ZBB to Provide Energy Storage for IIT's "Perfect Power" Micro-Grid Project

MILWAUKEE, WI -- (Marketwire) -- 07/13/11 -- ZBB Energy Corporation (NYSE Amex: ZBB), the leading developer of intelligent, renewable energy power platforms, announced today a contract from City Cottage Group to provide a 500kWH energy storage system for use in a micro-grid application at the Illinois Institute of Technology Campus in Chicago, IL, utilizing ZBB's third generation Zinc-bromide flow battery.

The Illinois Institute of Technology (IIT) in collaboration with Exelon, the Galvin Electricity Initiative (GEI), and other key partners, is working to develop, demonstrate, promote and commercialize a system and supporting technologies that will achieve "Perfect Power" at the main campus of IIT.

A "Perfect Power" system, as defined by GEI, is a system that cannot fail to meet the electric needs of the individual end user. The Perfect Power micro-grid designed and implemented at IIT is replicable to campuses, complexes, developments, critical facilities, Department of Defense facilities, communities, investor-owned and municipal electric systems.

The new ZBB EnerStore? V3 Zinc-bromide flow battery will be integrated into the Perfect Power micro-grid to provide critical system backup, load-shifting, peak load reduction, improved integrated of distributed renewables, and to offset the addition of new electric vehicle charging stations by charging the battery with off-peak power for use during day-time peak charging periods.

The Principal Investigator, Professor Mohammad Shahidehpour, Ph.D., is the Director of the new IIT Galvin Center for Electricity Innovation, and has been leading efforts for IIT to implement and demonstrate a number of micro-grid technologies to provide load management, fault detection, power rerouting, energy efficiency, distributed generation, renewable integration, smart electric vehicle charging and off-grid, islanded, capability.

"This project is an outstanding demonstration of where the smart grid can add value with smart, cost effective storage. As the cost of distributed renewables approach grid parity, architectures like this will enable their seamless use and the ability to scale beyond 20% penetration. We are proud to have been selected and look forward to working with such a strong team," said Eric Apfelbach, President & CEO of ZBB Energy.

ZBB's flow battery is designed to serve as an advanced electrical energy storage device, constructed from environmentally-friendly materials that provide for long service life and advanced performance when compared with traditional chemical batteries.

City Cottage Group was awarded a sole-source turn-key construction contract to include the integration of the system infrastructure requirements and project management required to support the design, installation, testing and servicing of the energy storage interconnection contract for the micro-grid deployment at IIT.

ZBB will work closely with the City Cottage Group, IIT, and the Galvin Electricity Initiative's design team to define operational standards for advanced energy storage systems on micro-grids such as this project and for use at future campus and utility-scale facilities.

About ZBB Energy Corporation
ZBB Energy Corporation (NYSE Amex: ZBB) provides advanced electrical power management platforms targeted at the growing global need for distributed renewable energy, energy efficiency, power quality, and grid modernization. ZBB and its power electronics subsidiary, Tier Electronics, LLC have developed a portfolio of intelligent power management platforms that directly integrate multiple renewable and conventional onsite generation sources with rechargeable zinc bromide flow batteries and other storage technology. The company also offers advanced systems to directly connect wind and solar equipment to the grid and systems that can form various levels of micro-grids. Tier Electronics participates in the energy efficiency markets through their hybrid vehicle control systems, and power quality markets with their line of regulation solutions. Together, these platforms solve a wide range of electrical system challenges in global markets for utility, governmental, commercial, industrial and residential end customers. A developer and manufacturer of its modular, scalable and environmentally friendly power systems ("ZESS POWR?"), ZBB Energy was founded in 1998 and is headquartered in Wisconsin, USA with offices also located in Perth, Western Australia. For more information, visit: http://www.zbbenergy.com

Safe Harbor
Certain statements made in this press release contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended that are intended to be covered by the "safe harbor" created by those sections. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations, can generally be identified by the use of forward-looking terms such as "believe," "expect," "may," "will," "should," "could," "seek," "intend," "plan," "estimate," "anticipate" or other comparable terms. Forward-looking statements in this press release may address the following subjects among others: statements regarding the sufficiency of our capital resources, expected operating losses, expected revenues, expected expenses and our expectations concerning our business strategy. Forward-looking statements involve inherent risks and uncertainties which could cause actual results to differ materially from those in the forward-looking statements, as a result of various factors including those risks and uncertainties described in the Risk Factors and in Management's Discussion and Analysis of Financial Condition and Results of Operations sections of our most recently filed Annual Report on Form 10-K and our subsequently filed Quarterly Reports of Form 10-Q. We urge you to consider those risks and uncertainties in evaluating our forward-looking statements. We caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Except as otherwise required by the federal securities laws, we disclaim any obligation or undertaking to publicly release any updates or revisions to any forward-looking statement contained herein (or elsewhere) to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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