



ASX Announcement

14 January 2016

GENEX POWER THROUGH TO FINAL ROUND OF ARENA LARGE-SCALE SOLAR FUNDING AWARD PROGRAM

Genex Power Limited (ASX: GNX, **Genex** or **Company**) is pleased to announce that it has been advised by the Australian Renewable Energy Agency (**ARENA**) that the Company has been successful in the Expression of Interest (EOI) stage of ARENA's large-scale solar photovoltaics competitive funding round. The Company has now been invited to submit a full application to ARENA in respect of the first 50MW phase of the Company's 150MW large-scale Kidston Solar project.

On 9 September 2015, ARENA announced that at least 4, and as many as 10 new large-scale solar farms, will be built across Australia with the help of \$350 million in funding to be jointly provided by ARENA and the Clean Energy Finance Corporation (CEFC). Under the initiative, ARENA will commit up to \$100 million for separate grants of up to \$30 million and the CEFC will commit up to \$250 million to support projects with loan requirements of \$15 million or more. The CEFC announced that their financing initiative is designed to provide successful ARENA grant recipients with an opportunity to secure long-term debt finance to support their projects.

The EOI round of the ARENA competitive program, which included Genex's proposal, exceeded expectations, attracting a total of 77 expressions of interest for approximately \$1.1 billion in funding, for projects across Australia worth more than \$5.5 billion. Of the 77 submissions, 22 proponents have been selected to submit full project applications by 15 June 2016.

Genex is currently working actively with its partners to fast track the development of the Kidston Solar project. The Company is targeting for "shovel ready" status for the project in 1H 2016. The Kidston Solar project is situated within the highest solar radiation region of Australia and, importantly, is the only project site in the region which is connected to the existing transmission network. The project site benefits from extensive existing onsite infrastructure.

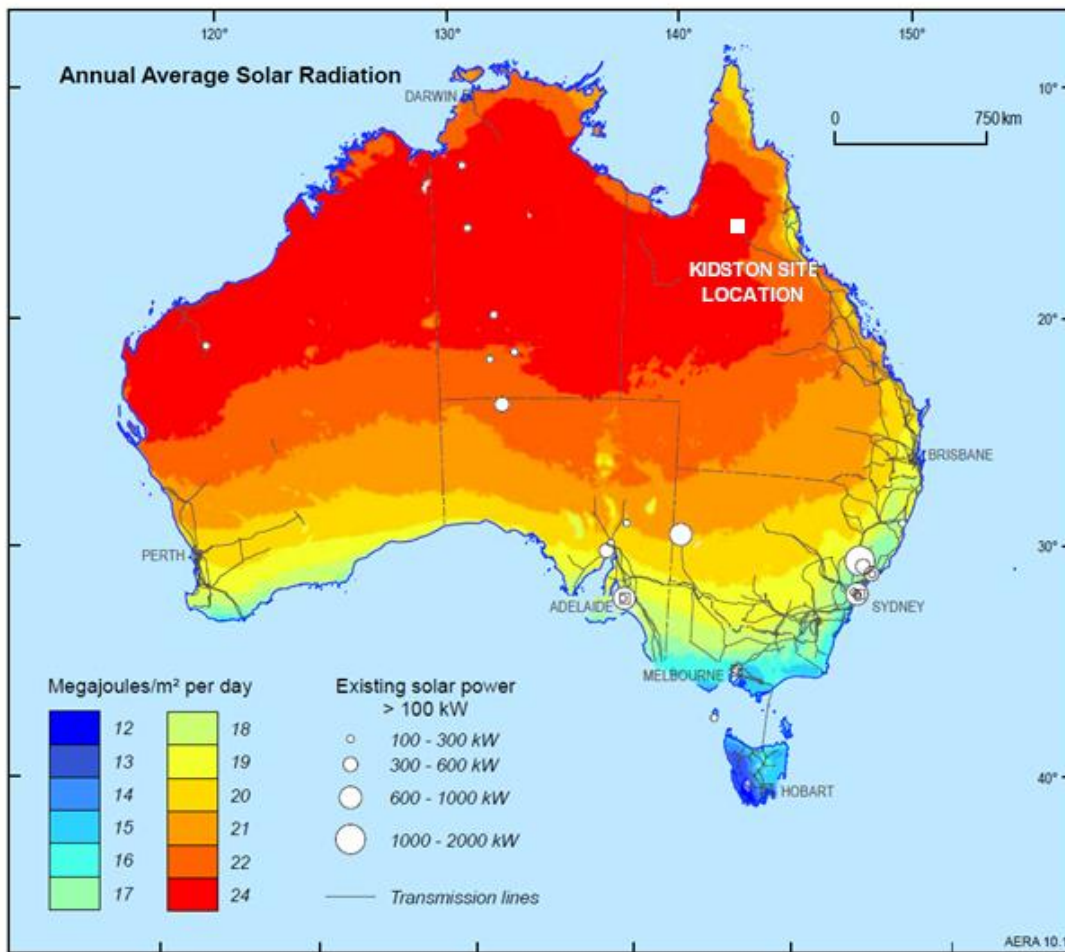


Figure 10.1 Annual average solar radiation (in MJ/m²) and currently installed solar power stations with a capacity of more than 10 kW

Source: Bureau of Meteorology 2009; Geoscience Australia

Figure 1: Kidston Solar Project located within the highest solar radiation region of Australia

Genex has received strong support from the local community for the project, which is expected to provide a stable source of renewable energy for fringe-of-grid communities in northern Queensland. The construction of the project will bring a large number of jobs to the area and will provide a significant boost to the local economy.

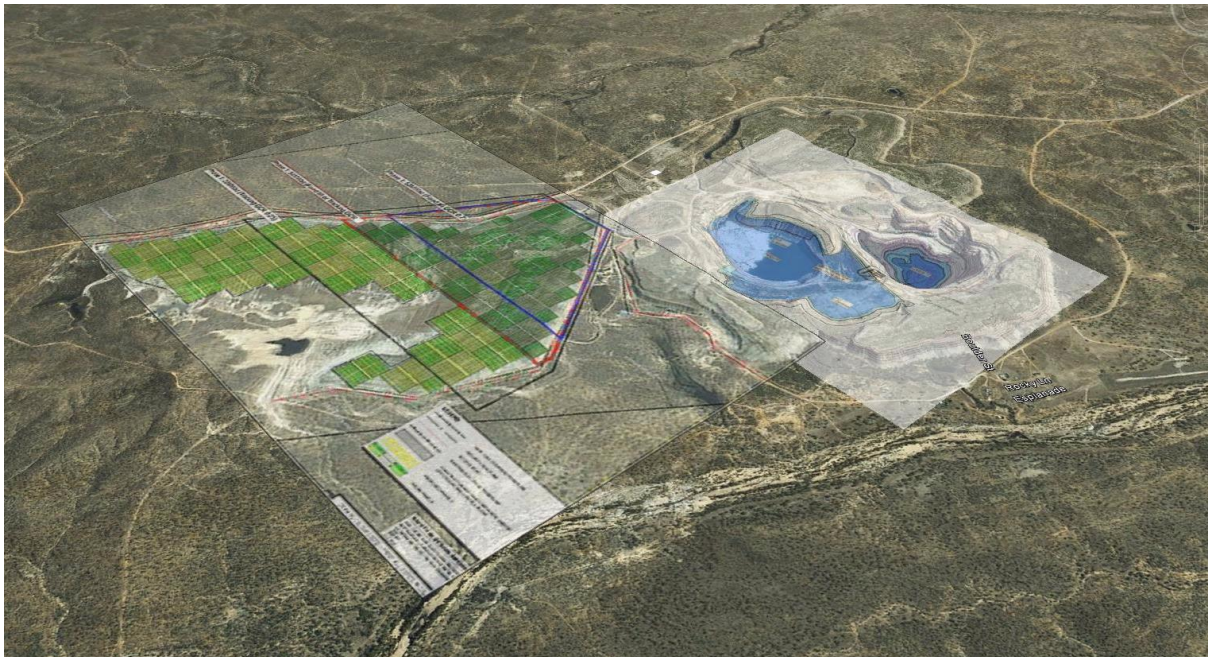


Figure 2: Kidston Solar Project co-location with the Kidston Pumped Storage Project

Commenting on the landmark ARENA solar funding proposal, Genex's Managing Director, Michael Addison said:

"We are understandably delighted that Genex has made it through to the final stage of this highly competitive solar funding process. We believe this is a testament to the unique advantages and benefits of the Kidston Solar project and we would like to extend our sincere thanks to ARENA for their vote of support to date.

The announcement follows ARENA's recently announced commitment to provide \$4 million of funding support for our pumped storage scheme, and evidences the quality of Genex's energy initiatives and the level of confidence that the government holds in our ability to deliver these projects successfully, and in a timely manner.

The need for large-scale energy storage as a counterbalance to large-scale renewable energy generation, which is inherently intermittent by nature, is now well recognised. We believe that Genex is at the forefront of this new thinking, which will lead to a cleaner and more secure energy future for Australia."

CONTACT:

Michael Addison
Managing Director
Tel: +61 2 9993 4411
Email: ma@genexpower.com.au

Simon Kidston
Executive Director
Tel: +61 2 9993 4443
Email: sk@genexpower.com.au

About Genex Power Limited:

Genex Power is a power generation development company listed on the ASX. The Company is focussed 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.

The Company's current focus is on the development of its large-scale Kidston hydro pumped storage power generation project located in Northern Queensland. Following acquisition of the January site in June 2014 and completion of the associated pre-feasibility study, the Company has now secured funding in order to undertake a full Bankable Feasibility Study (BFS). The BFS will determine the economic and technical merits of developing its proposed flagship project.

The Company is also progressing a feasibility study for a 150 MW large scale solar PV project at the Kidston site.

About ARENA

ARENA was established by the Australian Government to make renewable energy technologies more affordable and increase the amount of renewable energy used in Australia. ARENA invests in renewable energy projects, supports research and development activities, boosts job creation and industry development, and increases knowledge about renewable energy. ARENA is currently supporting more than 200 projects and is actively seeking new projects to support.