



**ASX: GNX**

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**ASX Announcement**

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### **KIDSTON HYDRO PROJECT UPDATE**

Genex Power Limited (**ASX: GNX**) (**Genex** or the **Company**) provides the following update in relation to the development and financing activities for the 250MW Kidston Pumped Storage Hydro Project (the **Project**).

As announced on 1 July 2020, Genex has been working with its various stakeholders to conclude the project financing activities and reach financial close for the Project by 30 September 2020. Genex has continued to advance these activities over the past 3 months, and in particular has completed its competitive equity process and is in the final stages of concluding negotiations with a preferred equity partner to invest up to a 50% interest in the Project. The Queensland Government late yesterday reaffirmed its commitment of \$132 million in capital funding for the Project transmission infrastructure, and Genex is now seeking to finalise negotiations with its other project partners and stakeholders to conclude the project financing arrangements. Genex accordingly wishes to advise that the Project is no longer expected to reach financial close by 30 September 2020.

In light of this delay to the project financing timetable, the Northern Australia Infrastructure Facility (**NAIF**) has continued to extend its support for the Project and has advised Genex that the NAIF Board has extended its Offer of Funding to 31 January 2021. Genex is also in the process of extending its Generator Performance Standards approval from the Australian Energy Market Operator to 31 December 2020, and is working with Powerlink and the Project's key contractors to extend validity of their agreements and pricing beyond 30 September 2020 to support the project financing timetable.

Genex continues to focus on closing out all workstreams to deliver financial close as soon as possible, and will keep the market informed of its progress over the coming weeks.

Commenting on today's announcement, Genex CEO, James Harding stated:

*"We are pleased that the Queensland Government has reaffirmed their commitment of \$132m to help fund the construction of the Kidston Pumped Storage Hydro Project Transmission Line. The development of the Kidston Pumped Hydro Project will create a peak workforce of over 500 people per annum in regional Queensland, secure power supply to local communities and unlock significant clean energy generation in the region. I would like to thank all of our stakeholders, particularly NAIF, ARENA, the Queensland Government and Powerlink for their ongoing support of the project as we seek to finalise negotiations on the project financing."*

This announcement was approved by the full Board of Genex Power Limited.

**For more information about this announcement:****CONTACT:****Simon Kidston**

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Genex Power is a power generation development company listed on the ASX. The Company is focused on innovative clean energy generation and electricity storage solutions which deliver attractive commercial returns for shareholders. The Company has a development pipeline of up to 820MW of renewable energy generation and storage projects within its portfolio, underpinned by the Kidston Renewable Energy Hub in far-north Queensland (**Kidston Hub**). The Kidston Hub is comprised of the operating 50MW Stage 1 Solar Project (**KS1**), the 250MW Pumped Storage Hydro Project (**K2-Hydro**) and the multi-staged integrated Solar Project of up to 270MW (**K2-Solar**) under development and the Kidston Stage 3 Wind Project of up to 150MW under feasibility. In addition, the Company has acquired the 50MW Jemalong Solar Project (**JSP**), located near Forbes in NSW. JSP reached financial close in December 2019 and is under construction with energisation expected in Q4 CY2020. Genex has embarked on the next stage of its storage strategy through the early development of the proposed 50MW/75MWh large scale energy storage system at Bouldercombe in Queensland. This is an exciting opportunity as it leverages the Company's robust understanding of energy storage in Queensland.

Genex continues to acknowledge the support from the Federal Government, through the Australian Renewable Energy Agency (**ARENA**), which provided \$8.9 million in funding to support the construction of the KS1 Project, as well as their support of up to \$9 million in funding to support the development of the stage 2 projects. In addition to this, Genex acknowledges the Northern Australia Infrastructure Facility (**NAIF**) and their Investment decision to offer finance to K2-Hydro through the provision of a long term concessional NAIF debt facility for up to \$610 million.

Genex also recognises the support of the Queensland State Government through providing a 20- year revenue support deed for KS1 and designating the Hub as 'Critical Infrastructure' to the State.