

17th August 2022

ASX Limited

Company Announcements Platform

Receipt of Revised Non-binding, Indicative Proposal

On 25 July 2022, Genex Power Limited (ASX: GNX) (**Genex**) announced that it had received a conditional, non-binding, indicative proposal from Skip Essential Infrastructure Fund¹ and Stonepeak Partners LLC² (together, the **Consortium**) to acquire all of the ordinary shares on issue in Genex (**Genex Shares**) for A\$0.230 in cash per Genex Share by way of a scheme of arrangement (the **Indicative Proposal**).

On 1 August 2022, Genex announced that, while the board of directors of Genex (the **Board**) was not prepared to grant access to the due diligence requested by the Consortium on the basis of the Indicative Proposal, the Board was willing to engage constructively with the Consortium to explore whether the Consortium could submit a revised proposal capable of being recommended to the holders of Genex Shares (**Genex Shareholders**) by the Board.

Genex today confirms that it has received a revised conditional, non-binding, indicative proposal from the Consortium to acquire all of the Genex Shares on issue for A\$0.250 in cash per Genex Share by way of a scheme of arrangement (**Proposed Scheme**) (**Revised Indicative Proposal**). Other than the increased price, the material terms of the Revised Indicative Proposal are the same as the Indicative Proposal.

The Revised Indicative Proposal price represents a premium of:

- 85% to the undisturbed Genex Share price³ of A\$0.135; and
- 92% to the three month⁴ volume weighted average price (**VWAP**) of A\$0.130 per Genex Share.⁵

The Consortium provided the Revised Indicative Proposal following the provision of certain limited due diligence information to the Consortium on a non-exclusive basis.

¹ Skip Enterprises Pty Ltd as trustee for the Farquhar Trust.

² On behalf of certain of its managed funds and affiliated entities.

³ The last closing price of Genex Shares on the ASX on Friday, 22 July 2022 (being the last trading day before Genex announced the receipt of the Indicative Proposal to the ASX on Monday, 25 July 2022) (**Last Undisturbed Trading Date**).

⁴ To and including the Last Undisturbed Trading Date.

⁵ This VWAP excludes trading in Genex Shares by Skip EIF Enterprises Pty Ltd as trustee for the Skip EIF Trust (**Skip EIF Enterprises**) pursuant to special crossings on 21 July 2022 and the Last Undisturbed Trading Date, as disclosed in the Consortium's substantial holder notice dated 25 July 2022.

After careful consideration of the Revised Indicative Proposal (including consultation with Genex's advisers), the Board considers that it is in the interests of Genex Shareholders as a whole to engage further with the Consortium. Accordingly, the Board has decided to provide the Consortium with the opportunity to conduct confirmatory due diligence in order to assist the Consortium to provide a binding proposal to the Board. The provision of due diligence will be on a non-exclusive basis and subject to the terms of a confidentiality agreement between the Consortium and Genex.

If the Consortium provides a binding proposal in respect of the Proposed Scheme at no less than A\$0.250 in cash per Genex Share to the Board, subject to the entry into a scheme implementation agreement acceptable to the Board and no superior proposal emerging, it is the Board's current intention to unanimously recommend that Genex Shareholders vote in favour of the Proposed Scheme (in the absence of a superior proposal and subject to an independent expert concluding (and continuing to conclude) that the Proposed Scheme is in the best interests of Genex Shareholders).

Genex notes that there is no certainty that the provision of the due diligence referred to above will result in the Consortium providing a binding proposal to the Board that is capable of being recommended to Genex Shareholders or that the Proposed Scheme (or any other transaction in relation to Genex and the Consortium) will proceed.

Genex Shareholders do not need to take any action in relation to the Revised Indicative Proposal or the Proposed Scheme. Genex will continue to keep Genex Shareholders informed about the Proposed Scheme in accordance with its continuous disclosure obligations.

Genex is being advised by Goldman Sachs and Gilbert + Tobin in relation to the Proposed Scheme.

This announcement was authorised for release by the Board of Genex.

FOR MORE INFORMATION ABOUT THIS ANNOUNCEMENT:

For Investor Enquiries please contact:

James Harding

Chief Executive Officer

Tel: +61 2 9048 8855

Email: jh@genexpower.com.au

For media enquiries please contact:

Jim Kelly

Domestique Consulting

Tel: +61 412 549 083

Email: jim@domestiqueconsulting.com.au

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 Genex's portfolio. JSP was energised in December 2020 and is now fully operational. Genex's first battery energy storage system, the 50MW/100MWh Bouldercombe Battery Project (**BBP**) located in Central Queensland achieved contractual close in February 2022 and is scheduled to commence operation in mid CY2023. With up to 2,470MW of renewable energy and storage projects in the Company's development pipeline, Genex is well placed in its strategy to become a leading renewable energy and storage company in Australia.

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.