ESS INC. RAISES $30 MILLION FROM INVESTOR GROUP TO EXPAND COMPANY AND DEPLOY NEXT-GENERATION FLOW BATTERY ENERGY STORAGE SYSTEMS

Breakthrough Energy Ventures leads major Series C round,
with Evergy Ventures, GC and Softbank Energy joining earlier investors

PORTLAND, OREGON – October 28, 2019 – ESS Inc., a leading manufacturer of safe, low-cost and long-duration energy storage systems, announced that it has secured $30 million in a Series C investment round led by Breakthrough Energy Ventures. The funding group includes new investors Evergy Ventures, Softbank Energy and leading Southeast Asia-based chemical company PTT Global Chemical (GC), joining earlier backers who also invested in this round: BASF Venture Capital, Cycle Capital Management, Presidio Partners Investment Management, IPM Group, and Pangaea Ventures.

The new funding will be used to expand and automate the manufacturing process of ESS Inc.'s second-generation iron flow battery technology. The new module design is incorporated into the company's Energy Warehouse™ (EW) containerized storage product and introduces its utility-scale product platform, the Energy Center™ (EC). The company, which is now shipping to customers on four continents, is leveraging the capital efficiency of its advanced technology to enable a ramp-up to 1 GWh per year production capacity at its Wilsonville, Oregon facility.

"There is tremendous need for low-maintenance storage technology that can extend the availability of intermittent renewable energy sources like wind and solar," said Carmichael Roberts, Breakthrough Energy Ventures. "Remarkably, ESS uses low-cost, safe and effective materials – iron and water – to deliver a long-duration storage solution in several applications, even high-temperature climates where there is significant need for off-grid energy. We're excited about the near-term opportunity for at-scale deployments of the ESS technology."

"This investment reinforces the value and growth potential of our long-duration flow battery solution," said Craig Evans, founder and CEO of ESS Inc. "It enables us to scale up manufacturing to meet our order pipeline, as well as continue to pursue global deployment opportunities. We're grateful to our investment partners for their confidence in our solution and support of our vision."

ESS Inc.'s iron flow battery technology is a safe (no hazardous chemicals) and sustainable (fully recyclable) storage solution that is ideally suited for time-shifting renewable energy, managing a facility's demand charges, providing ancillary grid services with unlimited cycling, and smoothing the intermittency of renewables on a constrained grid. The EC is a "battery-in-a-building" platform based on the same second-generation module used in the EW, with a design-build

approach that enables systems to be tailored to meet virtually any project size with storage durations ranging up to 10 hours. These wide-ranging capabilities make the EC suitable to support large-scale renewable energy projects, as well as transmission- and distribution-level services, without cycling limits.

To support all ESS Inc. deployments, the company has partnered with Munich Re to implement an industry-first insurance-backed warranty on its flow batteries. This investment-grade warranty coverage enables ESS Inc.'s long-duration storage solutions to be more readily financed by project owners and developers.

About ESS Inc.
Established in 2011, ESS Inc. develops and manufactures the low-cost, long-duration Energy Warehouse™ (EW) flow battery and battery-in-a-building platform, the Energy Center™ (EC). The EW is deployed in commercial and utility-scale energy storage applications requiring 4+ hours of flexible energy capacity and 20+ years of operating life with no capacity fade. The EC uses a design-build approach to support multi-MW projects requiring storage durations up to 10 hours with no cycling limits. ESS Inc.'s flow battery technology utilizes earth-abundant iron, salt, and water for the electrolyte, and delivers an environmentally safe, long-life energy storage solution for the world's renewable energy infrastructure with the lowest levelized cost of storage per kWh. For more information, visit www.essinc.com.

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