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ASX Announcement

KIDSTON PUMPED STORAGE HYDRO McCONNELL DOWELL / DOWNER JV SELECTED AS PREFERRED EPC CONTRACTOR

HIGHLIGHTS

- **McConnell Dowell / Downer JV Selected as Preferred EPC Contractor**
- **Early contractor involvement (ECI) process to accelerate project development and reduce cost**
- **Clear pathway to Financial Close in 2018**

Genex Power Limited (**ASX: GNX**) (**Genex** or **Company**) is pleased to provide an update in relation to the development of the 250MW Kidston Pumped Storage Hydro (**K2-Hydro**) project at Kidston, North Queensland. The K2-Hydro project is part of the overall Kidston Stage 2 (**K2**) project, which includes a co-located 270MW solar PV project (**K2-Solar**).

Following engagement with a number of leading EPC contractors, Genex has selected a Joint Venture between McConnell Dowell Constructors (Aust) Pty Ltd (**McConnell Dowell**) and Downer EDI Limited (**Downer**) as Preferred EPC Contractor. Leading hydro and electrical consultants Norconsult and GHD Australia are technical advisers to the joint venture.

McConnell Dowell has an extensive global EPC track record in respect of hydro projects, especially those involving tunnelling and underground excavation, including the most recent major hydro power development in Australia and other remote hydro projects in the Asia Pacific region.

Downer has been selected jointly by Genex and McConnell Dowell as the JV partner, on the basis of its strong balance sheet and complementary strengths in mechanical/electrical/civil engineering and grid connection, and operations and maintenance capabilities.

Genex will now work with the Preferred EPC Contractor as part of the early contractor involvement (**ECI**) process (announced on 20 October 2017) to complete final design optimisation and the full EPC and O&M contracting process for the K2-Hydro project. This will include a competitive tender process to secure the electro-mechanical equipment package (including Francis reversible pump /generator turbine machines), which will be held in November 2017 with invitations extended to a number of Tier 1 hydro turbine suppliers.

Genex has determined that an ECI process is the most appropriate means to ensure the timely development of the K2 project while minimising costs associated with a full EPC tender process.



Above: Genex COO, Arran McGhie signing the ECI contract with McConnell Dowell and Downer.

Genex Managing Director Michael Addison said:

“The McConnell Dowell / Downer JV is a very strong partner to deliver the Kidston Pumped Storage Hydro Project. As a combined force, the JV has a complementary skill set and a long track record of delivering hydro projects around the world, a strong balance sheet and proven project delivery capabilities – factors which are likely to materially contribute to the bankability and successful implementation of the project.”

The Federal Government, through the Australian Renewable Energy Agency has continued to support the K2-Hydro project. To date, Genex has drawn down a total of approximately \$2.85 million of its \$4.0 million ARENA funding facility in relation to the project.

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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. Following Financial Close of the 50MW Kidston Solar Project (Stage One), the Company's focus is on the development of its 250MW Kidston Pumped Storage Hydro Project and the integrated 270MW Kidston Solar Project (Stage Two) 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.