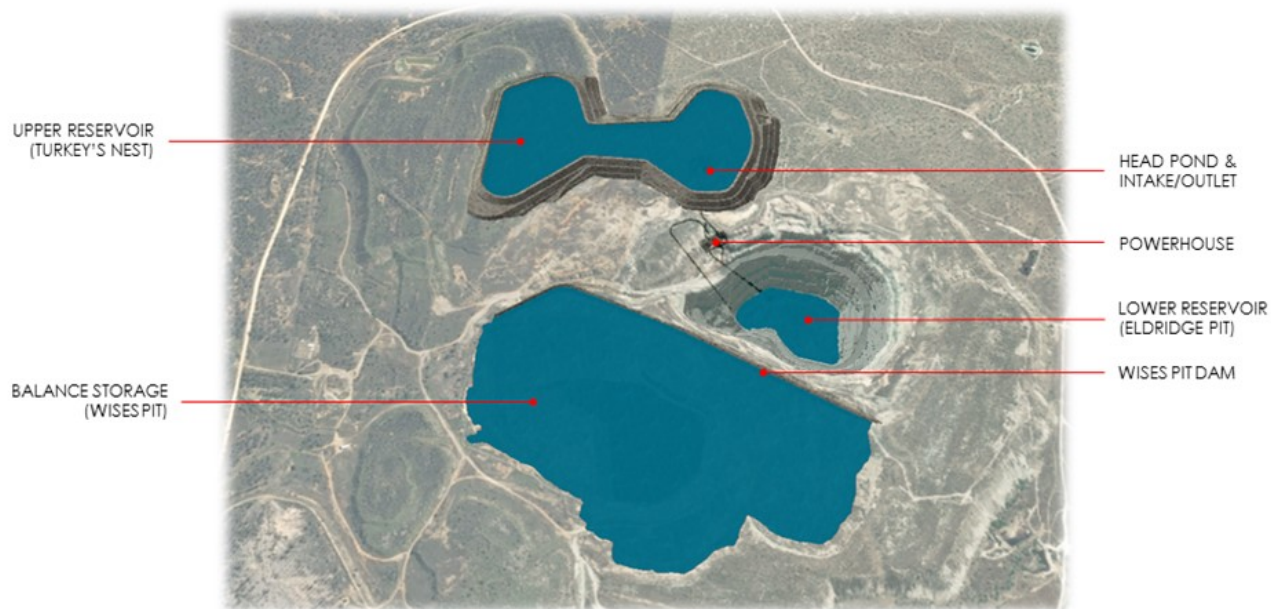


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Genex Power Ltd

GNX: GENEX POWER'S INITIAL SOLAR POWER PHASE ONE (50MW) PROJECT AT FINANCIAL CLOSE, PART OF ITS PLANNED 320MW SOLAR POWER PROJECTS. ALSO GNX'S PUMPED STORAGE HYDROELECTRIC PLANT, 3RD LARGEST IN AUSTRALIA (AFTER SNOWY HYDRO AND WIVENHOE) GETS UNDERWAY AT FORMER KIDSTON GOLD MINE - UPPER AND LOWER PITS BECOME PUMPING STATIONS, COPPERFIELD DAM ADD'L RESERVOIR, GOOD EXISTING INFRASTRUCTURE. RETURNED TO THE BOARD ON FEB 3 AFTER RAISING \$8 MLN AT 16C. PRESTIGIOUS MANAGEMENT



Genex Power Ltd is building Australia's third largest Pumped Storage Hydroelectric (PSH) project, smaller only than the Snowy River 1500MW Tumut 3 and 500MW Wivenhoe, QLD projects - using the "readymade" facilities offered by the old Kidston mine site in Queensland - including two tailings dams, one acting as the lower reservoir (Eldridge Pit) and one acting as a balancing storage (Wises Pit), with an additional Turkey's Nest Dam to be constructed on the waste rock dump of the old gold mine. In addition, the 2050 ML Copperfield Dam becomes a further means of water supply in the event of severe drought.

Significant infrastructure also exists already at the site and so is the connection to the national grid.



(The Kidston mine has very hard granite rock, which is suitable for a hydro electric power scheme. For example, coal mines tend to have soft rock. The weight of water against rock in hydro electric power schemes is incredible - which also rules out most underground mines).

Genex Power's first 50MW solar power plant has reached financial close.

A 270MW Solar Project is in addition to the first 50MW Solar Project (labelled Phase 1 and 2 to differentiate the two projects on the same site) - for 320 MW of total solar power planned.

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The Phase 1 50MW solar power project has reached financial close and will be used for direct energy supply to the NEM.

The Phase 2, 270MW project will be used to power the pumped storage hydro project during the day to minimise grid power usage.

Solar power

The first phase (50MW solar power project) raised the \$120 million required, aided by the recent \$7.5 million capital raising at 16c per share. The solar power generated by the 50MW plant, located in one of the highest solar radiation areas of Australia, will feed into the National Energy Metering (NEM). The first phase 50MW solar power project will power 26,484 homes, offsetting 120,000 tonnes of CO2 per year and increase the total renewable energy generation in Queensland by 5.5%.

The second phase 270MW solar power project will offset 648,000 tonnes of CO2 per year.

Hydro electric power

The hydro electric power project has been designed to support 1,500MWh of continuous power generation in a single generation cycle (250MW of peaking power generation over a 6 hour period) to be sold directly into the NEM.

Accommodation and catering facilities, roads, fencing, diesel storage facilities, electricity and water are available at site, a water pipeline from the Copperfield Dam to the Kidston site exists, existing water rights to draw up to 4,650l of water annually from the Copperfield Dam are in place, there is an onsite power distribution substation and significant building materials are also on site.

The hydro power project is planned to be ready by 2020.

Beneficial in its ability to supply electricity at peak times, significantly lower cost due to existing infrastructure - and with next to no negative environmental impact - Canaccord in a November 8 2016 report saw the potential value of the shares at \$1.69 per share, with a risked valuation of 75c.

Genex Power has formed a strategic alliance with Zhefu Hydropower International Engineering Corporation Ltd of China, that has taken a 20% equity interest in the company.

For stages 2 and 3, Genex is working closely with government - ARENA is very supportive - as well as looking at all avenues of funding.

WHAT THE BROKERS SAY

Morgans (broker to the float) , Cannaccord, Select Equities and Under The Radar follow the company.

Canaccord in a comprehensive report dated November 8 2016 said, "We have financially modeled the company's projects, generating a potential valuation of \$1.69/share. However we have risked the projects to reflect timing, funding and possible equity sell downs to derive a risked valuation of \$0.75".

The broker added, "Within the renewable energy sector, it stands out as having a clear investment/market opportunity with big upside potential. While the company is small and has significant funding requirements to develop its projects, we believe debt financing will be available and a number of infrastructure funds are likely to be keen investors in Genex's projects. Potential cash flow of \$39 million in 2020 also illustrates the upside".

*Under The Radar placed a "spec buy" on Genex Power on November 24, no target price.

*Select Equities placed a "spec buy" on the company with no target price on November 16.

*Morgans did not rate the company in its flash note of November 8.

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Financials

On Feb 3 2017 Genex returned to the boards, closing at 20.5c, after announcing completion of a placement raising approximately \$5 million before expenses and an underwritten non renounceable pro rata entitlement offer to raise approximately \$3 million.

Moneys raised are to fund financial close on Kidston Solar Project Phase One and to continue the development of the Kidston 250 MW Pumped Storage Hydro Project, to advance the development of the Kidston Phase Two Solar Project and to provide general working capital.

Morgans Corporate Ltd and Canaccord Genuity (Australia) Ltd were joint lead managers to the capital raising.

Code	GNX		
Last Traded price (cents)	17.5		
Shares Issued (m's)	256.2		
Options Issued (m's)	47.2		
Unsecured Convertible Notes \$m's	2.5		
Market Cap (\$m's)	44.8		
Year ended June 30, Values in \$000's			
INCOME	2016	2015	
Operating Revenue	790	83	
Operating (Loss)	(7,083)	(3,053)	
Net (Loss)	(7,083)	(3,053)	
(Loss) Per Share (Cents)	(4.45)	(3.26)	
BALANCE SHEET	2016	2015	
Current Assets	7,283	10,807	
Non Current Assets..	8,232	7,627	
Current Liabilities	4,049	4,601	
Non Current Liabilities	3,948	3,570	
Net Assets & Shareholders' Funds	7,518	10,263	
Intangibles			
Net Tangible Assets	7,518	10,263	
Gearing (Net of Cash) %	nil	nil	
NTA per share (cents)	4.2	6.5	
Shares Issued (m's)	180.3	158.4	
Cash Flows:	2017 Int.	2016	2015
Cash on hand (at open)	4,180	10,669	239
Operating Activities	(3,088)	(9,738)	(2,173)
Investing		(4,410)	
Financing Activities	11,491	7,659	12,603
Exchange Rate Impacts			
Cash on hand at Year end	12,583	4,180	10,669
Raised \$8m 3rd Quarter 2017			

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Board and Management

Dr. Ralph Craven, BEPhD, FIEAust, FIPENZ, FAICD, Chairman

Dr. Craven is an electricity sector specialist with respected credentials in energy, transmission infrastructure, power generation and electricity retailing. Dr. Craven is the current Chairman of Stanwell Corporation Limited, the largest electricity generation company in Queensland. Dr. Craven is also the Non-Executive Director of Senex Energy. His former executive roles include Chief Executive Officer and Chairman of Ergon Energy Corporation Limited, Chief Executive Officer of Transpower New Zealand Ltd, Executive Director of NRG Asia-Pacific and General Manager Power Marketing and Development with Shell Coal Pty Ltd.

Michael Addison, BSc (Eng), MPhil (Oxon), MAICD, FAIM, Managing Director

Michael is a water engineer with experience in large dam, spillway and water reticulation systems design. He also has considerable international corporate finance experience, having spent many years as an investment banker with three globally recognised investment banks. Subsequent to transitioning into mainstream corporate management in the early nineties, Michael held a number of senior executive positions on the Boards of publicly listed companies on each of the London, Johannesburg and Australian Securities Exchanges. In these roles he developed deep expertise in the management and running of listed companies and an intimate working knowledge of the regulatory, legal and governance environments in which listed companies operate. Michael is a former Rhodes Scholar, has an Oxford University postgraduate degree in Management Studies, is a Fellow of the Australian Institute of Management and a Member of the Australian Institute of Company Directors.

Alan du Mée, MSc, MBA, FAIM, FAICD, MIIE, Director

Mr du Mée has deep operational experience in power generation operations and development. He was Chief Executive Officer of Tarong Energy, a major Queensland power company which is now part of Stanwell Corporation Limited. While at Tarong Energy, Mr du Mée was responsible for the development of Tarong North power station in Queensland, the Starfish Hill windfarm in South Australia and the sale of 50% of the Tarong North power station to a Japanese consortium. He also had responsibility for the 600MW Wivenhoe Pumped Storage Plant, the second largest hydro pumped storage plant in Australia. Alan is a past Chairman of the Australian National Generators Forum and a past Director of BHP Engineering. Mr du Mée is also a director of A Solid Foundation Pty Limited, and has been engaged by Glencore Xstrata to assist it with its clean coal development strategy.

Simon Kidston*, BCom, Grad. Dip. Applied Finance and Investment, MAIDC, Executive Director

Simon Kidston has an investment banking background with more than 20 years global experience with groups such as Macquarie Bank, HSBC and Helmsec Global Capital. Simon is a co-founder and Executive Director of Genex Power, and has responsibility for project finance and business development. He is currently engaged with banks and potential equity partners to finalise the funding arrangements for the 50MW Kidston Solar Project and the co-located Kidston Pumped Storage Hydro Project. He has a Bachelor of Commerce degree from Griffith University, a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia and is a Member of the Australian Institute of Company Directors.

*The Kidston name is more than a coincidence! Simon's great great grandfather was Premier of Queensland in the early 1900's, and the mine was named after him.

Ben Guo, BCom, Finance & Accounting (Hons 1st), Finance Director

Ben has over 10 years management experience in Australia. He held senior operational roles at Carabella Resources and Estrella Resources. Ben has previously worked at PricewaterhouseCoopers and Ernst and

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Young. Ben is currently a finance PhD candidate at the University of New South Wales. He is also fluent in both Mandarin and English.

Yongqing Yu, Non-Executive Director

Mr. Yongqing Yu is the Vice Chairman of Shenzhen listed Zhefu, one of the largest hydroelectric electrical and mechanical equipment manufacturers in China and Genex's largest shareholder. Mr. Yu 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.

Justin Clyne, LL.M (UNSW), ACIS, AGIA, Company Secretary

Justin is a qualified Chartered Company Secretary. He was admitted as a Solicitor of the Supreme Court of New South Wales and High Court of Australia in 1996 before gaining admission as a Barrister in 1998. He had 15 years of experience in the legal profession acting for a number of the country's largest corporations, initially in the areas of corporate and commercial law before dedicating himself full-time to the provision of corporate advisory and company secretarial services. Justin is a director and/or secretary of a number of public listed and unlisted companies. He has significant experience and knowledge in international law, the Corporations Act, the ASX Listing Rules and corporate regulatory requirements generally.

Arran McGhie, B.Eng (UQ), GradDip (Applied Fins/Investment), Chief Operations Officer

Arran has over 20 years experience in project delivery of large underground mine development and urban infrastructure projects, in Australia and overseas including Malaysia, Indonesia, Singapore and Hong Kong. Arran acquired a Bachelor of Engineering (Mining) from the University of Queensland in 1994 and Graduate Diploma of Applied Finance and Investment from the Australian Securities Institute in 1998. Over the course of his career, Arran has worked for a number of Australia's largest construction companies including Lend Lease (formerly Baulderstone Hornibrook), John Holland, CPB Contractors (formerly Leighton Contractors) and Thiess, in a variety of project delivery roles including Project Development, Project Management and Business Development. Arran was involved in the construction of the Olympic Dam Expansion Project and Newcrest's Ridgeway Gold Project. He also held key roles on the construction of the Cross City Tunnel (\$600 million) and Lane Cove Tunnel (\$1 billion) projects in Sydney as well as the Northern Sewerage Project (\$600 million) in Melbourne. Prior to joining Genex, Arran played a key role in the negotiation of a \$150 million mining services contract for Thiess with Antafagasta Minerals in Chile.

James Harding, BA Hons (Cantab), MA (Cantab), MBA, Executive General Manager

James has 30 years' experience in the international project business, having been involved with the development, financing and implementation of major capital projects around the world. Prior to joining Genex, James was a Director and Head of Business Development at Abengoa Solar Power Australia, a world leader in commercial solar thermal energy and photovoltaic technology. He has previously worked in Australia, Europe and Asia, as General Manager Renewables with IPS Australia and MAN Ferrostaal (part of MAN AG), with the German utility RWE as Regional Director for development projects in South-East Asia, and in a variety of business development and management roles with the Kloeckner Group. He started his career in the project and export financing division of Kleinwort Benson, the UK merchant bank.

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Substantial Shareholders

(may change following the recent issue)

Zhefu Hydropower 17.6%

Rivonia Pty Ltd (Addison Family super fund) 15.25.5%

KFT Capital Pty Ltd 9.8%

Downing Domain Investments Pty Ltd (Downing Family a/c) 7.178%

The Top 20 hold 69.24% of the company

Updates / Responses for companies featured in TPI

BNO: Merck & Co to pay \$US10 mln for drug trial for treatment of Alzheimer's

On February 3 Bionomics reported that Merck & Co, as part of the research collaboration and license agreement announced in June 2014, will pay a \$US10 million milestone payment for one of BNO's drug candidates, selected by Merck for trial. (Bionomics has a deal with Merck worth up to \$US506 million on milestones in R&D plus additional potential royalties on sales).

TPI issue of Jul 15 2016, BNO was trading at 31c. 2nd report Jan 20 2017. BNO was at 36.5c. BNO recently traded at 37c

CDY: Key patent allowed in EU, following US allowance last week

Cellmid Ltd on February 7 announced following the allowance by the US Patent and Trademark Office last week, the European Patent Office has issued Notice of Allowance for patent application entitled "Method of Treating or Prevention of Hair Loss or for Enhancement of Hair Growth. The European midkine alopecia patent will expire in February 2031. It adds to allowances for the patent in the US, Japan, Australia and the UK for the same patent family.

TPI issue of Aug 12 2016. CDY was trading at 3.3c. CDY recently traded at 3.2c

CFO: Patent agreement adds pitch-based graphite carbon foam products to m'fr

Cfoam Ltd announced on February 9 that through its US subsidiary Carbon Innovations LLC (C1) it has signed a commercial patent license agreement with UT-Battelle LLC for the production of pitch-based, graphite carbon foam products. C1 will manufacture and sell these products under the PFOAM product line.

The addition of the PFOAM product line complements and enhances C1's two core product lines of CFOAM*20 and CFOAM*30, managing director Michael Placha said.

TPI report of July 8 2016. CFO was pre-listing at 20c. CFO recently traded at 50c