



# Q3 FY23 Investor Presentation

Webinar details as follows:

Date: Thursday, 27<sup>th</sup> April 2023

Time: 11am Sydney time (AEST)

Link: [https://us06web.zoom.us/webinar/register/WN\\_IBY7JCJCQ\\_m1h\\_HI66iVSQ](https://us06web.zoom.us/webinar/register/WN_IBY7JCJCQ_m1h_HI66iVSQ)

**Approved by the Board of Genex Power Limited**

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# Agenda

**01 / Q3 FY23 Results Highlights**

**02 / Committed Portfolio**

**03 / Development Portfolio**

**04 / Industry Backdrop and Strategy**

**05 / Q&A**



**James Harding**  
Chief Executive Officer

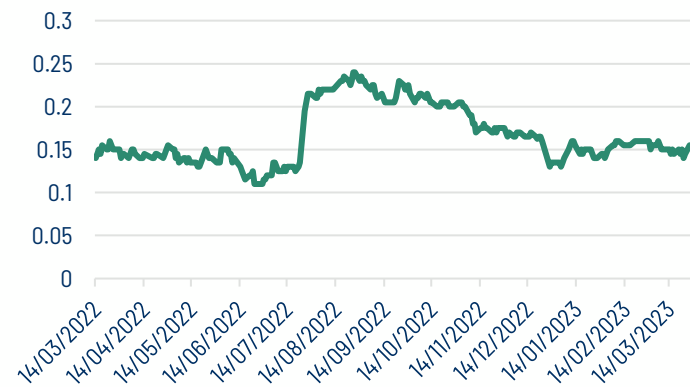


**Craig Francis**  
Chief Financial Officer

# Corporate snapshot

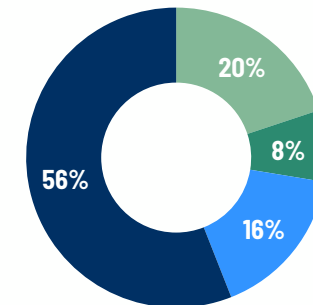
ASX code:	<b>GNX</b>
Shares on issue:	<b>1.385Bn</b>
Market cap (26.04.2023):	<b>\$221.6M</b>
Total debt (31.03.2023)	<b>\$614.1M</b>
Undrawn facilities (31.03.2023)	<b>\$232.2M</b>
Cash (31.3.2023):	<b>\$64.1M</b>

Share price performance



Shareholders

■ Skip Enterprises ■ J-POWER ■ Institutions ■ Other



# Genex 101

**Genex is focused on developing a portfolio of renewable energy generation and storage projects in Australia including large-scale batteries, pumped storage hydro, wind, and solar across QLD and NSW**

## THE >\$1BN PORTFOLIO OFFERS:

<b>100 MW</b>	<b>In Operation</b>
<b>300 MW</b>	<b>Under construction</b>
<b>2.25GW</b>	<b>In Pipeline Assets</b>
<b>785 GWh</b>	<b>Generated</b>
<b>649, 905</b>	<b>Tonnes CO<sub>2</sub> saved</b>

**The first pumped storage hydro project in Australia in >40 years**



**Our purpose is to play a leading role in Australia's transition to a clean energy future through focusing on innovative renewable energy generation and storage projects**

# Portfolio & Funding Snapshot

## KIDSTON CLEAN ENERGY HUB

### Kidston Pumped Storage Hydro (250MW/2,000MWh) (GNX:100%)

**Status:** In construction, energisation end-2024

**Capex:** \$790m

**Funding:** \$610m NAIF debt  
\$47m ARENA grant  
\$133m equity



### Kidston Stage 1 Solar (50MW, 145GWh p.a. P50) (GNX:100%)

**Status:** In operation since Dec-17

**Capex:** \$128m

**Funding:** Portfolio financed with Jemalong  
\$157m senior debt o/s (31.12.2022)  
\$14m subordinated debt o/s (31.12.2022)



### Kidston Stage 3 Wind (258MW) (GNX:50%)

**Status:** In development

**Capex:** TBC

**Funding:** TBC, 50:50 joint venture with J-POWER

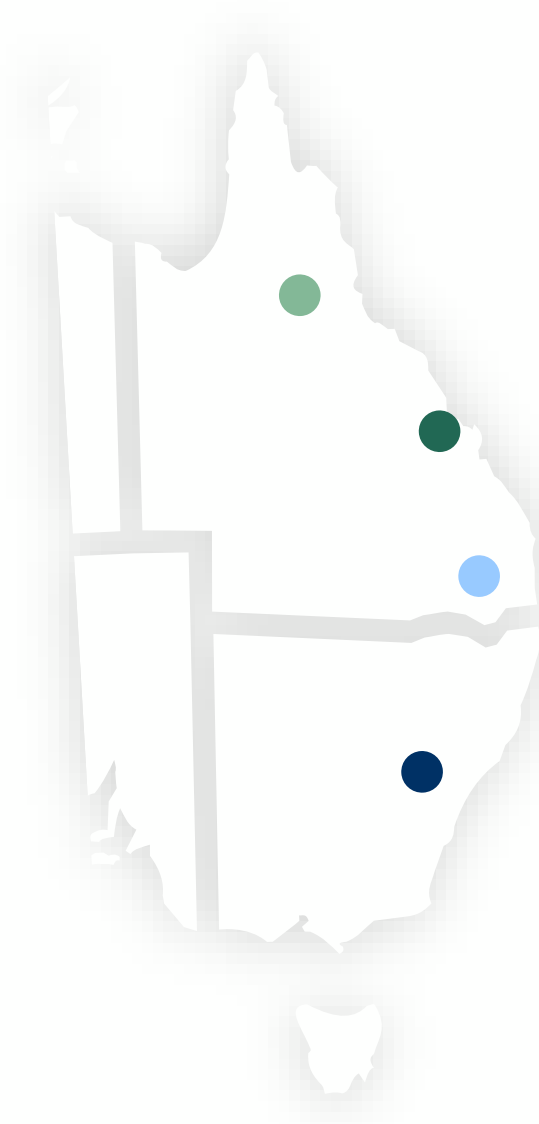


### Kidston Stage 2 Solar (up to 270MW) (GNX:100%)

**Status:** Feasibility

**Capex:** TBC

**Funding:** TBC



### Bouldercombe Battery Project (50MW/100MWh) (GNX: 100%)

**Status:** In construction, energisation mid-2023

**Capex:** \$59m

**Funding:** \$35m Infradebt senior debt (+\$10m LC facility)  
\$24m equity



### Jemalong Solar Project (50MW, 128GWh p.a. P50) (GNX: 100%)

**Status:** In operation since Jul-21

**Capex:** \$108m

**Funding:** Portfolio financed with KS1



### Bulli Creek BESS and Solar Project (up to 2GW) (GNX:100%)

**Status:** In staged development

**Capex:** TBC

**Funding:** TBC



# Q3 FY23 Results Highlights





# Q3 FY23 operational and performance overview<sup>(1)</sup>



## Q3 FY23

total generation of

**60,791MWh**

KS1 generation of

**26,807MWh**

JSP generation of

**33,984MWh**



## Q3 FY23

revenues of

**\$6.0 million**

KS1 revenue of

**\$2.4 million**

average price of \$88/MWh

JSP revenue of

**\$3.6 million**

average price of \$107/MWh



## FY23 YTD

revenues of

**\$19.4 million**



## Cash

position of

**\$64.1 million**

as of 31 March 2023



## Q3 FY23

operating cash flow of

**\$0.7 million**



## 1H FY23

Lost time injury = zero

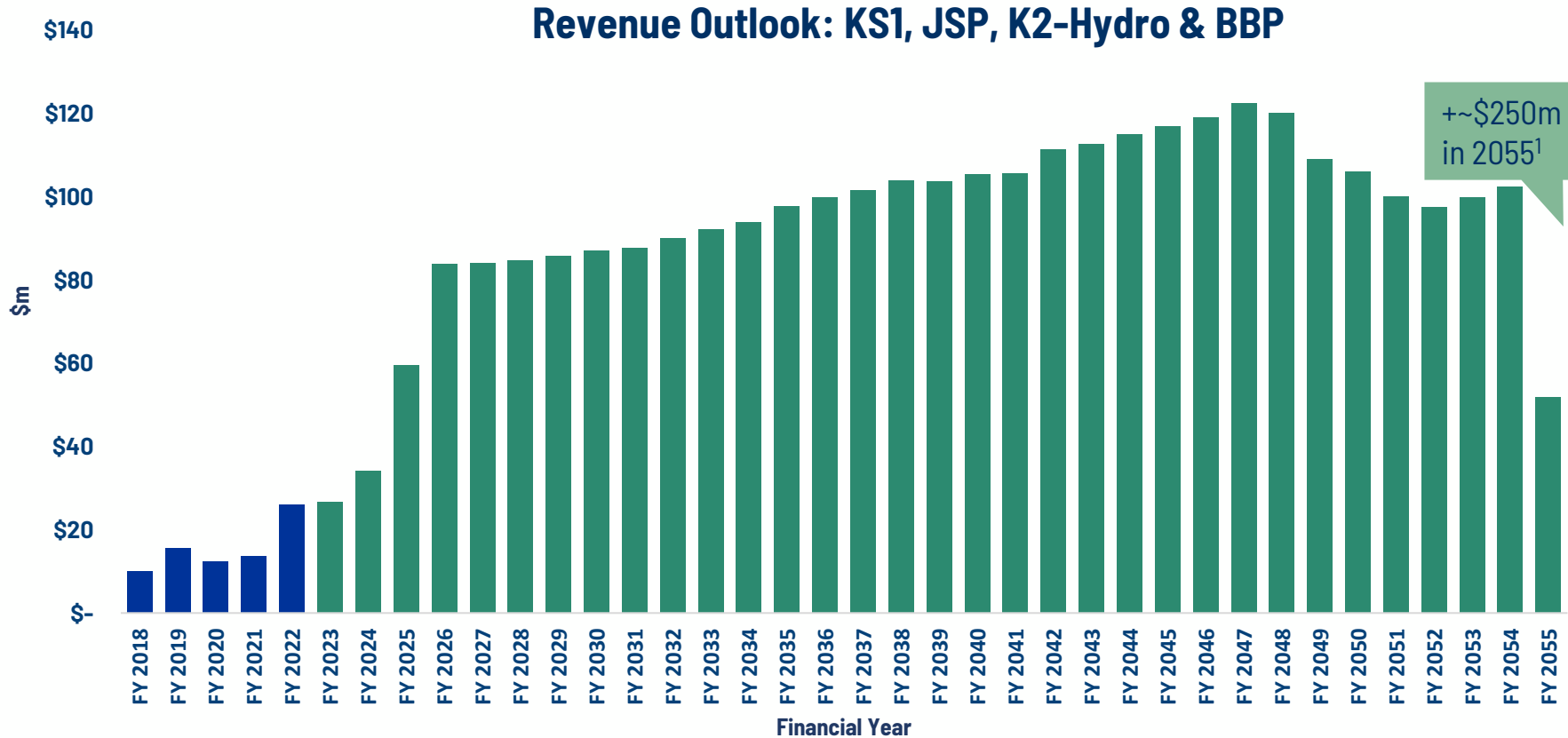
Environmental incident = zero

# Committed Portfolio



# Committed Portfolio Outlook

Contracted volumes deliver **utility like cashflow profile**, supporting our debt and underpinning future dividends and growth



Notes to graph:

- 1) K2-Hydro revenue based upon Energy Storage Services Agreement with EnergyAustralia, including option to acquire K2-Hydro for depreciated book value in 2055;
- 2) KS1 revenue based upon 20 year Revenue Support Deed with Queensland Government;
- 3) BBP revenue based upon Autobidder Offtake Agreement with Tesla and merchant forecast; and
- 4) Merchant revenue forecasts (BBP and JSP) based upon Q2-2022 consultant market models.

Average annual revenue \$95.6m until 2055

**83%**  
Revenue contracted for 30 years

**>73%**  
EBITDA margin

Minimal sustaining capex requirements



# 250MW Kidston Pumped Storage Hydro Project

## Changing the Game

50MW Kidston  
Solar

50MW Jemalong  
Solar

**250MW Kidston  
Pumped Storage Hydro**

50MW  
Bouldercombe

258MW Kidston  
Wind

2GW Bulli  
BESS/Solar



**250MW/2,000MWh**  
pumped storage  
hydro



**First pumped hydro**  
project in Australia  
for 40 years



**Inflation linked offtake**  
agreement for up to 30  
years **with**  
**EnergyAustralia**



**Long term, low fixed**  
**interest rate** debt  
financing from the NAIF  
for **\$610M**



**900 direct**  
**jobs** created



Unlocks the **renewable**  
**generation potential**  
of North Queensland



Strong **financial support**  
from the **Federal** and  
**State Government**



**Fixed price** lump sum  
**EPC contract** with **Tier 1**  
**contractors** McConnell  
Dowell and John Holland



Construction on  
track for **energisation**  
**in H2 CY24**



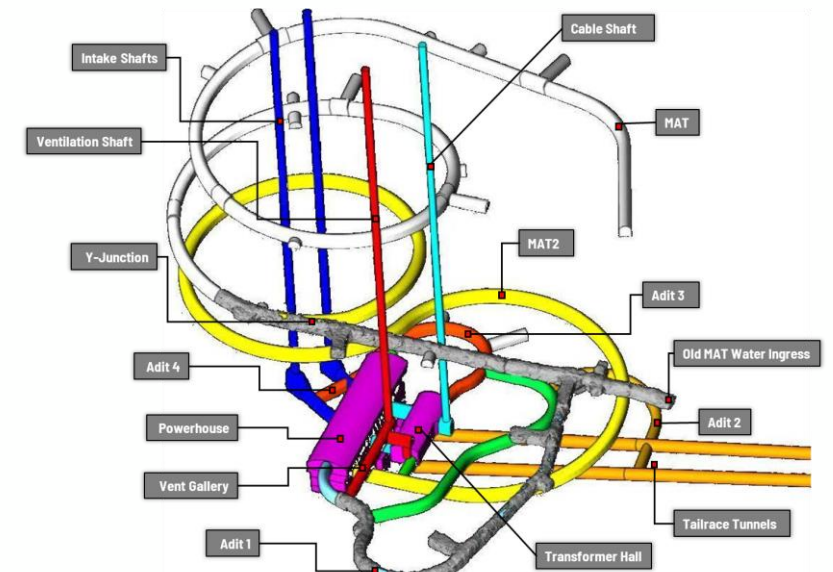


# 250MW Kidston Pumped Storage Hydro Project Project Layout

**During times of peak demand, water discharges from the upper reservoir (Wises Pit) to the lower reservoir (Eldridge Pit) through reversible pump turbines to generate up to 8 hours of continuous electricity**



## Underground works

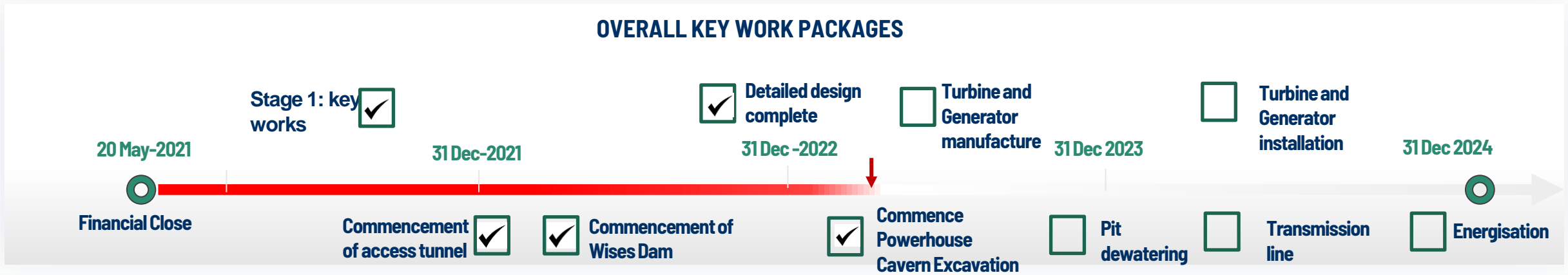




# 250MW Kidston Pumped Storage Hydro Project Construction Update



## OVERALL KEY WORK PACKAGES





# 50MW/100MWh Bouldercombe Battery Project

## Activities Update



**Megapacks** have arrived at the project site



**Balance of plant** on site, installation underway



Construction **on track** for **energisation in Q2 CY2023**

## Project Highlights



**Fixed price** supply and works contracts with Tesla and CPP



**Currencies and interest rates** fully **hedged**



**Innovative** fixed and floating revenue structure with Tesla

**The BBP Project will provide significant exposure to high price volatility events**











# Development Portfolio

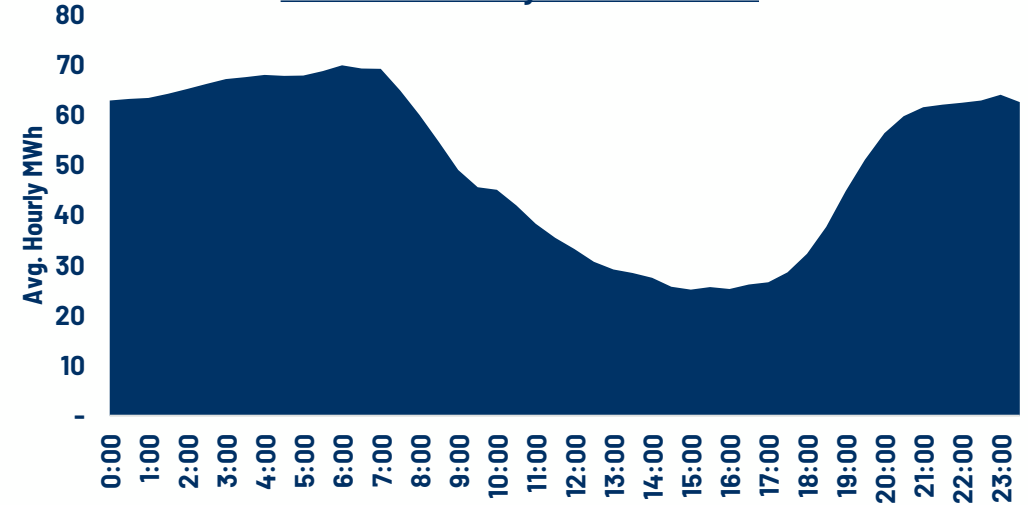


# ~258MW Kidston Stage 3 Wind Project (GNX:50%)

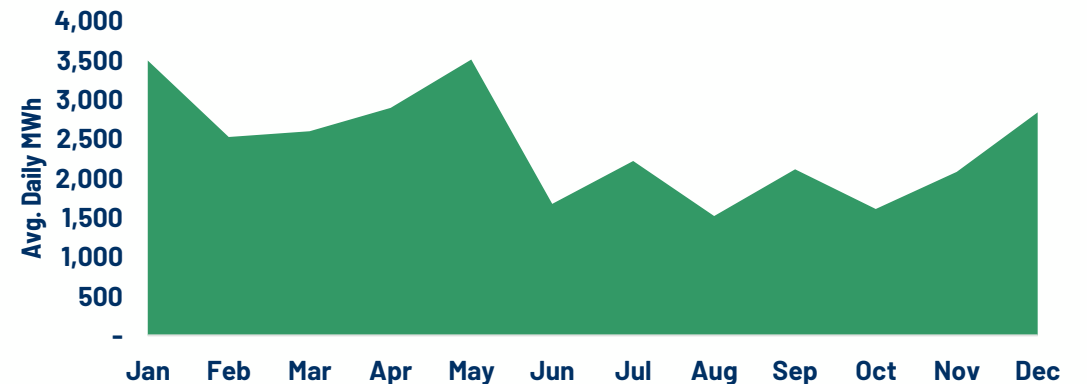
## The K3-Wind Project will complete the **Kidston Clean Energy Hub**

 <p><b>Extensive wind resource</b> monitoring with <b>favourable profile</b> identified</p>	 <p>Transmission capacity has sized the <b>project at circa 258MW</b></p>	 <p><b>Development approvals</b> and <b>EPBC</b> approvals currently underway</p>
 <p>Benefit from <b>existing utilities and infrastructure</b> from the K2-Hydro project</p>	 <p>Targeting the facility to be <b>operational in early 2026</b></p>	 <p><b>JDA signed with J-POWER</b> to earn <b>50% in the project</b></p>

**Kidston Wind - Daily Resource Profile**




**Kidston Wind - Monthly Resource Profile**



# ~2GW Bulli Creek Battery and Solar Project

## Activities Update



Advancement of design **layouts** for **staging options**



Engagement with **offtake counterparties** to inform the staging strategy for the development



**Commencement** of **procurement** processes

## Project Highlights



Proximity to the Queensland–NSW Interconnector; **Strong marginal loss factors**



Up to **400MW BESS**  
Up to **1.6GW Solar**



All **planning, cultural heritage** and **enviro approvals** have been received

**To be developed over several stages with a final investment decision for stage one targeted for 2H CY2024**



Figure 1: BBP Project



Figure 2: Tesla Megapacks at BBP Project



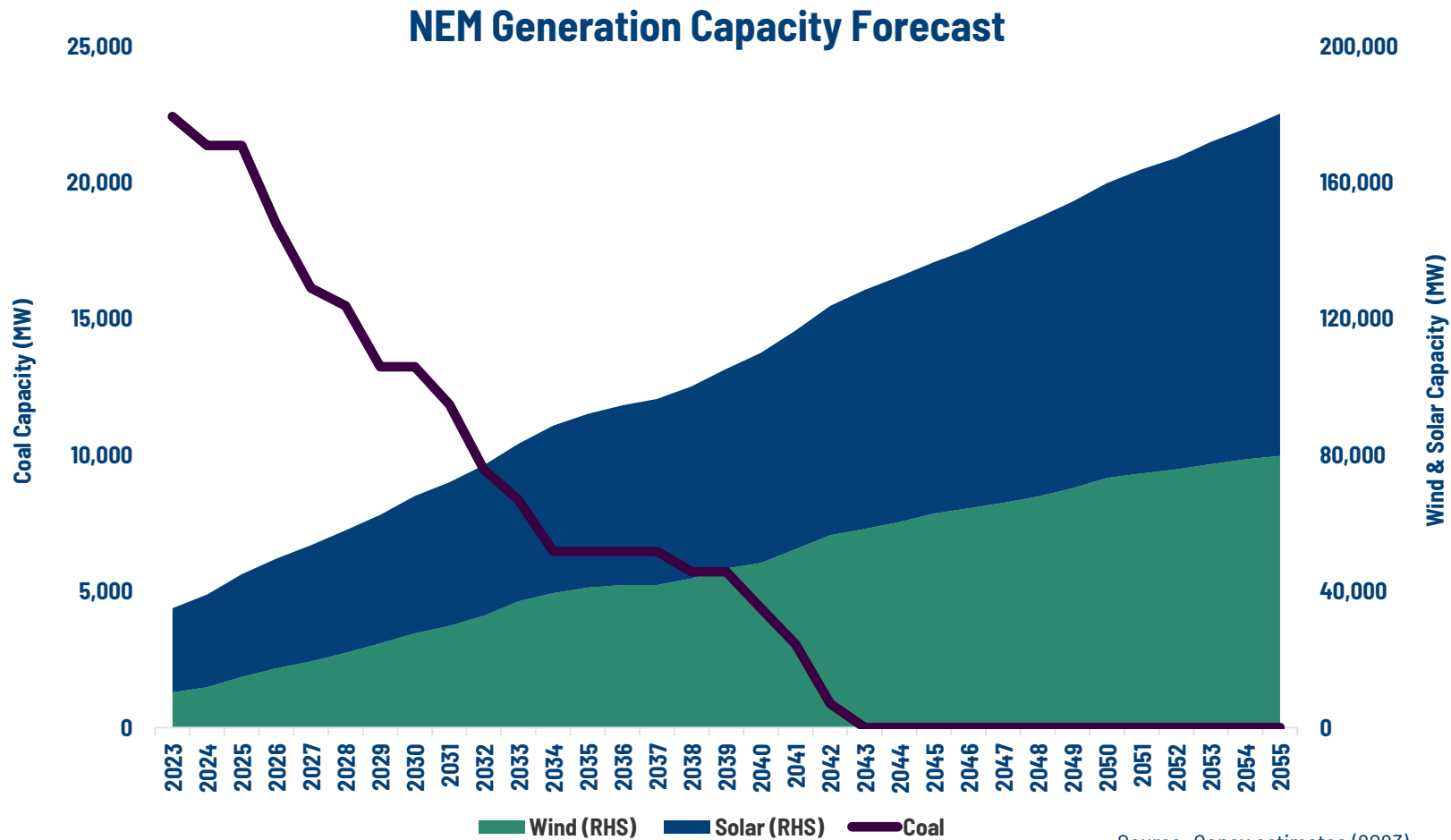
# Industry Backdrop & Strategy





# Renewable energy growth

## The need for storage



Renewable energy is expected to increase to 87% of NEM total power supply in 2045



Growing penetration of renewable generation underpins the business case for storage



Large-scale storage will maximise renewable energy availability (particularly solar)

# Current market dynamics highlight urgent need for storage



High coal and gas prices are resulting in higher marginal pricing in morning and evening peaks when the sun is not shining



Availability issues of older fleet of coal fired power plants impacting reliability of peak generators and reliance on wind and solar

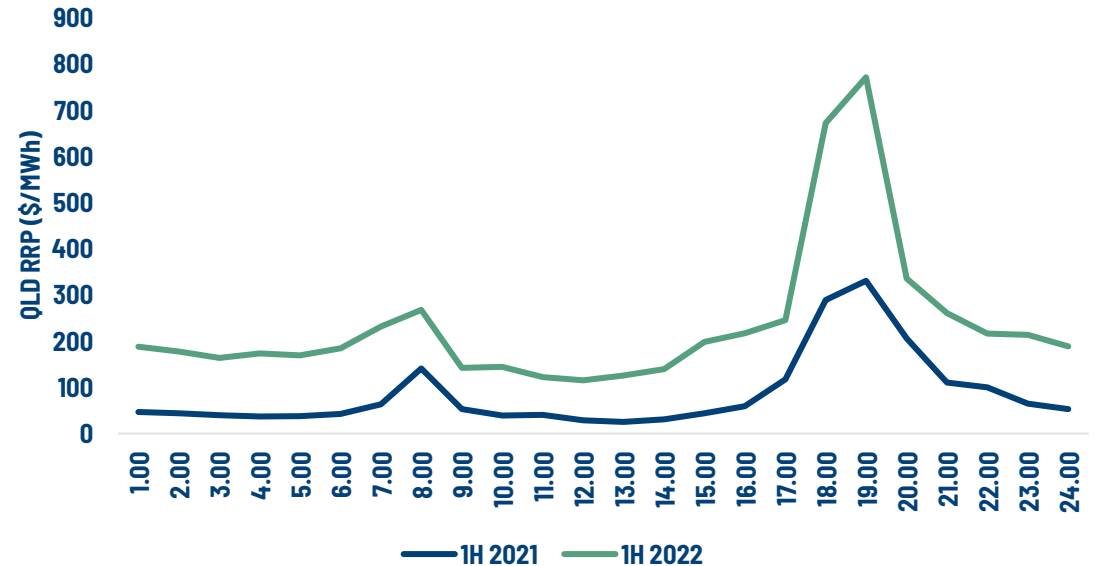


Climate change coupled with extreme weather conditions contributing to price volatility



Price shape has been exacerbated over the last 12 months, highlighting the urgent need for energy storage

### Qld Average Daily Pricing - 1H 2021 vs. 1H 2022

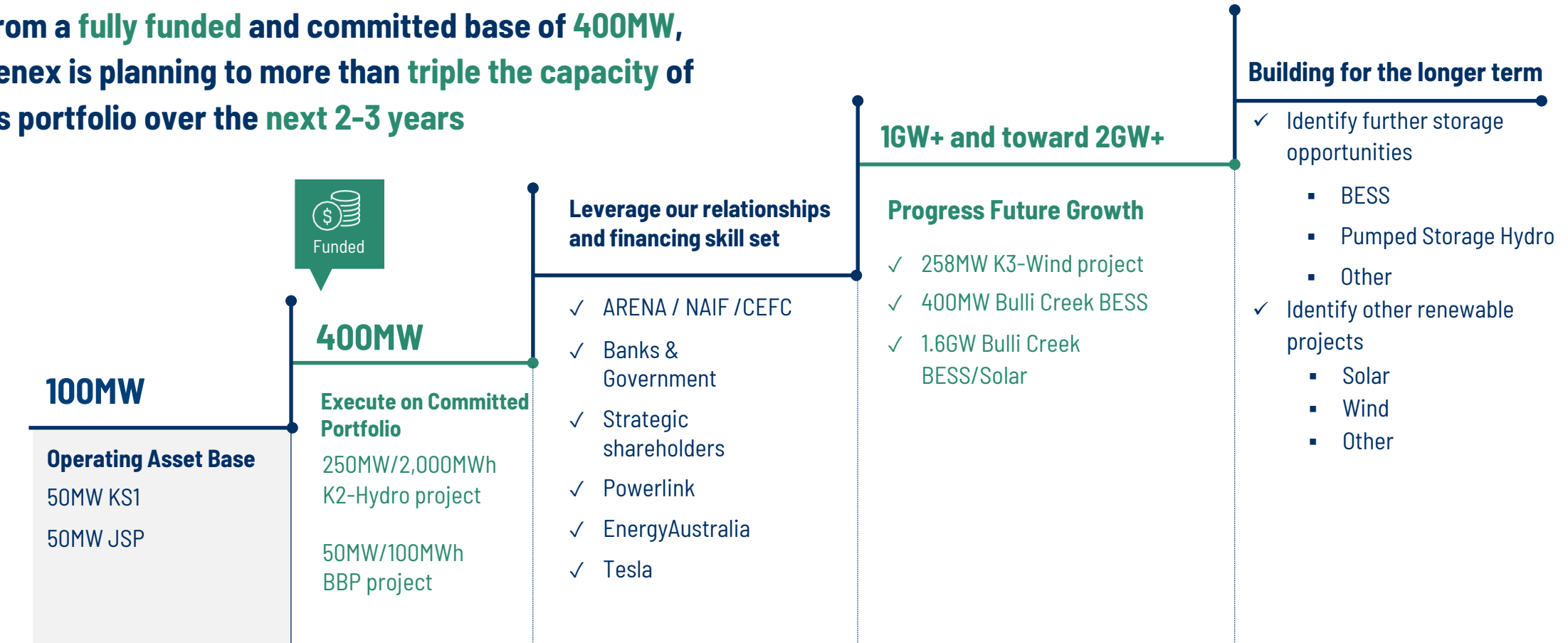


Source: AEMO

**BBP revenue guidance was based upon a Q2 2021 market scenario – since this time the average price spread in QLD has increased by more than 200%**

# Growth strategy

From a **fully funded and committed base of 400MW**, Genex is planning to **more than triple the capacity of its portfolio over the next 2-3 years**



MANAGED RISK PROFILE



RAPID EXECUTION



STRONG CASH GENERATION



HIGH RETURNING PROJECTS

# Key player in QLD's Renewable Energy & Jobs Plan

- Qld Government targeting 80% renewable energy by 2035, with a 90% reduction in electricity emissions
- New energy renewable projects will create 100,000 jobs, with 70% in regional Queensland
- Genex is well placed to assist the QLD Government in achieving these targets



**900 jobs** created for **Kidston Hydro**



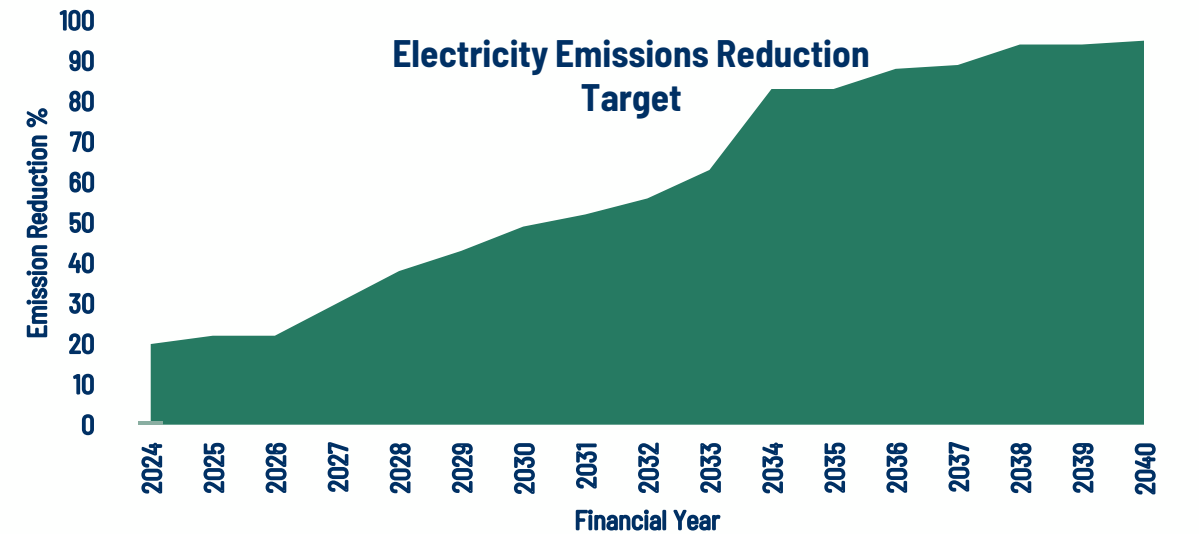
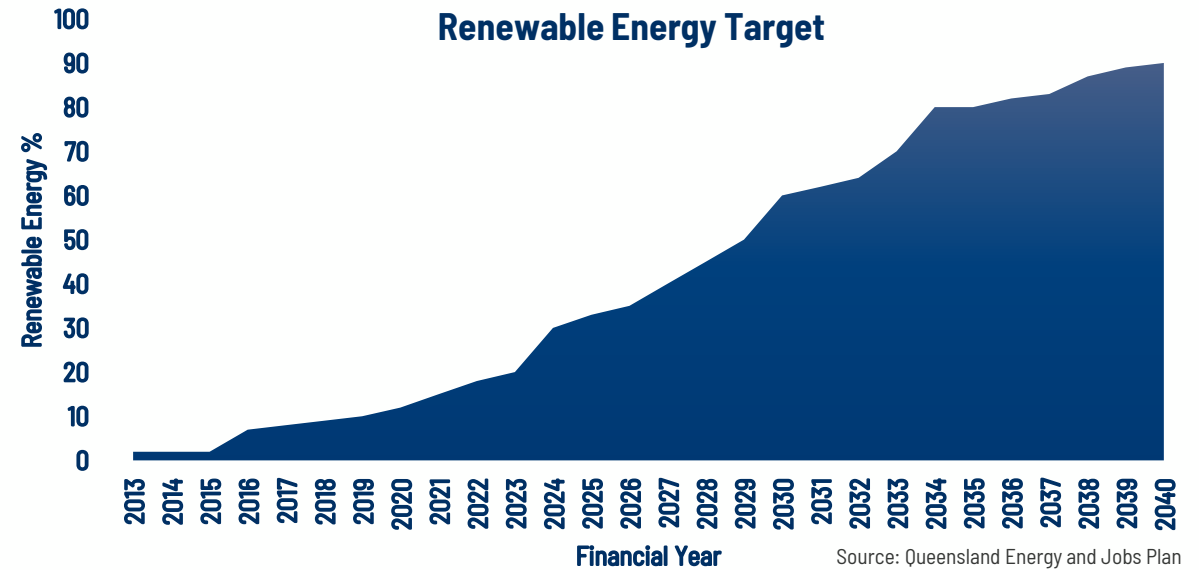
Projects provide **boosts to rural economics**



**2.25GW** in Genex development pipeline



**Strong relationships** with **Qld GOCs**





# Our people, communities and the environment



## People, Health and Safety

- Commitment to managing risk and driving safety leadership through our organisation and ensuring our contractors implement best practice
- Strong focus on diversity and indigenous engagement within our workforce



## Environment

- Strict focus on minimising disturbance
- Commitment to conserving and protecting the environments we operate in
- K2-Hydro converting disturbed mine site to sustainable energy generation
- 2 million tonnes CO<sub>2</sub> abatement by 2025



## Community

- Focus on job creation in our local communities
- Indigenous Engagement Strategy to promote Indigenous employment and procurement for K2-Hydro
- Genex was the lead financial sponsor for the Talaroo Hot Springs (Indigenous enterprise)
- 900 jobs created at Kidston and along the transmission route

# Genex investment highlights

01



**Diverse** Australian Renewable Energy and Storage Portfolio

02



Commitment to **ESG**

03



**Proven Track Record** of Project Execution and Delivery

04



**Strong Relationships** with Tier One Stakeholders

05



**Certainty of Revenue** Via Long Term Energy Contracts

06



Exposure to **improved pricing dynamics**

07



**\$1 Billion portfolio, Fully Funded** to 400MW and Growing

08



Significant Upside From **wind, solar and battery opportunities**

09

Exposure to improved pricing dynamics









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