

CEFC FINANCE HELPS CONVERT QUEENSLAND GOLD MINE TO SOLAR, WITH PUMPED HYDRO STORAGE ON THE HORIZON

14 February 2017

The CEFC has confirmed another major new investment in North Queensland, with \$54 million in finance for an innovative large-scale solar development that also has the potential to spearhead a new pumped hydro storage project.

Genex Power Ltd has secured \$54 million in debt finance from the Clean Energy Finance Corporation for the development of the Phase One 50MW large-scale solar farm at its Kidston Renewable Energy Hub, 270km north west of Townsville. The solar farm is expected to lead to the Phase Two development of a pumped hydro storage project on the same site.

The innovative project is based around the former Kidston gold mine. The project will be the first of its kind in Australia to co-locate a large-scale solar farm with a large-scale pumped hydro storage project, creating a combined generation and storage model that can be used elsewhere. By using clean energy to extend the life of the disused gold mine site, the Kidston project also creates a potential model for other disused mine sites around Australia.

“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,” CEFC Large-Scale Solar lead Gloria Chan said.

“This substantial solar farm is ideally located in an area of high solar penetration, and will be able to produce enough energy to meet the needs of almost 26,500 homes once it starts generating power later this year.”

In a statement to the ASX today, Genex said that with full project construction underway for Phase One of the Kidston project, it will now turn to securing financial arrangements for the 250MW Kidston Pumped Storage Hydro Project.

Genex Managing Director Michael Addison said: “Genex was pleased to work closely with the CEFC on the financing of Phase One of the Kidston Renewable Energy Hub. As an ASX-listed company focused on renewable energy generation and storage, we are pleased to partner with the CEFC to develop this project. The development of the Kidston Renewable Energy Hub is an important step in the transition of the Australian economy to a clean, low carbon economy.”

The Kidston project is the latest to have received finance under the CEFC’s large-scale solar program, following its recent \$150 million commitment to three NSW projects. Further CEFC-financed large-scale solar projects are nearing financial close, with the program on track to exceed its initial \$250 million target.

Following the success of the large-scale solar program, the CEFC is now looking to finance the accelerated development of flexible capacity and large-scale storage projects.

Ms Chan added: “Energy storage solutions such as pumped hydro are the next step in our clean energy transition. With the cost of solar generation continuing to decline, we are committed to working with developers to finance opportunities that can complement Australia’s growing renewable energy capacity by adding energy storage and grid stability services.”



Genex estimates that on completion, the 250MW pumped hydro storage project will support 1,500MWh of continuous power in a single 6-hour generation cycle. While large-scale pumped hydro storage has a proven track record overseas, there are only three projects operating in Australia at Tumut and the Shoalhaven in NSW and at Wivenhoe in Queensland.

ABOUT THE CEFC

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 GENEX POWER

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 diverge to 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. For more information, visit genexpower.com.au