

## ASX Announcement

7 April 2016

### QUARTERLY ACTIVITIES REPORT FOR THE QUARTER ENDED 31 MARCH 2016

#### HIGHLIGHTS

- Through to Final Round of ARENA Large-Scale Solar Funding Award Program;
- Granted Freehold Ownership of Kidston Project Site;
- Development Approval Received for the Kidston Solar PV Project;
- Appointment of Mr Yongqing Yu from Zhefu as Non-Executive Director;
- Shortlisting of EPC Proposals for the Kidston Solar Project;
- Kidston Declared a Prescribed Project by the Queensland State Government; and
- Receipt of almost \$1.6m in ARENA Funding Instalments.

Genex Power Limited (**ASX: GNX, Genex** or the **Company**) is pleased to provide shareholders with an update on its activities during the first quarter of the 2016 calendar year ended 31 March 2016. The March quarter proved to be extremely busy for the Genex team as outlined in the highlights above, with a number of significant milestones achieved.

#### Kidston Site:

Genex's projects are being recognised as having the potential to meet the need for large-scale energy storage to underpin/support the development of large-scale renewable energy generation in Queensland, which is inherently intermittent by nature. Genex's new way of thinking about how to deliver a cleaner and more secure energy future for Australia has received solid support from the Queensland Government which was evidenced during the quarter with the project achieving two major milestones:

- the conversion of the Kidston energy project site in North Queensland from Crown leasehold status to freehold ownership; and
- the declaration by the Hon. Dr Anthony Lynham, Minister for State Development in Queensland, of Genex's Kidston Project as a '**Prescribed Project**' pursuant to section 76E of the *State Development and Public Works Organisation Act 1971 (Qld)*.

#### Kidston Solar Project:

The Kidston Solar Project continues to advance towards delivery of a Feasibility Study in the near future with numerous milestones achieved during the quarter including:

- On 14 January 2016 Genex announced that it had 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 and has 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. The EOI round of the ARENA competitive program attracted 77 expressions of interest (including Genex's) for approximately \$1.1 billion in funding, for projects across Australia worth more than \$5.5 billion. Of the 77 submissions, 22 proponents were selected to submit full project applications by 15 June 2016 and Genex is working towards completion of this application at present;
- The Etheridge Shire Council approved Genex's Development Application for the Kidston Solar Project. Commenting on the approval at the time of the announcement, Genex's Managing Director Michael Addison said:  
*"Genex appreciates the support of the Etheridge Shire Council. The Project is expected to employ a significant number of people in the local area and the Project continues to enjoy strong community support. This milestone is another step for Genex in developing the Kidston site as an important energy hub for the state of Queensland."* and
- The Feasibility Study (**FS**) for the first 50MW stage of the Kidston Solar Project is well advanced and on track for completion in 2Q 2016. Alongside the FS, a competitive tender process was run to tender for engineering design, procurement and construction (**EPC**) of the initial 50MW Stage One of the project. 2 EPC tender proposals were shortlisted to progress to the next stage of EPC contract negotiations. The 2 short listed parties were selected out of a total of 7 high quality proposals received by the Company.



Figure 1: Illustrative concept design of the Kidston Solar Project

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Corporate:

Genex has now also received almost \$1.6m pursuant to the funding agreement with ARENA announced to the ASX on 18 December 2015. The agreement provides for funding up to \$4m to be applied towards detailed feasibility work associated with the Company's Kidston Pumped Storage Hydro Project.

Genex continues to promote the Company at appropriate opportunities and the Board is pleased to advise that the Company's Executive Director, Simon Kidston, will present Genex at Proactive's Spotlight CEO Investor Sessions in Melbourne and Sydney as follows:

**Melbourne – Tuesday, 12<sup>th</sup> April 2016 from 12-noon to 2.30pm**

CQ Melbourne, Events Room 1 (113 Queen Street, Melbourne)

**Sydney – Wednesday, 13<sup>th</sup> April 2016 from 12-noon to 2.30pm**

Radisson Blu Hotel, Marble Room (Cnr. Pitt and O'Connell Street, Sydney)

Shareholders can contact Proactive Investors and register for free by Monday, 11<sup>th</sup> April 2016.

Mr Kidston has also recently recorded an interview with CommSec Market Analyst, Mr Tom Piotrowski, in relation to an update on Genex's Kidston Solar Project. The video can be viewed on the Company's website at [www.genexpower.com.au](http://www.genexpower.com.au) by clicking on the 'Investors' tab and then 'Broadcasts' tab or by clicking on the below hyperlink:

[Genex Commsec Interview](#)

During the quarter the Company also released its half year accounts for the 6 month period to 31 December 2015 and announced the appointment of Mr Yongqing Yu as a Non-Executive Director. Mr. Yu is the Vice Chairman of Shenzhen listed Zhefu Holding Group Co. Ltd., one of the largest hydroelectric electrical and mechanical equipment manufacturers in China with a market capitalisation of approximately USD \$1.95billion and Genex's largest shareholder. Yongqing has been a key member of Zhefu since the company's inception. He is a senior engineer and has extensive hydro experience. Yongqing has been involved in many significant projects including the Shuangling Hydropower Project in Liaoning Province, the Wanmipo Hydropower Project in Hunan Province and the Changzhou Hydropower Project in the Guangxi Zhuang Autonomous Region of China. Mr Yu's technical expertise and experience in working with large scale international projects significantly strengthens the Genex Board's already robust level of technical, industry and corporate experience.

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**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 hydroelectric pumped storage generation project and its large-scale solar PV project located in Northern Queensland.