

Redflow raising \$18.1m to drive growth, global market expansion

26 April 2018 | Written by [Peter Dinham](#) | Published in [Listed Tech](#) | [6 Comments](#)

Listed Australian battery company Redflow is raising \$18.1 million in equity capital, with the funds to be used to scale up battery production and to grow Australian and international sales.

The Brisbane-based company is raising the funds through a combination of a placement to new investors and a fully underwritten rights issue offered to all current shareholders.

According to Redflow (ASX:RFK) chairman Brett Johnson, Redflow has made significant progress in the past six months.

"We've opened our new wholly-owned manufacturing facility in Thailand which is making quality battery stacks.



"We now have the ability to manufacture and supply quality batteries in predictable quantities. The current plan is to increase our manufacturing capacity in Thailand so we can manufacture as many as 90 complete batteries a month by June 2018 and, subject to demand, scale up production to as many as 250 batteries by December 2018."

Announcement of the capital raising coincides with the appointment of a new Redflow chief executive, Tim Harris, who has extensive international business experience in the telecommunications sector.

Johnson said the ability to manufacture quality batteries and Harris' appointment permits Redflow to invest in the development of a well-articulated growth strategy focusing on the sales, marketing and support infrastructure the company requires to successfully penetrate the international energy storage market.

"This growth strategy will include the identification of potential sales, marketing and manufacturing joint venture partners. We are also focused on continued reduction in the manufacturing cost of the identification of potential sales, marketing and manufacturing joint venture partners. We are also focused on continued reduction in the manufacturing cost of the Redflow battery."

Johnson said Redflow would invest the additional working capital in the growth strategy as well as manufacturing, raw materials, inventory and cost reduction.

The company is raising a total of \$18.1 million before transaction costs, comprising \$7.5 million through a placement to new investors and a further \$10.6 million through a fully underwritten non-renounceable entitlement offer to all current shareholders.

Johnson said the board had decided to raise most of the new capital through an entitlement offer to permit existing shareholders to participate in the company's growth phase.

"This is a key reason the issue price has been set at the same 10 cents per share as the 2017 placement," he said.

"The Redflow board fully supports the entitlement offer. Redflow's largest shareholder and non-executive director Simon Hackett will invest more than \$1.8 million to take up his full rights in the entitlement issue. Tim Harris will take part in the capital raising by supporting the underwriting of the entitlement offer.

"To date, shareholders have invested in development of the Redflow battery and in the creation of a manufacturing facility. We believe we are positioned now to transition from a research & development company into a fully operational manufacturing, sales, marketing and product support organisation."

Johnson said Redflow remains focused on selling its ZBM2 and ZCell zinc-bromine flow batteries through an authorised partner network in Australia and internationally to customers for telecommunications, commercial & industrial and high-value and off-grid residential energy storage applications.

He said Redflow would focus on key markets across Africa, Asia Pacific and Australasia, and already the company is also actively investigating strategic opportunities in China after being approached by several Chinese entities.

"China is forecast to be one of the largest single markets for energy storage, accounting for as much as 70% of the Asia-Pacific market. We will continue to engage with selected parties to assess potential partnership options."

LEARN HOW TO REDUCE YOUR RISK OF A CYBER ATTACK

Download our e-book to learn more about how to reduce your risk of a cyber attack.

As we automate, migrate and move to the cloud, more and more businesses are reliant on infrastructure that has the high potential to be exposed to risk.

It only takes one very small email to expose an accounts payable process, and for cyber attackers to cost a business thousands of dollars.

In the free white paper '6 Steps to Improve your Business Cyber Security' you'll learn some simple steps you should be taking to prevent devastating and malicious cyber attacks from destroying your business.

Cyber security can no longer be ignored, in this white paper you'll learn:

- How does business security get breached?
- What can it cost to get it wrong?
- 6 actionable tips

[DOWNLOAD NOW!](#)

RECOVERING FROM RANSOMWARE

Download our e-book to learn more about how to recover from a ransomware attack.

The first example of ransomware happened on September 5, 2013, when Cryptolocker was unleashed.

It quickly affected many systems with hackers requiring users to pay money for the decryption keys.

Find out how one company used backup and cloud storage software to protect their company's PCs and recovered all of their systems after a ransomware attack.

[DOWNLOAD THE REPORT!](#)

Supported by the

15-17 May 2018 - ICC Sydney

GET YOUR FREE EXHIBITION PASS

APAC's largest business technology event 15,000+ attendees

• IoT • AI • Fintech • Security • Data • Mobility • Software • Hardware • Cloud • eGovernment • Marketing & Commerce • Future of Jobs • Start-Up • PitchFest • FU Night • more!

TAGS: [REDFLOW](#) [ENERGY STORAGE](#) [CAPITAL RAISING](#) [BATTERY PRODUCTION](#) [ASX:RFK](#) [THAILAND](#) [BATTERIES](#) [MANUFACTURING](#) [TIM HARRIS](#) [TELECOMMUNICATIONS SECTOR](#) [AUSTRALIA](#) [PETER DINHAM](#) [BRETT JOHNSON](#)



Peter Dinham

Peter Dinham is a co-founder of ITWire and a 28-year veteran journalist and corporate communications consultant. He has worked as a journalist in all forms of media – newspapers/magazines, radio, television, press agency and now, online – including with the Canberra Times, The Examiner (Tasmania), the ABC and AAP-Broadcasters. As a freelance journalist he also had articles published in Australian and overseas magazines. He worked in the corporate communications/public relations sector, in-house with an airline, and as a senior executive in Australia of the world's largest communications consultancy, Burson-Marsteller. He also ran his own communications consultancy and was a co-founder in Australia of the global photographic agency, the Image Bank (now Getty Images).

LATEST FROM PETER DINHAM

- [RingCentral expands in APAC with new Australia office](#)
- [Spark NZ launches Android One with Nokia 7 plus, Nokia 6.1](#)
- [eBay, eBayx partner on loyalty rewards program](#)
- [Motorola set to stage hackathon for third year](#)

RELATED ITEMS

- [RingCentral expands in APAC with new Australia office](#)
- [Spark NZ launches Android One with Nokia 7 plus, Nokia 6.1](#)
- [eBay, eBayx partner on loyalty rewards program](#)
- [Motorola set to stage hackathon for third year](#)

More in this category: [Magasport looks for \\$50m in funds to accelerate expansion](#)

Nokia's new 1, 6, 7 and 8 Android smartphones arriving May in Australia

Written by [Alex Zaharow-Reutt](#) | [HOME TECH](#)
One, six, seven, eight, who does Nokia appreciate? Android! After years of falling around with useless Windows Phone...

Samsung's Westfield Parramatta Galaxy Studio open until 17 May

Written by [Alex Zaharow-Reutt](#) | [HOME TECH](#)
If you want to check out Samsung's newest Galaxy S8 and S8+, as well as an Alpine Skiing...

VIDEO: Zuckerberg and Facebook to release 'clear history' privacy control update

Written by [Alex Zaharow-Reutt](#) | [HOME TECH](#)
Facebook is getting set to release an privacy control "clear history" update that will delete data on what...

G Medical's new e-store lets consumers buy Prizma medical smartphone case direct

Written by [Alex Zaharow-Reutt](#) | [HOME TECH](#)
Want to turn your smartphone into a 21st century medical monitor, akin to an early form of Star...

Crucial crucially reveals 'why hard drives fail when SSDs do not'

Written by [Alex Zaharow-Reutt](#) | [HOME TECH](#)
Memory and SSD storage maker Crucial has crucially revealed detail on why hard disk drives fail when SSDs...

'Loot boxes' and in-game spend driving digital games market to US\$160b by 2022

Written by [Alex Zaharow-Reutt](#) | [ENTERTAINMENT](#)
UNUSUAL With new game formats and monetisation strategies at play, developer prospects have been boosted with growth to reach...

TELECOMMUNICATIONS

Are unlimited 4G and future 5G plans the death knell for the NBN?

Written by [Alex Zaharow-Reutt](#) | [TELECOMS & NBN](#)
Unlimited 4G data plans for mobile phones have arrived in Australia at long last, and truth be told...

Vodafone sticks knife into Telstra, Optus: ups 4G 'unlimited data' limits

Written by [Alex Zaharow-Reutt](#) | [TELECOMS & NBN](#)
Seeking to kick Telstra while it's down, and make Optus' customer limits to its unlimited offer look silly...

Labor reiterates commitment to fibre in NBN rollout

Written by [Sam Varghese](#) | [TELECOMS & NBN](#)
The Australian Labor Party says it is committed to fast, reliable and affordable Internet for the country, and...

Telstra looks to mobile, investment and cost-cutting to grow

Written by [Sam Varghese](#) | [TELECOMS & NBN](#)
Telstra hopes to increase its mobile customer base, up strategic investment and cut back on costs as it...

VIDEO: Hawaiki Cable System's final splice means system on track for completion in June 2018

Written by [Alex Zaharow-Reutt](#) | [TELECOMS & NBN](#)
The carrier-neutral Hawaiki submarine cable system connecting Australia, New Zealand, New Caledonia, American Samoa, Hawaii and Oregon in...

Triple zero calls slowly returning to normal after cable cut

Written by [Sam Varghese](#) | [TELECOMS & NBN](#)
Telstra says triple zero calls are slowly returning to normal after they went on the blink following a...