

# Genex Power Ltd

## (GNX \$0.185) Buy

EUROZ

Analyst	Date	Price Target
Jon Bishop	5 <sup>th</sup> November 2019	\$0.30/sh ▼ from \$0.70/sh

### Pumped Hydro Project Substantially Delayed – Change to Valuation & Price Target

#### Investment case

Whilst the EA announcement and the resulting lengthy delay to reaching financial close for Kidston Stage 2 Pumped Hydro storage development is disappointing, the GNX stock is oversold. We see greater upside than downside risk based on our SOTP Valuation for the operating Kidston Stage 1 Solar Project and the Jemalong 50MW Solar Project, due to reach financial close shortly. Further to which, we are of the view that the groundswell of political and stakeholder goodwill, will see the project go ahead in time. Uncertainty on timing and form of commercial agreements to underwrite the Pumped Hydro development has prompted us to remove it (and Kidston Stage 2 Solar) from our Valuation for now. However, but we believe that with time, GNX will increasingly understand the framework and therefore timing to restructure the Project and its funding. The market will then start to re-impute value for Kidston Stage 2. This will be ahead of the current share price and the fair value for the remaining assets, based on our analysis. We retain our Buy recommendation as a consequence.

#### Key points

- Energy Australia (“EA”) has advised that its parent entity cannot agree to the proposed offtake period of 30yrs (per the original Term Sheet ann. Dec 2018) for the Pumped Hydro Storage Development;
- Consequently, financial close will not be reached in CY’19;
- This will result in both the J-Power Subscription Agreement and NAIF concessional project loan approval lapsing by Dec 31, 2019;
- The market has rightly discounted the Pumped Storage and Stage 2 Solar projects for nil value at this time;
- However, we view that the sell-off is overdone given the underlying value of the operating Kidston Stage 1 and developing Jemalong 50MW Solar projects substantiates 28cps on our analysis:
  - The current 18.5cps share price represents the net value for Kidston Stage 1 project (and corresponding Balance Sheet) only;
  - Jemalong – due to reach financial close shortly – adds a further net 10cps fully financed;
- Our Valuation reduces to \$0.28/sh (from \$0.65/sh) primarily after removing Kidston Stage 2 projects;
- Over the medium term, we believe that Stage 2 Hydro (and therefore Solar) will occur, given the support of the State & Federal Govt (and assoc. dept ie NAIF, Powerlink etc), EA and J-Power;
- We set a \$0.30/sh Price Target and retain our Buy recommendation.

Genex Power Ltd	Year End 30 June	
Share Price	0.185	A\$/sh
Price Target	0.30	A\$/sh
Valuation	0.28	A\$/sh

Shares on issue	402	m, diluted
Market Capitalisation	74	A\$m
Enterprise Value	235	A\$m
Debt*	-180	A\$m
Cash	19	A\$m
Largest Shareholder	Zhefu Hydropower	8.9%

*\*assumes financial close of Jemalong*

Production F/Cast	2019a	2020f	2021f
Attrib. Power Gen (GWh)	115.5	114.3	183.2

Assumptions	2019a	2020f	2021f
Guaranteed Price Rec.(\$/MWh)	88	88	88
Electricity Price inflation	1.5%	1.5%	1.5%

Key Financials	2019a	2020f	2021f
Revenue (A\$m)	16	12	23
EBITDA (A\$m)	4	6	17
NPAT (A\$m)	-9	-3	3
Cashflow (A\$m)	0	1	9

CFPS (Ac)	0	0	2
P/CFPS (x)	200.3	135.1	8.0

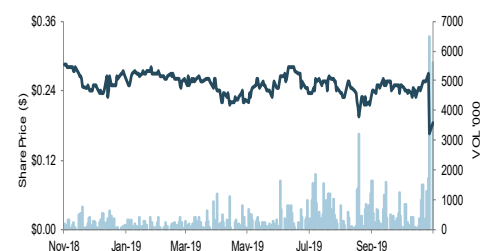
EPS (Ac)	-2	-1	1
EPS growth (%)	na	na	na
PER (x)	na	na	26.8

EV:EBITDA (x)	57.2	37.6	13.6
EV:EBIT (x)	na	198.2	19.4

DPS (Ac)	0.0	0.0	0.0
Dividend Yield (%)	0%	0%	0%

ND:Net Debt+Equity (%)	33%	17%	19%
Interest Cover (x)	0.1	0.1	1.2

#### Share Price Chart



#### Disclaimer

Euroz Securities declares that it has acted as underwriter to and/or arranged an equity issue in and/or provided corporate advice to Genex Power Ltd during the last year. Euroz Securities has received a fee for these services.

#### Euroz Securities Limited

All information and advice is confidential and for the private information of the person to whom it is provided and is provided without any responsibility or liability on any account whatsoever on the part of Euroz Securities Limited or any member or employee thereof. Refer to full disclaimer at the end of this document.

## Genex Power Ltd

(GNX \$0.185) Buy

### Analysis

GNX provided an update regarding its Kidston Stage 2 Pumped Hydro energy storage development stating that financial close will no longer be reached in CY'19, due to EAs parent entity being unable to assume the 30yr offtake 'liability' on its Balance Sheet.

The impact of this announcement is significant in that it will result in both the J-Power Subscription Agreement (ann. Jun 2019) and NAIF concessional project loan approval (ann. July 2019) lapsing by Dec 31, 2019 (unless extended).

### IMPACT

The market has rightly discounted the Pumped Storage and Stage 2 Solar projects for nil value at this time;

However, we view that the sell-off is overdone given the underlying value of the operating Kidston Stage 1 and developing Jemalong 50MW Solar projects;

We assess that the current share price represents the net value for Kidston Stage 1 project (and corresponding Balance Sheet) only;

Jemalong - due to reach financial close shortly - adds a further net 10cps fully financed;

Over the medium term, we believe that Stage 2 Hydro (and therefore Solar) will occur, noting continued support by State and Federal Govt (policy and rhetoric) specific to the Kidston Pumped Hydro project as well as renewables and associated network stability management:

- Kidston Pumped Hydro received "Critical Infrastructure" designation;
- Funding commitment to the Transmission Line upgrade if the Pumped Hydro project is developed;
- NAIF funding of up to \$612m on the previous form;

Additionally, J-Power have clearly showed interest in the project and therefore we feel it safe to assume that they will continue to remain supportive and engaged to resurrect the development;

Whilst EA were - up to last week - looking publicly towards Kidston Pumped Hydro as a significant plank in its growth ambitions in Australia to replace its coal fired power assets;

So though the Pumped Hydro development faces a delay and revised NAIF financing terms, we are of the view that the groundswell of political and stakeholder goodwill, should see a positive outcome in time (albeit in a different form to our last published financials and SOTP Valuation);

We outline our Valuation below noting the following assumptions:

- Pumped Hydro - \$0m (whilst we await revision to offtake terms and financial structure);
- Kidston Solar Stage 2 - \$0m (noting that without the Pumped Hydro development the Transmission Line will not be upgraded);
- Removal of assoc. LGC credit revenue related to Stage 2 Solar;
- Reducing peak debt and working capital - \$180m (previously \$500m after removing GNXs NAIF funding portion for Kidston Stage 2 per above);
- Removing J-Power Subscription Agreement - implied maximum dilution and associate equity funding;

---

#### Euroz Securities Limited

All information and advice is confidential and for the private information of the person to whom it is provided and is provided without any responsibility or liability on any account whatsoever on the part of Euroz Securities Limited or any member or employee thereof. Refer to full disclaimer at the end of this document.

---

## Genex Power Ltd

(GNX \$0.185) Buy

## IMPACT TO VALUATION &amp; RECOMMENDATION

Our Valuation reduces to \$0.28/sh (prev. \$0.65/sh):

Asset Valuation	A\$m	A\$/sh
Kidston Solar PV (50MW)	133	0.33
Jemalong Solar PV (50MW)	123	0.31
Pumped Storage Hydro (250MW)	-	-
Kidston Solar PV (270MW) - risked 50%	(1)	(0.00)
LGCs - risked 50%	0	0.00
Corporate	(20)	(0.05)
Tax Credit	40	0.10
Peak Debt and Working Capital	(180)	(0.45)
Cash	19	0.05
<b>Total</b>	<b>115</b>	<b>0.28</b>

The initial catalyst will be confirmation that Jemalong has reached financial close. We can expect this news as early as this month.

This should re-rate the stock towards our Valuation, given the material additional earnings it adds to the GNX business.

Beyond which, restoring market optimism regarding Kidston Stage 2 (Hydro and Solar), represents material grounds to re-engage upward momentum in the share price.

We set our Price Target at \$0.30/sh (prev. \$0.70/sh) as we view any positive information that firms the likelihood of the Pump Hydro Project being resurrected, will be cause for re-rate (given the market has priced both the Hydro as well as the Stage 2 Solar at \$0).

We therefore retain our BUY recommendation.

## Euroz Securities Limited

All information and advice is confidential and for the private information of the person to whom it is provided and is provided without any responsibility or liability on any account whatsoever on the part of Euroz Securities Limited or any member or employee thereof. Refer to full disclaimer at the end of this document.

# Genex Power Ltd

(GNX \$0.185) Buy



## Key Variables

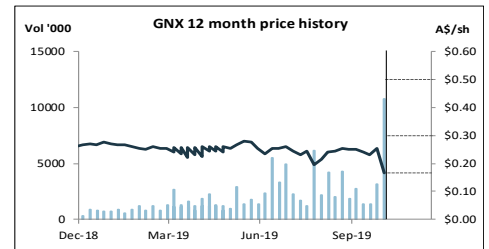
Val/ Sh	WTI Oil Price/bbl								
\$0.28	-4%	-3%	-2%	-1%	0%	1%	2%	3%	4%
\$0.260	\$0.267	\$0.273	\$0.279	\$0.28	\$0.291	\$0.297	\$0.303	\$0.309	

Global renewable energy transactions, M&A, pending or Completed, 30yr. All figures in AUD

Deal Type	Announced Date	Target Name	Acquired Name	Announced Total Value (mln)	Payment Type	TV/EVIDA	Deal Status	Target EV	Energy Type			Renew. Capacity (estimate)	EV/MW	Country
									Wind	Solar	Hydro			
M&A	3/05/2015	Tilt Renewables Ltd	Infratil Ltd Mercury NZ Ltd	195.1	Cash	6.3x	Pending	1120.3	x			na	na	Australia
M&A	24/05/2018	Polenergia SA	PGE Polska Grupa Energetyczna	519.5	Cash	17.2x	Pending	585.7	x			249.3	2.3x	Poland
M&A	4/04/2018	Mytron Energy Ltd	R&H Trust Co Jersey Ltd	56.7	Cash	0.8x	Completed	1431.4	x			1180	1.2x	India
M&A	15/02/2018	Solar Park Luino Srl	Aega ASA	3.6	Stock & Debt	1.5x	Completed			x		0.8	0.0x	Italy
M&A	7/02/2018	Saeta Yield SA	Terraform Power Inc	3841.1	Cash	10.2x	Completed	3787.9	x	x		1028	3.7x	Spain
M&A	30/10/2017	Aliterra Power Corp	Ironore Renewable Energy Inc	762.7	Cash or Stock	17.7x	Completed	795.9	x	x	x	777.5	1.0x	Canada
M&A	16/10/2017	Solartech Energy Corp	United Renewable Energy Co	399.4	Stock	15.7x	Completed	331.6				na	na	Taiwan
M&A	11/10/2017	Friendly Energy SpA	Edison SpA	16.7	Cash	10.4x	Pending	43.5			x	na	na	Italy
M&A	26/09/2017	Asterion Cleanpower SpA	FRE-EL Green Power SpA	365.6	Cash	8.6x	Completed	504.8	x			na	na	Italy
M&A	23/06/2017	ENCAVIS Asset Management AG	Encavis AG	24.4	Cash	7.2x	Completed		x	x		na	na	Germany
M&A	11/05/2017	Future SA	EDF Energies Nouvelles SA	461	Cash	21.9x	Completed	702.5	x			732	1.0x	France
M&A	11/05/2017	Future SA	Electricite de France SA	65.1	Cash	13.6x	Completed	702.5	x			732	1.0x	France
M&A	7/03/2017	Terraform Power Inc	Brookfield Asset Management Inc	6213.5	Cash or Stock	18.0x	Completed	1208.3	x	x		2606.4	4.6x	United States
M&A	7/03/2017	Terraform Global Inc	Brookfield Asset Management Inc	1254.7	Cash	11.6x	Completed	2174.5	x	x		919	2.4x	United States
M&A	25/11/2016	SPC Jiangsu Electric Power Co Ltd	Shanghai Electric Power Co Ltd	711.9	Cash and Stock	7.8x	Completed		x	x		na	na	China
M&A	14/10/2016	Infratil PLC	SI Infrastructure PLC	751.6	Cash	8.6x	Completed		x		x	na	na	United Kingdom
M&A	29/06/2016	Audax Renovables SA	Audax Energia SA	262.8	Cash	52.6x	Completed	584.2				185	3.2x	Spain
M&A	6/06/2016	Future SA	Private Investor/Boussard & Gausaudin Investment Management LLP	16.4	Cash	4.5x	Completed	702.5	x			732	1.0x	Germany
M&A	30/05/2016	ENCAVIS Asset Management AG	Encavis AG	865.6	Stock	13.7x	Completed		x	x		na	na	Germany
M&A	20/01/2016	Capstone Infrastructure Corp	ICOH Infrastructure LLP	1763.3	Cash	11.6x	Completed		x	x	x	541	0.0x	Canada
M&A	21/12/2015	Renewable Energy Generation Ltd	Helium Miracle 184 Ltd/BlackRock Inc (Fund: BlackRock Global Renewable Power Fund 1 LP)	141.8	Cash	4.6x	Completed	125.7	x	x		34.7	3.6x	United States
M&A	3/07/2013	Renewable Energy Developers Inc	Capstone Infrastructure Corp	191.9	Cash and Stock	18.8x	Completed	193.1	x			143.2	1.3x	Canada
M&A	23/11/2012	Western Wind Energy Corp	Brookfield Renewable Partners LP	294.2	Cash	33.7x	Completed	407.2	x	x		165	2.5x	Canada
M&A	10/08/2012	Polenergia SA	Kulczyk Investments SA	129	Cash	9.1x	Completed	585.7	x			249.3	2.3x	Poland
M&A	8/08/2012	Shear Wind Inc	Renewable Energy Developers Inc	132.7	Cash	9.8x	Completed	157.4	x			na	na	Canada
M&A	1/08/2012	Aerowatt	JMB Energy Group	191	Cash	12.6x	Completed	227.4	x	x		na	na	France
M&A	19/06/2012	SPF Five Co Ltd	Electricity Generating PCL	14.1	Cash	0.4x	Completed					8	0.0x	Thailand
M&A	8/04/2011	EDF Energies Nouvelles SA	Electricite de France SA	7517.3	Cash or Stock	15.3x	Completed	8085	x			na	na	France
M&A	8/03/2011	Iberdrola Renovables SA	Iberdrola SA	2005.6	Stock	5.5x	Completed	1936.2	x	x	x	12834	1.5x	Spain
M&A	14/12/2010	ERG Renew SpA	ERG SpA	39	Cash	4.5x	Completed	1019.4	x	x		1720	0.6x	Italy
M&A	20/07/2009	Canadian Hydro Developers Inc	TransAlta Corp	1750.2	Cash	20.6x	Completed	1497	x			na	na	Canada
						Average	12.5x	2375.5	11.8	13.4	11.3		1.7	

Technology	State	Owner	Location	Capacity (MW)	Capital cost* (\$/M)	Capital efficiency (\$/M/MW)
<b>Commissioned</b>						
Wind	Vic	RES Australia	Ararat	240	450	1.9
<b>Actively constructing</b>						
Wind	SA	Neoen and Megawatt Capital	Hornsedale Stage 2	100	800	8.0
Wind	SA	Neoen and Megawatt Capital	Hornsedale Stage 3	109		
Wind	NSW	Goldwind	White Rock - Stage 1	175	400	2.3
Wind	Qld	RATCH	Mt Emerald	180	380	2.1
Wind	NSW	Partners Group and CWP Renewables	Sapphire	270	588	2.2
Wind	NSW	Global Power Generation Australia	Crookwell 2	91	200	2.2
<b>Financial commitment and will start in 2017</b>						
Wind	NSW	Infigen Energy	Bodangora Wind Farm	113	236	2.1
Wind	NSW	PARF	Silverton	200	460	2.3
Solar	Qld	ESCO Pacific/ Palisade	Ross River	148	225	1.5
Solar	Qld	FRV	Lilyvale	100	400	4.0
Solar	SA	Snowy Hydro	Tallem Bend	100	200	2.0
Solar	NSW	Neoen	Griffith, Parkes, Dubbo	95	230	2.4
Solar	Vic	Overland Sun Farming	Yatpool, Iraak, Wemen	320	500	1.6
Solar	SA	Lyon Group	Riverland Solar Farm	330	700	2.1
Solar	Qld	APA group	Darling Downs	107	217	2.0
Solar	Qld	Genex Power	Kidston, FNQ	50	100	2.0
<b>Announced but no financial close</b>						
Wind	Vic	Goldwind	Stockyard Hill Wind Farm	500	n/a	
Solar + Battery	Qld	Genex Power	Kidston Renewables Hub	520	750	1.4
Solar + Battery	Vic	Lyon Group	Nowingi Solar + Battery Farm	250	660	2.6

## Our Share Price Sensitivity



## Our Market Sensitivity

Price Target: \$0.30/sh

Valuation: \$0.28/sh

### Bull Scenario - \$0.50

GNX is successful in restructuring financial and offtake terms to enable FID to be taken at Kidston Stage 2 Pumped Hydro. Therefore, Stage 2 Solar can also be advanced.

### Base Scenario: \$0.30/sh

GNX successfully refinances to fund Jemalong 50MW Solar into generation from FY'21.

### Bear Scenario: \$0.18/sh

GNX is unsuccessful in refinancing Kidston Stage 1 to cross-collateralise Jemalong, therefore the project does not go ahead. The mkt values Kidston Stage 1 and the current Balance Sheet only.

## Company Summary

Genex Power Ltd (ASX: GNX) is an emerging renewable energy power generator. It the Kidston 50MW Solar Farm generating and has financed the 50MW Jemalong Solar Farm. The Kidston Stage 2 Pumped Hydro 250MW development is nearing financial close. Stage 1 and 2 are designed to meet peaking electricity demand in a rising NEM price environment. Stage 3 wind will enhance baseline, 24/7, 365 generation and revenue profile of the business.

## Disclaimer

The projections and information above is based on the set assumptions outlined. Due care and attention has been used in the preparation of this information. However actual results may vary from forecasts and any variation may be materially positive or negative. Forecasts by their very nature, are subject to uncertainty and contingencies, many of which are outside the control of Euroz.

## Euroz Securities Limited

All information and advice is confidential and for the private information of the person to whom it is provided and is provided without any responsibility or liability on any account whatsoever on the part of Euroz Securities Limited or any member or employee thereof. Refer to full disclaimer at the end of this document.

## Genex Power Ltd

(GNX \$0.185) Buy

EUROZ

Market Statistics		Year End 30 June	
<b>Share Price</b>	<b>\$0.19 A\$/sh</b>	<b>Directors</b>	
Issued Capital		Dr R Craven	NE Chair
FP Ord	401.8 m	J Harding	CEO
Opt. (var)	27.8 m	S Kidston	Exec Dir
Perf Rights		B Guo	Fin Dir
<b>Total Dil. FPOrd</b>	<b>401.8 m</b>	A du Mee	NE Dir
		Yongqing Yu	NE Dir
Market Capitalisation	\$74 m	M Addison	NE Dir
Enterprise Value	\$235 m	<b>Shareholders</b>	
Debt**	-\$180 m	Zhefu Hydropower	8.9%
Cash	\$19 m	Board & Mgmt	-17%

Asset Valuation	A\$m	A\$/sh
Kidston Solar PV (50MW)	133	0.33
Jemalong Solar PV (50MW)	123	0.31
Pumped Storage Hydro (250MW)	-	-
Kidston Solar PV (270MW) - risked 50%	(1)	(0.00)
LGCs - risked 50%	0	0.00
Corporate	(20)	(0.05)
Tax Credit	40	0.10
Peak Debt and Working Capital	(180)	(0.45)
Cash	19	0.05
<b>Total</b>	<b>115</b>	<b>0.28</b>

F/Cast Production (A\$m)	2019a	2020f	2021f	2022f
<b>Attrib. Power Generation (GWh)</b>				
Kidston Solar PV (50MW)	116	114	113	121
Jemalong Solar PV (50MW)	-	-	70	116
Kidston Solar PV (270MW)	-	-	-	-
Pumped Storage Hydro (250MW)	-	-	-	-
<b>Total Power (GWh)</b>	<b>116</b>	<b>114</b>	<b>183</b>	<b>236</b>

Assumptions (prices 2019 real esc. at inflation)	2019a	2020f	2021f	2022f
Inflation	1.5%	1.5%	1.5%	1.5%
Guaranteed Price Received (\$/MWh)	88.0	88.0	88.0	88.0
Av NEM Pricing - Solar stage 2 & Jem (\$/MWh)	50.0	50.0	50.0	50.0
Pumping Rental Fee (\$/yr gross)	80.0	80.0	80.0	80.0

Ratio Analysis (A\$m)	2019a	2020f	2021f	2022f
CF (A\$m)	0	1	9	8
CF / Sh (Ac/sh)	0	0	2	2
CF Ratio (x)	200	135	8	10

Earnings (A\$m)	(7)	(3)	3	3
EPS (Ac/sh)	(2)	(1)	1	1
EPS Growth (%)	na	na	na	0
Earnings Ratio (x)	na	na	27	25

E'prise Val. (A\$m)	202	232	229	226
EV : EBITDA (x)	57	38	14	13
EV : EBIT (x)	na	198	19	19

Net Debt / ND+Eq (%)	33%	17%	19%	17%
Interest Cover (x)	0	0	1	1
EBIT Margin (%)	na	0	1	1
ROE (%)	(1)	(0)	0	0
ROA (%)	(0)	0	0	0

Div. (Ac/sh)	-	-	-	-
Div. payout ratio	-	-	-	-
Div. Yield	-	-	-	-
Div. Franking	-	-	-	-

Profit and Loss (A\$m)	2019a	2020f	2021f	2022f
Energy Sales	13	11	21	22
Deferred Revenue	-	-	-	-
Interest Revenue	1	1	1	1
Other Revenue	2	-	-	-
<b>TOTAL REVENUE</b>	<b>16</b>	<b>12</b>	<b>23</b>	<b>23</b>
Operating Costs	7	1	1	1
Dep/Amort	6	5	5	5
Writeoffs (explor)	-	-	-	-
Corp O/H	5	3	3	3
Provisions	-	-	-	-
EBITDA	4	6	17	17
EBIT	(3)	1	12	12
Interest Expense	5	7	9	9
NPBT	(7)	(5)	4	5
Tax	(0)	(1)	1	1
NPAT	(7)	(3)	3	3
Minority Interest	-	-	-	-
<b>NET PROFIT</b>	<b>(7)</b>	<b>(3)</b>	<b>3</b>	<b>3</b>
Net Abnormal Profit/(Loss) after Tax	(2)	-	-	-
<b>Net Profit After Abnormal</b>	<b>(9)</b>	<b>(3)</b>	<b>3</b>	<b>3</b>

Cash Flow (A\$m)	2019a	2020f	2021f	2022f
+ Net Profit	(9)	(3)	3	3
+ Working Capital Adjustment	3	-	-	-
+ Dep/Amort	6	5	5	5
+ Provisions, W/O	-	-	-	-
+ Tax Expense	(0)	(1)	1	1
- Tax Paid	0	(0)	(0)	1
- Deferred Revenue	-	-	-	-
<b>= Operating Cashflow</b>	<b>0</b>	<b>1</b>	<b>9</b>	<b>8</b>
-Capex + Development	0	75	5	0
-Exploration	1	1	1	1
-Assets Purchased	11	-	-	-
+Asset Sales	-	-	-	-
+Other	-	-	-	-
<b>= Investing Cashflow</b>	<b>(12)</b>	<b>(76)</b>	<b>(6)</b>	<b>(1)</b>
+ Equity Issues (Rts,plc,opts)	7	20	-	-
+Loan Drawdown/Receivable	-	80	-	-
+Other	1	-	-	-
-Loan Repayment	1	5	5	5
-Dividends	-	-	-	-
<b>= Financing Cashflow</b>	<b>6</b>	<b>95</b>	<b>(5)</b>	<b>(5)</b>
<b>Period Surplus</b>	<b>(6)</b>	<b>19</b>	<b>(2)</b>	<b>2</b>
Adj. FX effects	-	-	-	-
<b>CASH</b>	<b>8</b>	<b>27</b>	<b>25</b>	<b>27</b>

Balance Sheet (A\$m)	2019a	2020f	2021f	2022f
<b>Assets</b>				
Cash	3	27	25	27
Current Receivables	2	2	2	2
Other Current Assets	0	0	0	0
Non-Current Assets	129	199	199	195
<b>Total Assets</b>	<b>135</b>	<b>228</b>	<b>227</b>	<b>224</b>
<b>Liabilities</b>				
Borrowings	109	184	179	174
Current Accounts Payable	2	2	2	2
Non-Current Liabilities	12	12	12	12
Other Liabilities	-	-	-	-
<b>Total Liabilities</b>	<b>126</b>	<b>198</b>	<b>193</b>	<b>188</b>
<b>Net Assets</b>	<b>8</b>	<b>30</b>	<b>34</b>	<b>36</b>

## Euroz Securities Limited

All information and advice is confidential and for the private information of the person to whom it is provided and is provided without any responsibility or liability on any account whatsoever on the part of Euroz Securities Limited or any member or employee thereof. Refer to full disclaimer at the end of this document.

# Disclaimer

## Copyright & Distribution

The material contained in this communication (and all attachments) is prepared for the exclusive use of clients of Euroz Securities Ltd (ACN 089 314 983) ("Euroz") only. Euroz is the holder of an Australian Financial Services Licence (AFSL 243302) issued by the Australian Securities and Investments Commission ("ASIC") and is a participant of the Australian Securities Exchange Group ("ASX Group").

The information contained herein is confidential and may be legally privileged. If you are not the intended recipient no confidentiality is lost nor privilege waived by your receipt of it. Please delete and destroy all copies, and contact Euroz on (+618) 9488 1400. You should not use, copy, disclose or distribute this information without the express written authority of Euroz.

## Disclaimer & Disclosure

Euroz and its associates declare that they deal in securities as part of their securities business and consequently may have a relevant interest in the securities recommended herein (if any). This may include providing equity capital market services to their issuing company, hold a position in the securities, acting as principal or agent, or make a market therein and as such may effect transactions not consistent with the recommendation (if any) in this report.

Euroz declares that it may have acted as an underwriter, arranger, co-arranger or advisor in equity capital raisings, and will have received a fee for its services, for any company mentioned within this report during the last 12 months.

You should not act on any recommendation issued by Euroz without first consulting your investment advisor in order to ascertain whether the recommendation (if any) is appropriate, having regard to your investment objectives, financial situation and particular needs. Nothing in this report shall be construed as a solicitation to buy or sell a security, or to engage in or refrain from engaging in any transaction.

Euroz believes that the information and advice contained herein is correct at the time of compilation, however we make no representation or warranty that it is accurate, complete, reliable or up to date, nor do we accept any obligation to correct or update the opinions in it. The opinions expressed are subject to change without notice. No member of Euroz accepts any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this material.

We cannot guarantee that the integrity of this communication has been maintained, is free from errors, virus interception or interference.

## Analyst Certification

We hereby certify that all of the views expressed in this report accurately reflect our personal views about the subject company or companies and its or their securities.

No part of our compensation was, is or will be directly or indirectly, related to the specific recommendations or views expressed by the authoring analyst in this research.

## Contact Details

**Euroz Securities Limited** +61 8 9488 1400

### Research Analysts

Jon Bishop - Head of Research	+61 8 9488 1481
Andrew Clayton - Resources Analyst	+61 8 9488 1427
Michael Emery - Resources Analyst	+61 8 9488 1430
Gavin Allen - Industrials Analyst	+61 8 9488 1413
Seth Lizee - Associate Research Analyst	+61 8 9488 1414

### Institutional Sales

Andrew McKenzie - Executive Chairman	+61 8 9488 1407
Rob Black - Managing Director	+61 8 9488 1423
Jay Hughes - Executive Director	+61 8 9488 1406
Russell Kane - Executive Director	+61 8 9488 1426
Simon Yeo - Executive Director	+61 8 9488 1404
Timothy Bunney - Executive Director	+61 8 9488 1461
Peter Schwarzbach - Executive Director	+61 8 9488 1492
Stacy Kitsantas - Institutional Adviser	+61 8 9488 1486

### Private Client Advisers

Chris Webster - Head of Private Clients	+61 8 9488 1412
Ben Statham - Executive Director	+61 8 9488 1417
Brian Bates - Executive Director	+61 8 9346 0314
Cameron Murray - Executive Director	+61 8 9488 1440
James Mackie - Executive Director	+61 8 9488 1416
Lucas Robinson - Executive Director	+61 8 9488 1424
Ryan Stewart - Executive Director	+61 8 9488 1441
Tim Lyons - Executive Director	+61 8 9346 0324
Brett Stapleton - Associate Director	+61 8 9488 1435
Giles McCaw - Associate Director	+61 8 9488 1462
Michael Bowden - Associate Director	+61 8 9346 0307
Richard Gardner - Associate Director	+61 8 9488 1444
Paul Berson - Associate Director	+61 8 9346 0314
Paul Cooper - Associate Director	+61 8 9346 0316
Ian Harrison - Investment Adviser	+61 8 9488 1422
Lauren Walker - Investment Adviser	+61 8 9488 1495
Michael Bartley - Investment Adviser	+61 8 9346 0352
Tom Kenny - Investment Adviser	+61 8 9488 1431
Zac Vinten - Associate Adviser	+61 8 9488 1473
Laurence Grescos - Associate Adviser	+61 8 9488 1419

## Euroz Securities Limited

All information and advice is confidential and for the private information of the person to whom it is provided and is provided without any responsibility or liability on any account whatsoever on the part of Euroz Securities Limited or any member or employee thereof. Refer to full disclaimer at the end of this document.