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ASX Limited

Company Announcements Platform

COMMENCEMENT OF UNDERGROUND WORKS AT KIDSTON PUMPED STORAGE HYDRO

Genex Power Limited (**ASX: GNX**) (**Genex** or the **Company**) is pleased to provide the following construction update for the 250MW Kidston Pumped Storage Hydro Project (**K2-Hydro** or the **Project**).

COMMENCEMENT OF UNDERGROUND WORKS – MAIN ACCESS TUNNEL

During December 2021 and January 2022 (the **Period**) extensive works relating to the Main Access Tunnel (**MAT**) for the Project have been undertaken. The commencement of the MAT is ahead of the contract schedule and progressing well.

The MAT makes up a 1.5km long horseshoe profile having dimensions of approximately 6m wide and 6m high. It is graded at 14% (1:7) in a spiral to access the powerhouse cavern which is approximately 250m below ground level. The powerhouse cavern will house the two 125MW Andritz Hydro reversible pump-turbines.

The MAT is constructed using conventional full-face drill and blast excavation methodology, with a single heading taking approximately 6 months to reach the first adit which will provide first access to the powerhouse cavern. Once the first adit is reached, multiple tunnel headings will progress to expedite the powerhouse cavern excavation.

With preparation works for the MAT completed in early 2022 including portal face stabilisation and preparation works, the EPC Contractor joint venture for the Project have formally commenced the underground excavation works with the first major blast for the MAT. Following this milestone, tunnelling operations are now progressing on a 24/7 basis with two shifts per day, which is scheduled to progress the tunnelling works at an average rate of 8m per day over the next 6 months.

CONSTRUCTION UPDATE – ONGOING KEY ACTIVITIES

In addition to commencement of the underground works, site activity continues to ramp-up, with works commenced on the following near term construction milestones:

- Commencement of procurement and manufacture of key turbine components;
- Completion of the blast magazine storage area and access road;
- Near completion of the 22kV distribution line with transformer installed with final connection works still ongoing;
- Ongoing aggregate crushing plant and concrete batch plant operations; and
- Continuation of services reticulation around the site for construction purposes.

UPCOMING KEY CONSTRUCTION MILESTONES

- Commencement of full-scale prototype testing of electrical towers for the 186km 275kV transmission line being constructed by Powerlink Queensland; and
- 22kV electrical connection to Ergon Energy's Kidston substation allowing the removal of temporary electrical connections at the Project site.

The construction program remains on schedule for first generation in Q4 2024.

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

"Following an intense period of site establishment and preparation works, I am delighted that the EPC Contractor JV of McConnell Dowell and John Holland has formally commenced the underground excavation works for the Kidston Pumped Storage Hydro Project. This represents a significant milestone in the project construction timeline which was achieved ahead of schedule. We look forward to working alongside the EPC JV and keeping the market updated as the program continues to push ahead over the course of this year."

Commenting on this construction milestone, McConnell Dowell CEO, Scott Cummins, who attended site this week, said:

"It is pleasing to see this iconic project launch successfully and reach this very important early milestone. McConnell Dowell, together with our EPC partner, John Holland are proud to be working with the Genex team to deliver Australia's first privately developed pumped storage hydro project."



Figure 1: MAT portal face



Figure 2: McConnell Dowell John Holland Underground Tunnelling Supervisor explains the process to McConnell Dowell CEO Scott Cummins



Figure 3: MAT following muck out and descaling operations



Figure 4: Underground Loader mucking out after blasting

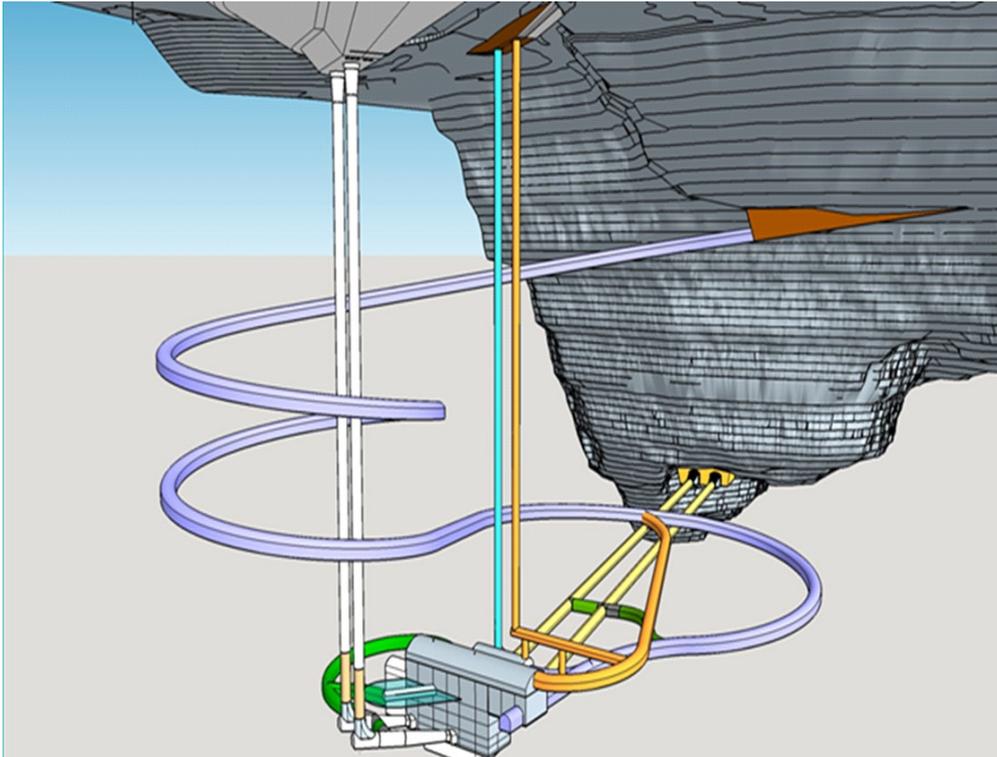


Figure 5: Schematic of the Main Access Tunnel
down to the Powerhouse Cavern

This announcement was approved by the Chief Executive Officer of Genex Power Limited.

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About Genex Power Limited

Genex Power Limited has a portfolio of more than \$1 billion of renewable energy generation and storage projects across Australia. The Company's flagship Kidston Clean Energy Hub, located in north Queensland, will integrate large-scale solar generation with pumped storage hydro. The Kidston Clean Energy Hub is comprised of the operating 50MW stage 1 Solar Project (**KS1**) and the 250MW Kidston Pumped Storage Hydro Project (**K2-Hydro**) with potential for further multi-stage wind and solar projects. The 50MW Jemalong Solar Project (**JSP**) is located in NSW and provides geographical diversification to the Genex Power Limited portfolio. JSP was energised in early December 2020 and is now fully operational. Genex is further developing its energy storage portfolio via the development of a 50MW/100MWh standalone battery energy storage system at Bouldercombe in Queensland. With over 400MW of renewable energy & storage projects in development, Genex is well placed as Australia's leading renewable energy and storage company.

Genex continues to acknowledge the support of key Federal and State Government stakeholders such as the Australian Renewable Energy Agency (**ARENA**), the Northern Australia Infrastructure Facility (**NAIF**), the Clean Energy Finance Corporation (**CEFC**) and the Queensland State Government.