

14 February 2017

ASX Announcement

GENEX REACHES PROJECT FINANCIAL CLOSE FOR THE KIDSTON SOLAR PROJECT (PHASE ONE 50MW)

HIGHLIGHTS

- Project Financial Close reached for Kidston Solar Project (Phase One 50MW)
- Approximately \$100m project finance from Clean Energy Finance Corporation and Société Générale
- Project Finance Equity and ARENA Funding in place to fund project development costs
- Project construction remains on target for first generation and cash flow by Q4 2017

Genex Power Limited (ASX: **GNX**) (**Genex** or **Company**) is pleased to announce that it has successfully achieved Financial Close for its Kidston Solar Project Phase One 50MW (**KSP1** or **Project**).

Project Financial Close

Genex has entered into a Debt Funding Arrangement for a total of approximately \$100 million with Société Générale (**Soc Gen**) and the Clean Energy Finance Corporation (**CEFC**), finalising all necessary funding requirements for the Engineering, Construction and Procurement (**EPC**) and the Operation and Maintenance (**O&M**) costs of the Project.

The Project is the latest project to have received finance under the CEFC's large-scale solar financing program, following CEFC's recent \$150 million commitment to three NSW projects (not Genex owned). Additional non-Genex CEFC-financed large-scale solar projects are nearing financial close, with the program on track to exceed its initial \$250 million target.

CEFC Large-Scale Solar lead Gloria Chan said:

"The CEFC is delighted to be part of the Kidston Solar Project Phase One, with our tailored finance helping accelerate the construction and delivery of the 50MW large-scale solar farm on this unique site. Energy storage solutions such as pumped hydro are one of the next steps in our clean energy transition. With the cost of solar generation continuing to decline, we are committed to working with developers such as Genex to finance opportunities that can complement Australia's growing renewable energy capacity, by adding energy storage and grid stability services."

Financial Close for KSP1 occurs following Genex's successful capital raise announced to the ASX on 03 February 2017.

Project Financial Close now ensures construction of the Project remains on track with first generation from the solar panels into the grid expected in Q4 2017 and practical completion in Q1 2018.

In addition to the debt and equity funding, Genex will also draw on \$8.85 million of grant funding from the Australian Renewable Energy Agency (**ARENA**), provided through its Large-Scale Solar Competitive Round, for project development costs (*refer ASX Announcement 8 September 2016*).

ARENA CEO Ivor Frischknecht said the Project would contribute towards ARENA's vision for a smooth transition to a renewable energy future by increasing the reliability and security of renewable energy.

"Kidston holds the tantalising proposition of being Australia's first large-scale solar project capable of delivering renewable energy into the grid around the clock. The plant could potentially contribute towards powering an adjacent 250MW pumped hydro storage plant Genex is developing with ARENA support. This would allow renewable energy to be stored through the day and delivered when needed most," Mr Frischknecht said.

With Project construction underway for KSP1, Genex will turn to securing financial arrangements for its 250MW Kidston Pumped Storage Hydro Project, as well as the completion of technical feasibility studies for its 270MW Kidston Solar Project (Phase Two).

Project Summary

KSP1 will produce approximately 145,000MWh each year, providing enough energy to power 26,484 Australian homes entirely with renewable energy, offsetting 120,000t of CO₂ per annum, equivalent to removing up to 33,000 cars off Australian roads. Genex has entered into a 20-year Revenue Support Deed with the Queensland State Government, as part of its Solar 150 Program. The program guarantees a minimum energy floor price (*refer ASX announcement 8 September 2016*). All energy produced will be supplied directly into the National Electricity Market (**NEM**).

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About Genex Power Limited:

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. Genex is currently pursuing a number of unique energy development opportunities across Australia. With the financial closure of its 50MW Kidston Solar Project, the Company's focus will now move onto the development of its 250MW Kidston Pumped Storage Hydro Project and the Kidston Solar Project Phase Two 270MW located at the Kidston Renewable Energy Hub, in Northern Queensland.

About ARENA

ARENA was established by the Australian Government to make renewable energy technologies more affordable and increase the supply of renewable energy in Australia. Through the provision of funding coupled with deep commercial and technical expertise, ARENA provides the support needed to accelerate the development of promising new solutions towards commercialisation. ARENA invests in renewable energy projects across the innovation chain and is committed to sharing knowledge and lessons learned from its portfolio of projects and information about renewable energy. ARENA always looks for at least matched funding from the projects it supports and to date has committed \$1.1 billion in funding to more than 270 projects. For more information, visit www.arena.gov.au.

About the Clean Energy Finance Corporation:

The Clean Energy Finance Corporation invests, applying commercial rigour, to increase the flow of finance into the clean energy sector. Our mission is to accelerate Australia's transformation towards a more competitive economy in a carbon constrained world, by acting as a catalyst to increase investment in emissions reduction. We do this through an investment strategy focused on cleaner power solutions, including large and small-scale solar, wind and bioenergy; and a better built environment, with investments to drive more energy efficient property, vehicles, infrastructure, and industry. The CEFC also invests with co-financiers to develop new sources of capital for the clean energy sector, including climate bonds, equity funds, aggregation facilities and other financial solutions. The CEFC operates under the Clean Energy Finance Corporation Act 2012. For more information, visit cleanenergyfinancecorp.com.au.

About Société Générale

Société Générale is one of the largest European financial services groups. Based on a diversified universal banking model, the Group combines financial solidity with a strategy of sustainable growth, and aims to be the reference for relationship banking, recognised on its markets, close to clients, chosen for the quality and commitment of its teams.

Société Générale has been playing a vital role in the economy for 150 years. With more than 145,000 employees, based in 66 countries, we serve on a daily basis 31 million clients throughout the world. Société Générale's teams offer advice and services to individual, corporate and institutional customers in three core businesses:

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- **Retail banking in France** with the Société Générale branch network, Credit du Nord and Boursorama, offering a comprehensive range of multi-channel financial services at the leading edge of digital innovation;
 - **International retail banking, insurance and financial services to corporates** with a presence in developing economies and leading specialised businesses;
 - **Corporate and investment banking, private banking, asset management and securities services**, with recognised expertise, top international rankings and integrated solutions.

Société Générale is currently included in the main sustainability indices: DJSI (World and Europe), FTSE4Good (World and Europe), Euronext Vigeo (World, Europe and Eurozone), Ethibel Sustainability Index (ESI) Excellence Europe, 4 of the STOXX ESG Leaders Indices, MSCI Low Carbon Leaders Index.