during the evening peaks, whether that electricity is generated by local solar panels or by traditional power sources."

"Electricity utilities around the world are struggling with the high capital investment needed to meet our increasingly power-hungry homes, which is why the 'smart grid' is needed: a major modernisation of our ageing electricity infrastructure. Quite simply, RedFlow's storage technology provides the plumbing for the smart grid."

RedFlow's expansion comes at a critical time. As peak energy demand rises within the State, the Queensland Government is estimating that utilities will spend approximately \$15.6 billion on network infrastructure and upgrades by 2015. All eyes are on alternative solutions which could reduce the cost burden for both distributors and consumers.

In response, RedFlow has doubled its staff in the past 18 months, aiming at an addressable global market estimated at over \$5 billion a year. Australia and New Zealand remain a primary target for RedFlow but it is also now fielding requests from the US, UK, India, Malaysia and South Africa.

The company's foundation customers include EnergyAustralia, Ergon Energy and New Zealand's Powerco: early adopters who are also providing valuable guidance in developing the next generation of RedFlow products.



Phil Hutchings added:

“Our dealings with our utility customers in this part of the world and in the USA show that they share our vision – that large-scale energy storage offers part of the solution to rising electricity distribution costs. RedFlow’s zinc-bromine batteries represent a paradigm change in cost and performance compared with conventional lead-acid batteries, and what’s exciting about this technology is that it’s both scalable *and* sustainable. We deliberately started off small, so that reliability, performance and life can be tested and improvements adopted quickly. Making the batteries modular means they could be packaged up in bulk and we designed them to cost-effectively store both conventional and solar energy, differentiating us from the rest of the market.

“We are honoured that the Treasurer has made time to celebrate our story so far, particularly as the Queensland Government played such a pivotal role in our early history. Already our supply chain includes many other companies across Australia and our engineering team is recognised as world-leading. We’re excited about the future and proud of our accomplishments to date – we think there are bright prospects ahead.”

[ENDS]

Notes to Editor

The Queensland Government has supported RedFlow through the i.lab incubator, the Innovation Start Up Scheme and the Queensland Sustainable Energy Innovation Fund

Minister Fraser will formally open the RedFlow facility (1/27 Counihan Rd, Seventeen Mile Rocks) at 10am on Tuesday August 10 2010.

****To arrange attendance or bid for an interview please contact Kathryn Torpy/Ofa Fitzgibbons on 02 8281 3810 or call 0424 031 639****

About RedFlow

Founded in 2001, RedFlow is now acknowledged as one of the world leaders in high performance zinc-bromine flow batteries (ZBM) for grid-connected electricity storage. RedFlow’s utility-scale energy storage systems help reduce electricity distribution costs while building a bright future for Australian industrial manufacturing. www.redflow.com.au