



Governor Doyle Awards ZBB Energy Corporation \$1.3 Million from State Energy Program (SEP) – Clean Energy Business Loan Program

MILWAUKEE, WI – December 10, 2009 – ZBB Energy Corporation (NYSE AMEX: ZBB) announced today that it has been awarded \$1.3 million in funding by Governor Jim Doyle under the State Energy Program– American Recovery and Reinvestment Act (SEP-ARRA) Clean Energy Business Loan Program.

The loan is part of \$27 million SEP-ARRA funding announced by Governor Doyle awarded to Wisconsin as part of the \$55 million in Recovery Act federal funding. This initiative is a key part in the Obama Administration’s national strategy to support growth and promote clean energy and conservation.

The program goal is to invest in technologies and projects that reduce greenhouse emissions, and ensure not only short-term job creation, but also development of businesses that will create clean energy jobs in Wisconsin.

“The application of these loans to advanced technology businesses in Wisconsin like ZBB Energy Corporation will help create new, family-supporting jobs for our residents and grow our clean energy industry,” Governor Doyle said.

Proceeds from the funding will be invested into ZBB’s manufacturing operations to meet the growing demand for advanced energy storage products. Specifically the funds will be used to expand and modernize its production facilities (equipment) to increase its manufacturing capacity and create up to one hundred and seventy five new full time positions. This expansion along with the addition of new jobs will provide the mechanism for growth and penetration into the global market place.

ZBB’s Interim CEO, Mr. Paul Koeppel said “This award by the State of Wisconsin strengthens our financial capability to invest in new manufacturing facilities in Wisconsin. These facilities will reduce our product cost and increase our manufacturing output, enhancing our overall competitive position.”

About ZBB Energy Corporation

ZBB Energy Corporation (NYSE AMEX: [ZBB](#)) provides clean energy storage solutions based on proprietary zinc rechargeable energy storage technology that addresses requirements in multiple markets such as alternative energy applications, large electrical utilities and green residential and commercial architecture. A developer and manufacturer of its modular, transportable and environmentally friendly Zinc Energy Storage Systems ("ZESS"), ZBB Energy was founded in 1998 and is headquartered in Wisconsin with offices also located in Perth, Western Australia.

Safe Harbor

Except for the historical information contained herein, the matters set forth in this press release, including the description of the company and its product offering, are forward-looking statements within the “safe harbor” provision of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risk and uncertainties that may cause actual results to differ materially, including historical volatility and low trading volume of our stock, the risk and uncertainties inherent in the early stages of growth companies, the company’s need to raise substantial additional capital to proceed with its business, risks associated with competitors, and other risks detailed from time to time in the company’s most recent filings with the Securities and Exchange Commission. These forward-looking statements speak only as of the date hereof. The company disclaims any intent or obligation to update these forward-looking statements.

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