



RNS

30 September 2015

Camco Clean Energy plc

Roll-in of minority interests in Renewable Energy Dynamics Holdings Limited

The board of Camco Clean Energy plc ("Camco" or the "Company") is pleased to announce that it has reached an agreement to acquire ("Roll-In") the remaining shares it does not already own or control in Renewable Energy Dynamics Holdings Limited ("REDH"), the joint venture holding company for its REDT Energy Storage business ("REDT"), from Alchemy Projects Limited, AIB Seed Capital Fund LP and Enterprise Ireland (together the "Vendors" and each a "Vendor"). The consideration for the Roll-in is the issue to the Vendors of, in aggregate, 125,681,940 new Camco ordinary shares of €0.01 each (the "Consideration Shares").

Following the Roll-In, Camco will have effective voting control over 100% of the shares in REDH and an economic interest in 90.0% of REDH. In due course, Camco intends to seek to acquire the remaining 10.0% economic interest in REDH which would be subject to a separate transaction.

As part of the Roll-In, each of the Vendors has undertaken to the Company that, save with prior written consent of the board of the Company, they will not dispose of any of their respective Consideration Shares for a period of 12 months.

Following completion of the Roll-In, the REDT Energy Storage business will become the primary focus for Camco and, accordingly, it is likely that in the near future it will seek the approval of its shareholders to change the name of the Company to reflect this. The Company will continue with its Africa Fund Advisory business and will progress the ongoing strategic review of its remaining US activities. Camco will fully consolidate the results of REDT into its annual report and accounts.

REDT was established by the Camco group of companies as a research project in 2001. Following research and development the Vendors invested in the REDT business from 2009. During 2012, the business proved the REDT technology and commenced prototype trialling in the UK and Portugal.

REDT's patented technology is around the design of a stack for a flow battery. Flow batteries have long been identified as an ideal technology for medium to large scale long duration stationary storage. Customer demand for this type of storage, which is largely associated with diesel generator and renewable technology, is unsatisfied as technology has not yet proven this storage can deliver at an economic cost to the customer. The energy storage market is forecast to be worth >\$10bn by 2017, with 33% (\$3.3bn) of this market expected to be provided by vanadium flow batteries. (*Reference: Lux Research Inc. Reports, 2012 & 2013: "Global Grid Storage market".*)

REDT has focussed its efforts on first proving its flow battery technology solution works. Successful prototyping has proven REDT's core technology. REDT is currently launching its market seeding units which is a strategic program to provide twelve customers with its Gen1 commercial product across a series of applications including utility, grid-tied wind, grid-tied solar, off-grid diesel generator and telecommunication towers.

In parallel, REDT is, with its manufacturing partner Jabil Inc. (NYSE:JBL), designing and sourcing materials for its Gen2 product, which it will launch in 2016 to satisfy customer demand across its proven market sectors.



In the year to 31 December 2013, REDH recorded a loss before tax of €128,000 and had net assets of €2.0m. The shares being acquired through the Roll-In represent 39.77% of REDH's issued share capital.

Application has been made for 125,681,940 Consideration Shares to be admitted to trading on AIM. Admission is expected to take place on 5 October 2015.

Following completion of the Roll-In, the Company will have 378,817,053 ordinary shares of €0.01 each in issue. This figure of 378,817,053 may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

Scott McGregor, CEO of Camco, said:

"The full consolidation of REDT into Camco allows the company to focus entirely on its energy storage product and investors to invest in an energy storage pure play as it enters the commercial phase of its development.

Flow batteries are an exciting technology which has long been predicted to satisfy a significant segment of the stationary energy storage market.

I'd like personally to thank the many dedicated individuals over REDT's 15 years of development thus far who have contributed to getting REDT to this important stage of the company's growth where it is now entering commercial product launch."

About Alchemy Projects Limited

Alchemy Projects is the 100% owned investment vehicle of Mr John Ward. Alchemy Projects conducted its initial investment in REDH in 2009 and further seed rounds in 2011. John has been a board member of REDH since 2009 and has been closely involved in the commercialisation of the technology. He has a particular background in the planning and construction of large scale renewable energy facilities in Ireland and overseas. Having planned, built and managed a number of grid connected wind and solar energy facilities (over 100 MW), he identified energy storage as a key enabler of the widespread deployment of renewables. One of his key areas of expertise lies in the economic analysis of energy storage and renewables.

About AIB Seed Capital Fund

The €53 million AIB Seed Capital Fund, headquartered in the Republic of Ireland, was established in 2007 to provide venture capital for companies at the seed and early stages of development. It is one of the most active funds in the Irish market having invested in 80 companies across a wide range of technology sectors.

Dublin BIC co-manages the €53 million AIB Seed Capital Fund and has over 20 years' experience leading, structuring and participating in seed and early stage co-investments, and working closely with companies on all aspects of strategy and scaling.

About Enterprise Ireland

Enterprise Ireland is the government organisation responsible for the development and growth of Irish enterprises in world markets. It works in partnership with Irish enterprises to help them start, grow, innovate and win export sales on global markets. In this way, they support sustainable economic growth, regional development and secure employment.

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About Camco Clean Energy

Camco Clean Energy plc (AIM: CCE) is a clean energy development company which combines technical and commercial expertise to finance, develop and operate renewable energy projects and storage technology.

With 25 years' experience and an outstanding track record throughout Asia, North America, Africa and Europe, Camco works with local developers, governments, development banks, and private investors to implement clean energy projects, policies, and technologies and to reduce emissions.

In the last year, Camco has brought an advanced energy storage technology to market (REDT energy), secured an investment advisory fund mandate for African renewables, and developed utility scale biogas plants in the US.

About REDT

REDT has developed a new and proprietary energy storage technology which enables the efficient and sustainable storage of electrical energy in liquid form. The multi-valent properties of the Vanadium Redox electrolyte are used to provide a storage medium of virtually unlimited life with a system able to last more than 10,000 deep charge/discharge cycles. Combined with its very low maintenance requirements, REDT systems are able to deliver some of the lowest Total Cost of Ownership (TCO) results in the industry. Long discharge durations are achieved by the simple addition of extra electrolyte capacity at a relatively low marginal cost.

Until now it has not been possible to directly compare variable RE generation with firm diesel or fossil fuel generation. PV + Storage is now reaching 'grid parity' in many countries, a paradigm shift in energy production, which will ultimately enable the complete displacement of conventional fossil fuel power with renewable generation. The REDT system has applications in remote power, smart grids, power quality, and all aspects of renewable energy management.