

30 June 2023

ASX Announcement

Funding Package and JDA Agreed with J-POWER

Genex Power Limited (ASX: GNX) (**Genex** or the **Company**) is pleased to announce it has today entered into a series of agreements with Electric Power Development Co., Ltd and one of its subsidiaries, JPGA Partners Pty Ltd (together, **J-POWER**) for a total funding package of \$44.5 million for the Company. The funds will be applied to replenishment of the contingency for the 250MW/2,000MWh Kidston Pumped Storage Hydro Project (**K2-Hydro**), the development of the multi-stage up to 2GW Bulli Creek Solar and Battery Project (**BCP**) and general working capital.

The funding package reaffirms the Company's strategic partnership with J-POWER as Genex continues to expand its portfolio of renewable energy generation and storage assets in Australia.

Corporate Loan Facility

Genex has entered into a Corporate Loan Facility Agreement with J-POWER for a loan facility of \$35 million (**Facility**). Following the water ingress event at K2-Hydro and associated cost impacts announced on 9 November 2022, the Facility will be principally utilised by Genex to provide an additional standby source of funding for the K2-Hydro contingency. While it may not be needed, the replenishment of the K2-Hydro contingency is considered prudent to ensure that the project is successfully delivered in accordance with its scheduled energisation next year. The Facility will also be drawn to replenish general working capital.

The Facility is secured against Genex's equity interests in the BCP and the 258MW Kidston Stage 3 Wind Project and has a maturity of 31 December 2026.

Joint Development Agreement for BCP

In addition to the Facility, Genex has entered into a joint development agreement with J-POWER for the BCP (**JDA**). Under the terms of the JDA, J-POWER will earn a 50% interest in the BCP by way of providing upfront acquisition funding of \$2.5 million, and a further \$6 million in upfront funding for third party development costs (with 50% of this to be reimbursed by Genex at financial close). Once the initial funding has been utilised, Genex and J-POWER will be contributing to third party development costs in connection with the BCP on a 50:50 basis. By entering into the JDA, Genex and J-POWER are extending the strategic partnership initiated with the ongoing successful co-development of Kidston Stage 3 Wind Project to include this up to 2GW multi-stage solar and BESS project.

Development Funding Agreement

Genex has also entered into a Development Funding Agreement with J-POWER to support the development of the BCP (DFA). Under the DFA, J-POWER will contribute \$1.0 million to Genex to cover the Company's internal costs associated with the development workstreams for the BCP.

Genex CEO James Harding said:

"Today's structured funding package totalling \$44.5 million demonstrates the deepening of an already strong relationship between Genex and J-POWER."

"While the costs of the water ingress event at the Kidston Pumped Storage Hydro Project last year have been fully funded, we consider it prudent that additional funding is secured against any further unforeseen events during the balance of the construction program. The Loan Facility with J-POWER gives us significant buffer to complete the construction of the project and provides a non-dilutionary, cost-efficient means of securing this funding."

"In addition to the Loan Facility, the Joint Development Agreement for the Bulli Creek Project will allow us to fast-track development activities at this exciting project, which represents the next phase in the Company's growth. Given the scale at Bulli Creek, we are pleased to welcome J-POWER as our co-development partner which will not only provide important development funding, but also de-risk the equity financing of each stage of the project through bringing significant power sector capability and balance sheet strength to the partnership."

"This funding will be instrumental in fuelling the growth of our renewable energy portfolio in Australia. On behalf of Genex, I would like to thank J-POWER for their continued support of the Company and its strategy. This collaboration reaffirms our commitment to expanding the reach of sustainable energy generation and storage assets, and together we will continue to focus on leading Australia's transition to a clean energy future."

This announcement was approved by the Board 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 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 a committed portfolio of 400MW and up to approximately 2.25GW 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**) and the Queensland State Government.