

## RECOMMENDATIONS

Rating	<b>Buy</b> ▲
Risk	Speculative
Price Target	<b>\$0.26</b>
Share Price	\$0.23

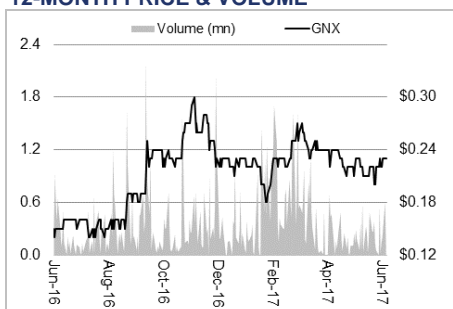
## SNAPSHOT

Monthly Turnover	\$1.1mn
Market Cap	\$51mn
Shares Issued	227.6mn
52-Week High	\$0.32
52-Week Low	\$0.13
Sector	Utilities

## BUSINESS DESCRIPTION

GNX is building a renewable energy hub at Kidston in North Queensland, on the site of a disused gold mine. It consists of two solar projects (50MW and 270MW) and a pumped-storage hydro project (250MW), which will all benefit from the dual long-term trends towards higher electricity prices and lower carbon emissions.

## 12-MONTH PRICE & VOLUME



## RESEARCH ANALYST

**Luke Macnab, CFA**

+ 612 9250 8930

[lmacnab@baillieuholst.com.au](mailto:lmacnab@baillieuholst.com.au)

**Nicolas Burgess, CFA**

+ 613 9602 9379

[nburgess@baillieuholst.com.au](mailto:nburgess@baillieuholst.com.au)

**Josh Kannourakis**

+ 613 9602 9265

[jkannourakis@baillieuholst.com.au](mailto:jkannourakis@baillieuholst.com.au)

## Disclosure

The author owns no shares in GNX.

# Genex Power (GNX)

## COMPANY REPORT – INITIATION OF COVERAGE

### Corridor of power

- **We initiate coverage with a BUY rating** and a 12-month price target of \$0.26. GNX is building a renewable energy hub at Kidston in North Queensland, on the site of a disused gold mine. It consists of two solar projects and a pumped-storage hydro project, which will benefit from the dual trends of higher electricity prices and lower carbon emissions.
- **Australian market in transition:** The National Electricity Market (NEM) is undergoing a transition away from high-carbon coal generation to low-carbon renewable energy. This has placed upward pressure on electricity prices, which has made renewable generation more profitable. It has also highlighted the need for large-scale power storage, which GNX will provide with proven Pumped-Storage Hydro (PSH) technology.
- **Stage 1 opening soon:** Stage 1 consists of a 50MW solar power plant, which is now under construction, on time and on budget for commissioning in November 2017. The company has a 20-year offtake agreement with the Queensland Government, which will provide a minimum level of guaranteed revenue. If pool prices are above this level GNX will keep the surplus revenue.
- **PSH to sell high, buy low:** Stage 2 will consist of a 250MW PSH plant and a 270MW solar plant. The PSH facility (forecast completion in 2021) will help to solve the intermittency problem with renewable generation, with six hours of storage capacity and just 30 seconds of ramp-up time. It will be very well placed to capitalise on high power prices in peak demand periods, whilst renewing its supplies by pumping in off-peak.
- **Large solar to work in tandem:** The 270MW solar plant (forecast completion in 2019) will be primarily used to provide cheap power for the pumping phase of the PSH plant, but will also export electricity to the grid when it makes strategic sense. The combination of the two projects will provide a high degree of flexibility for GNX to maximise profits.
- **Investment view:** Once generation starts in late CY17, a lower beta may be appropriate as cashflows become more certain, which would increase our valuation by 12-27%. Offsetting this upside is the need for GNX to raise equity for Stage 2 of the project within 6-9 months. It is likely that a portion of Stage 2 will be sold to a third party – assuming a 50% sell-down means GNX would need to raise \$50-80m. Depending on the raising price, we estimate that equityholders would see a similar valuation uplift to that seen in Stage 1 (in the order of 50-100%) as the project de-risks over time.

## INVESTMENT SUMMARY

Year End: 30 June		2015A	2016A	2017E	2018E	2019E
Revenue	\$mn	0.0	0.0	0.0	6.5	13.1
EBITDA	\$mn	-3.1	-6.9	-5.7	0.9	7.4
EBIT	\$mn	-3.1	-6.9	-5.7	-3.4	3.1
Reported Profit	\$mn	-3.1	-7.1	-3.7	-4.5	-0.8
Adjusted Profit	\$mn	-3.1	-7.1	-3.7	-4.5	-0.8
EPS (Reported)	¢	-0.8	-3.9	-1.4	-1.4	-0.2
EPS (Adjusted)	¢	-0.8	-3.9	-1.4	-1.4	-0.2
EPS Growth	%	N/A	N/A	N/A	N/A	N/A
PER (Reported)	x	N/A	N/A	N/A	N/A	N/A
PER (Adjusted)	x	N/A	N/A	N/A	N/A	N/A
Dividend	¢	0.0	0.0	0.0	0.0	0.0
Yield	%	0.0	0.0	0.0	0.0	0.0
Franking	%	100	100	100	100	100

## Financial summary

### GENEX POWER

Code: GNX  
Analyst: Luke Macnab  
Date: 21 June, 2017  
Share Price: \$0.225  
Market Capitalisation: \$65m  
Financial Year End: June

Rating: **BUY**  
Price Target: **\$0.26**  
Upside/downside: 16%  
Valuation: \$0.26  
Valuation method: DCF/Multiple  
Risk: Speculative

<b>PROFIT &amp; LOSS (A\$m)</b>	<b>FY15A</b>	<b>FY16A</b>	<b>FY17E</b>	<b>FY18E</b>	<b>FY19E</b>
Operating revenue	0.0	0.0	0.0	6.5	13.1
COGS	0.0	0.0	0.0	-0.8	-1.6
Gross profit	0.0	0.0	0.0	5.7	11.5
Expenses	-3.1	-6.9	-5.7	-4.9	-4.0
<b>EBITDA</b>	<b>-3.1</b>	<b>-6.9</b>	<b>-5.7</b>	<b>0.9</b>	<b>7.4</b>
Depreciation	0.0	0.0	0.0	-4.3	-4.3
EBITA	-3.1	-6.9	-5.7	-3.4	3.1
Amortisation	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>-3.1</b>	<b>-6.9</b>	<b>-5.7</b>	<b>-3.4</b>	<b>3.1</b>
Net Interest expense	0.0	-0.1	0.4	-3.0	-4.2
Minorities	0.0	0.0	0.0	0.0	0.0
Underlying PBT	-3.1	-7.1	-5.3	-6.4	-1.1
Tax	0.0	0.0	1.6	1.9	0.3
<b>Underlying NPAT</b>	<b>-3.1</b>	<b>-7.1</b>	<b>-3.7</b>	<b>-4.5</b>	<b>-0.8</b>
<b>Underlying NPATA</b>	<b>-3.1</b>	<b>-7.1</b>	<b>-3.7</b>	<b>-4.5</b>	<b>-0.8</b>
Significant items (net of tax)	0.0	0.0	0.0	0.0	0.0
Reported profit	-3.1	-7.1	-3.7	-4.5	-0.8

<b>BALANCE SHEET (A\$m)</b>	<b>FY15A</b>	<b>FY16A</b>	<b>FY17E</b>	<b>FY18E</b>	<b>FY19E</b>
<b>Assets</b>					
Cash	10.7	4.2	12.4	10.2	13.5
Receivables	0.1	0.4	0.0	1.8	1.8
PPE	0.0	0.6	61.2	107.0	102.9
Goodwill & Intangibles	3.8	3.8	3.8	3.8	3.8
Investments	0.0	0.0	0.0	0.0	0.0
Other assets	3.9	6.5	6.7	6.7	6.7
Total Assets	18.4	15.5	84.0	129.5	128.7
<b>Liabilities</b>					
Payables	0.5	0.4	0.7	0.7	0.7
Debt	0.0	3.8	55.2	105.2	105.2
Provisions	3.6	3.6	3.6	3.6	3.6
Tax payable	3.8	0.0	-0.4	-0.1	-0.1
Deferred Revenue	3.6	3.6	3.6	3.6	3.6
Other liabilities	-3.3	-3.3	2.9	3.5	3.5
Total Liabilities	8.2	8.0	65.6	116.5	116.5
<b>Equity</b>					
Share capital	12.5	15.8	25.2	25.2	25.2
Retained earnings	-3.6	-10.5	-14.2	-18.7	-19.5
Other equity	1.4	2.2	2.4	2.4	2.4
Total shareholders equity	10.3	7.5	13.4	8.9	8.1
<b>BV per share (cps)</b>	<b>2.8</b>	<b>4.2</b>	<b>5.1</b>	<b>2.7</b>	<b>2.4</b>
NTA per share (cps)	1.8	2.1	3.6	1.6	1.3

<b>CASH FLOW (A\$m)</b>	<b>FY15A</b>	<b>FY16A</b>	<b>FY17E</b>	<b>FY18E</b>	<b>FY19E</b>
Cash at Start	0.2	10.7	4.2	12.4	10.2
Cash from operations	-2.2	-9.7	-3.4	-2.0	3.6
Capex	0.0	-0.2	0.0	-0.1	-0.3
Free cash flow	-2.2	-9.9	-3.4	-2.1	3.3
Cash flow from investing	0.0	-4.2	-60.6	-50.0	0.0
Cash flow from financing	12.6	7.7	72.2	50.0	0.0
Cash at end	10.7	4.2	12.4	10.2	13.5
Free cash flow per share (cps)	-0.6	-5.5	-1.3	-0.7	1.0
GOCF / EBITDA	72%	152%	110%	96%	107%
FCF / Underlying cash NPAT	71%	140%	91%	47%	-433%

<b>EARNINGS</b>	<b>FY15A</b>	<b>FY16A</b>	<b>FY17E</b>	<b>FY18E</b>	<b>FY19E</b>
EPS - Underlying (cps)	-0.8	-3.9	-1.4	-1.4	-0.2
EPS Growth - Underlying	461%	374%	-64%	-2%	-84%
EPS - Reported (cps)	-0.8	-3.9	-1.4	-1.4	-0.2
Diluted shares (m)	367.5	179.9	262.3	323.9	335.5
DPS (cps)	0.0	0.0	0.0	0.0	0.0
Dividend Yield	0.0%	0.0%	0.0%	0.0%	0.0%
Payout Ratio	0%	0%	0%	0%	0%
Franking	100%	100%	100%	100%	100%

<b>VALUATION</b>	<b>FY15A</b>	<b>FY16A</b>	<b>FY17E</b>	<b>FY18E</b>	<b>FY19E</b>
P/E - Underlying (x)	-27.1	-5.7	-15.8	-16.2	-98.8
EV/EBIT (x)	-17.7	-9.3	-19.0	-46.4	50.2
EV/EBITA (x)	-17.7	-9.3	-19.0	-46.4	50.2
EV/EBITDA (x)	-17.7	-9.3	-19.0	179.5	21.0
Price/Book (x)	8.1	5.4	4.4	8.2	9.3
Price/NTA (x)	12.8	10.9	6.2	14.4	17.6
Price/FCF	-38.1	-4.1	-17.3	-34.2	22.8

<b>GROWTH</b>	<b>FY15A</b>	<b>FY16A</b>	<b>FY17E</b>	<b>FY18E</b>	<b>FY19E</b>
Revenue growth	na	na	na	na	100%
COGS growth	na	na	na	na	100%
Expenses growth	466%	127%	-18%	-15%	-17%
EBITDA growth	466%	127%	-18%	-116%	737%
PBT growth	466%	132%	-25%	21%	-83%
Underlying NPAT growth	465%	132%	-47%	21%	-83%
Reported NPAT growth	465%	132%	-47%	21%	-83%

<b>MARGINS &amp; RETURNS</b>	<b>FY15A</b>	<b>FY16A</b>	<b>FY17E</b>	<b>FY18E</b>	<b>FY19E</b>
EBITDA Margin	na	na	na	13.6%	57.1%
EBITA Margin	na	na	na	-52.8%	23.9%
NPBT Margin	na	na	na	-98.7%	-8.4%
ROIC	-56.5%	-70.0%	-11.3%	-2.9%	2.1%
ROE	-58.5%	-79.7%	-35.7%	-40.6%	-9.0%
ROA	-23.2%	-40.8%	-11.4%	-3.2%	2.4%
Effective Tax Rate	30.0%	30.0%	30.0%	30.0%	30.0%

<b>GEARING</b>	<b>FY15A</b>	<b>FY16A</b>	<b>FY17E</b>	<b>FY18E</b>	<b>FY19E</b>
Net Debt	-10.6	-0.4	42.9	95.0	91.7
Enterprise value	54.1	64.3	107.6	159.8	156.4
Net Debt/EV (%)	-19.6%	-0.7%	39.8%	59.5%	58.6%
Net Debt/EBITDA (x)	3.5	0.1	-7.6	106.7	12.3
EBITDA/Net Interest (x)	#DIV/0!	-46.6	16.1	0.3	1.8

<b>SEGMENT REVENUES (A\$m)</b>	<b>FY15A</b>	<b>FY16A</b>	<b>FY17E</b>	<b>FY18E</b>	<b>FY19E</b>
Solar Phase One	0.0	0.0	0.0	6.5	13.1
Solar Phase Two	0.0	0.0	0.0	0.0	0.0

## Investment view: Corridor of power

- **We initiate coverage with a BUY rating** and a 12-month price target of \$0.26. GNX is building a renewable energy hub at Kidston in North Queensland, on the site of a disused gold mine. It consists of two solar projects and a pumped-storage hydro project, which will benefit from the dual trends of higher electricity prices and lower carbon emissions.
- **Australian market in transition:** The National Electricity Market (NEM) is undergoing a transition away from high-carbon coal generation to low-carbon renewable energy. This has placed upward pressure on electricity prices, which has made renewable generation more profitable. It has also highlighted the need for large-scale power storage, which GNX will provide with proven Pumped-Storage Hydro (PSH) technology.
- **Stage 1 opening soon:** Stage 1 consists of a 50MW solar power plant, which is now under construction, on time and on budget for commissioning to begin in November 2017. In terms of capex per MWh generated, it will be one of the lowest cost solar plants in Australia at around \$810/MWh (compared with \$1,100-\$1,300/MWh for others of a similar size). The company has a 20-year offtake agreement with the Queensland Government, which will provide a minimum level of guaranteed revenue. If pool prices are above this level, GNX will keep the surplus.
- **Stage 2 will be massive:** Stage 2 consists of a 250MW PSH plant and a 270MW solar plant. The PSH facility will help to solve the intermittency problem with renewable generation, with six hours of storage capacity and just 30 seconds of ramp-up time. It will be very well placed to capitalise on high power prices in peak demand periods. The 270MW solar plant will be primarily used to provide cheap power for the pumping phase of the PSH plant, but will export electricity to the grid when profitable. The combination of the two projects provides a high degree of flexibility to maximise profits for GNX.
- **Valuation and target price:** We have considered Stage 1 only and used a DCF analysis as there are still many moving parts with Stage 2. Our DCF uses a beta of 0.9, risk free rate of 5.0%, market risk premium of 6.0%, terminal growth rate of 3.0%, debt cost of 6.0% and debt/equity ratio of 70/30. Using these parameters gives an equity cost of 10.4%, an overall WACC of 6.1% and a valuation of \$0.26, which is the basis for our 12-month target price.
- **Uplift from de-risking:** Once generation starts in late CY17, a lower beta may be appropriate as cashflows become more certain. This would increase our valuation – using 0.8 raises it to \$0.29 and 0.7 to \$0.33. Offsetting this upside in the short term is the clear need for GNX to raise equity for Stage 2 of the project within 6-9 months.
- **Long term upside from Stage 2:** With Stage 2 to involve capex of around \$750m, we estimate that future equity of \$100-\$160m will need to be raised. It is likely that a portion of Stage 2 will be sold to a third party – assuming a 50% selldown means GNX would need to raise \$50-80m. We estimate that equityholders would see a similar valuation uplift to that seen in Stage 1 (ie. in the order of 50-100%) as the project de-risks – financial close is due in 4QCY17 with fully operational state expected in CY21 when PSH plant starts.

GNX is building solar and pumped storage hydro generation capacity in Kidston, North Queensland

De-carbonising the NEM has led to rising electricity prices and need for large-scale energy storage

Stage 1 50MW solar has 20-year offtake agreement with Queensland Gov't; starts up in Nov 2017

Stage 2 is 250MW pumped storage hydro and 270MW solar; highly flexible to maximise profit; financial close expected 4QCY17

Current valuation \$0.26; significant long term upside from de-risking of Stage 2 project

**FIG.1: SOLAR PLANTS PROJECT PARAMETERS**

Parameter	Value
Installed capacity Stage 1	50MW
Installed capacity Stage 2	270MW
Total installed capacity	320MW
Total annual generation capacity	928,000MWh
Equivalent in annual homes powered	170,000
Duration of sunlight (summer)	14 hours
Duration of sunlight (winter)	12 hours
Average daily solar radiation (summer)	24.0MJ/m <sup>2</sup>
Average daily solar radiation (winter)	18.6MJ/m <sup>2</sup>
Total number of solar panels	3.5 million
Amount of CO <sub>2</sub> offset annually	768,000 tonnes
Equivalent to number of cars off roads	211,000
Capacity factor	>33%
Type of mounting	Tracking
Estimated total capex spend	\$540m

Source: GNX

**FIG.2: PUMPED STORAGE HYDRO PROJECT PARAMETERS**

Parameter	Value
Installed capacity	250MW
Storage capacity	1,500MWh
Continuous generation duration	6 hours
Turbine configuration	2 x 125MW Fixed speed turbines
Upper reservoir volume	2.8 gegalitres
Upper reservoir full supply level	579.0m above sea level
Upper reservoir minimum operating level	571.0m above sea level
Upper reservoir fluctuation	8.0m
Lower reservoir full supply level	376.6m above sea level
Lower reservoir minimum operating level	349.0m above sea level
Lower reservoir fluctuation	27.6m
Maximum gross head	230.0m
Minimum gross head	194.4m
Time to ramp up to full capacity	30 seconds
Estimated total capex spend	\$330m

Source: GNX

## Company overview

- Genex Power (GNX) was established in 2013 with the aim of creating a Renewable Energy Hub on the site of the disused Kidston Gold Mine in Northern Queensland. The operational site is located 270km northwest of Townsville, near the lower reaches of the Copperfield River, whilst the corporate office is located in Sydney. The Kidston gold mine ceased operations in 2001 and has been undergoing environmental remediation since that time.
- GNX was listed in 2015 with an initial market cap of \$32m at the IPO price of \$0.20. This included a raising of \$8m to fund feasibility studies into the company's plans. The end goal is the construction of large scale, low cost, flexible and renewable generation capacity, with the ability to take advantage of opportunities to sell power into the National Electricity Market (NEM).
- The Kidston site will be developed in two stages involving three projects: Stage 1 comprises a 50MW solar plant; Stage 2 comprises a 250MW Pumped Storage Hydro (PSH) plant and a 270MW solar plant. The company has also highlighted that there may be other potential opportunities to construct PSH plants at disused mining sites around Australia in the future.

Kidston site located 270km northwest of Townsville, corporate office in Sydney

Site has 50MW solar plant (startup 4QCY17), 270MW solar plant (c.2019) and 250MW PSH plant (c.2021)

**FIG.3: COMPANY TIMELINE**

Aug 2013	Company changed name from Allied Resources to Genex Power
Sep-Oct 2013	Issued 43m shares at \$0.00001 to raise \$430k
Mar 2014	Issued 15m shares at \$0.05 to raise \$735k
May 2014	Acquired Kidston Gold Mine from Barrick Gold for \$3.8m, payable in 3 tranches
Jul 2014	Issued 20m shares at \$0.10 to raise \$2m. Pre-feasibility study on PSH plant commenced
Dec 2014	Pre-feasibility study on PSH plant completed
Apr 2015	Executed Convertible Note Agreement with Zhefu Hydropower to raise \$3.8m
Jul 2015	IPO including issuing 40m shares at \$0.20 to raise \$8m
Aug 2015	Entura appointed to undertake full Feasibility Study on PSH plant
Oct 2015	Feasibility Study on Solar plant commenced
Dec 2015	ARENA funding of \$4m secured
Jan 2016	Conversion of site land from crown leasehold to freehold ownership by GNX
Feb 2016	Development approval received for Solar plant
Mar 2016	Kidston Energy Hub declared a "Prescribed Project", meaning streamlined approval process
May 2016	Agreement with Ergon Energy to connect 50MW Solar plant to NEM
Jun 16	Issued 22m shares at \$0.16 to raise \$3.5m
Sep 2016	ARENA funding of \$9m secured, 20-year PPA with QLD Government signed
Nov 2016	PSH plant full Feasibility Study completed
Dec 2016	Issued 45m shares at \$0.22 to raise \$9.9m
Feb 2017	Issued 50m shares at \$0.16 to raise \$8.0m
Feb 2017	Financial close reached on 50MW Solar plant. Construction commenced
Jun 2017	QLD Government announced \$150m commitment to new transmission line benefiting Kidston

Source: GNX

**FIG.4: OVERVIEW OF KIDSTON RENEWABLE ENERGY HUB**



Source: GNX



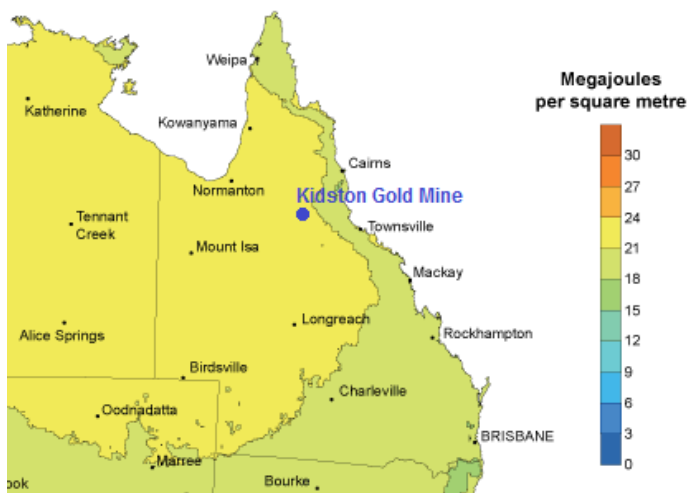
**Stage 1 – 50MW Solar Plant**

- Construction of the 50MW solar plant has been fully funded, is underway and is expected to be commissioned in November 2017 and completed in February 2018. The construction cost will be \$117m (fixed-price contract), funded by a Federal Government grant from ARENA (\$9m), low-cost debt from the CEFC (\$54m), bank debt (\$50m) and equity (\$19m). The additional \$15m is for costs and contingencies.
- The Kidston site is highly suited to solar generation as it experiences high average annual solar exposure of 22MJ/m<sup>2</sup> per day and fairly consistent exposure throughout the year. Being constructed on a disturbed former mine site means that environmental impact issues are minimal. It also has a significant amount of existing supporting infrastructure, including:
  - An onsite substation, which is being upgraded;
  - A 132kV transmission line back to Powerlink’s Ross Substation, near Townsville;
  - Good road access onsite and from Cairns and Townsville; and
  - On site accommodation and catering facilities, roads, fencing, diesel storage facilities, electricity and water, all suitable for construction purposes.

**Construction of 50MW plant underway. Material financial assistance from government bodies**

**Existing infrastructure at site reduced required capex spend**

**FIG.5: AVERAGE DAILY SOLAR EXPOSURE (ANNUAL)**



Source: Bureau of Meteorology

**FIG.6: STAGE 1 STAKEHOLDERS**

Role	Organisation
Project Sponsor	Genex (Solar) Pty Ltd
Funding Partner	Australian Renewable Energy Agency (ARENA)
Offtake Partner/Financial Support Deed	Queensland Government
Owner’s Engineer/Technical Advisor	AECOM Australia
EPC Contractor/O&M Contractor	UGL Engineering
Photovoltaic Module Supplier	First Solar (Australia)
Distribution Connection Provider	Ergon Energy
Lead Debt Financing Arranger/Advisor	Societe Generale
Debt Provider	Clean Energy Finance Corp. (CEFC)
Debt Provider	DZ Bank
Independent Engineer for Due Diligence	OST Energy
Legal Counsel	Baker & McKenzie
Insurance Advisor	Jardine Lloyd Thomson
Tax Structuring Advisor	PricewaterhouseCoopers

Source: GNX

- The project has obtained all required permits and the company owns the freehold title and mining licence over the site. Stage 1 will have 545,000 photovoltaic solar panels and supply power directly into the NEM. The panels will start up in batches, with commissioning revenue starting in 4QCY17 and electricity generation commencing 1QCY18.
- Stage 1 will generate around 145,000MWh of renewable energy per annum, equivalent to powering about 26,500 Australian homes for a year. GNX has access to the grid connection for 30 years, which is in line with the useful life of the solar panels.
- The company also has a 20-year Power Purchase Agreement (PPA) with the Queensland Government, establishing a floor price which we estimate to be in the \$85-95/MWh range. This is structured as a one-way contract, which means GNX keeps the surplus if NEM prices average above this level on a monthly basis.
- For comparison, the average Queensland electricity price for 2013-16 ranged between \$52-\$67/MWh, before spiking to \$94/MWh over the first six months of 2017. With the phasing out of coal-fired power plants and increasing use of renewable power, it is generally expected that the cost of energy will continue to trend upwards.
- Under the terms of the PPA, any Large-scale Generation Certificates (LGCs) generated by the Phase One project must be surrendered to the Queensland Government. (LGCs are usually sold to electricity retailers, who are required to surrender a set number of LGCs to the Clean Energy Regulator each year. One LGC is the equivalent of 1MW of clean, renewable power.)

**20-year PPA with QLD Govt allows for upside. Recent NEM prices have trended higher**

**Stage 2 – 250MW Pumped Storage Hydro and 270MW Solar Plant**

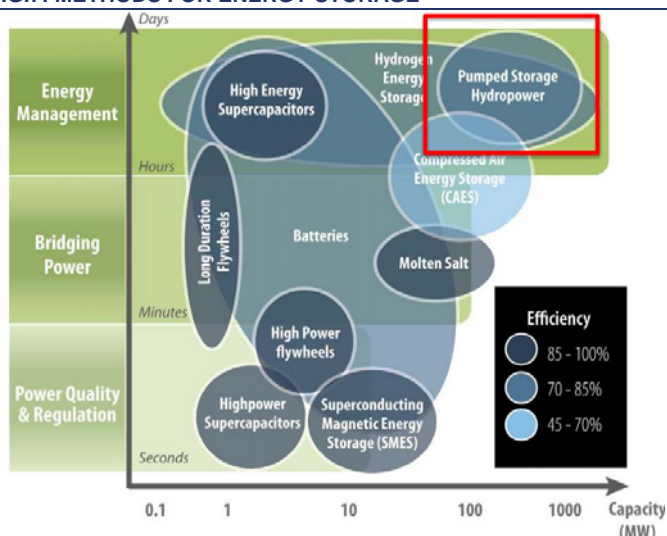
- Stage 2 of the Kidston Renewable Energy Hub includes the development of a 250MW Pumped Storage Hydro (PSH) plant and a 270MW solar plant. The Technical Feasibility Study for the PSH project was completed in November 2016, with an estimated capex spend of \$330m.
- The Technical Feasibility Study for the 270MW solar plant is in its final stages and has an estimated capex spend of \$420m. GNX is currently developing a funding strategy for the whole of Stage 2 (total capex \$750m) with a view to achieving financial close in 4QCY17.
- Stage 2 will have a mix of contracted revenue and merchant revenue, most likely with long term offtake agreements for LGCs and the hydro capacity. As part of this process, we would imagine GNX is looking to negotiate another long-term PPA with an electricity retailer, to lock in minimum contracted revenues.
- Once this is secured, we believe GNX will be able to again access some low-cost funding, from ARENA (estimated \$30-50m), the Northern Australia Infrastructure Facility (estimated \$150-350m) and the CEFC (estimated \$150-350m). Additional bank debt and equity would also be required, with current plans based around bringing third party equity investors into a Special Purpose Vehicle (SPV) which will develop both projects concurrently.
- **250MW Pumped Storage Hydro:** In addition to the infrastructure outlined above, the Kidston site also has a number of existing features which make it highly suited for a PSH plant:
  - A lower reservoir and balancing storage for water management, with an ideal location for an upper reservoir;
  - Significant volumes of good quality water currently in reservoirs;
  - An 18km water pipeline from the 20,600ML Copperfield Dam to the Kidston site; and
  - Rights to draw up to 4,650ML of water annually from the Copperfield Dam.
- A PSH plant is essentially a battery, with energy stored as water and used for generation when required. The project will consist of an upper and lower reservoir, with an adjacent balancing storage pit. The upper storage reservoir will be created as a 'Turkey's Nest' type of dam, constructed on the waste rock dump to the north of Eldridge Pit.
- The lower storage reservoir for the project will be the existing Eldridge Pit. The PSH plant will also use the existing Wises Pit to act as a balancing storage, to hold excess water and to mitigate flood risks.

Feasibility study for PSH complete; study for 270MW solar plant well underway; financial close in 4QCY17

Stage 2 a mix of contracted and merchant revenue; Government assistance again likely to be received

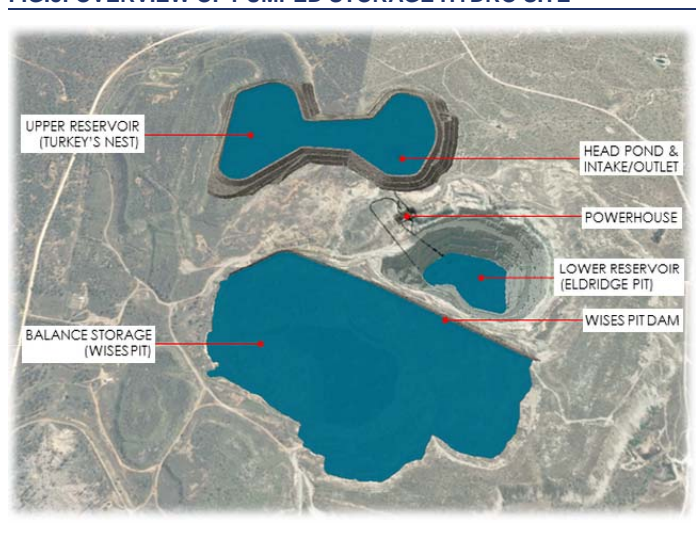
Kidston site has significant existing infrastructure for pumped storage hydro

**FIG.7: METHODS FOR ENERGY STORAGE**



Source: US Department of Energy

**FIG.8: OVERVIEW OF PUMPED STORAGE HYDRO SITE**

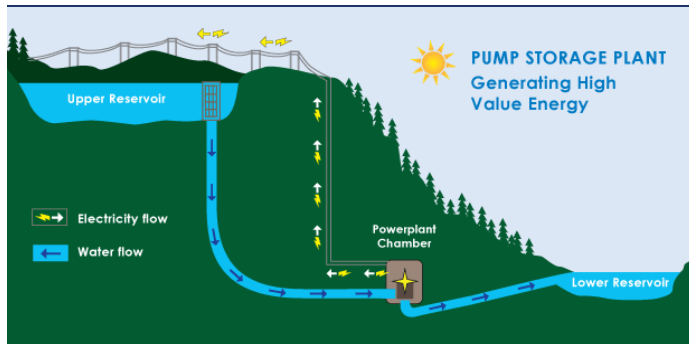


Source: GNX

- Based on its location and market dynamics, the optimal design configuration was determined to be a 250MW scheme with storage capacity for up to six hours of generation at one time (ie. 1,500MWh). When switched on, water will flow from the upper reservoir, through the concrete-lined tunnel to the underground generation powerhouse and 2x 125MW reversible pump/generators in generation mode.
- The underground infrastructure will connect via a shaft to the surface power control room, which in turn will be connected to a transformer station. The water will then flow through another concrete lined tunnel to the lower reservoir. Power generated will be sold into the NEM.

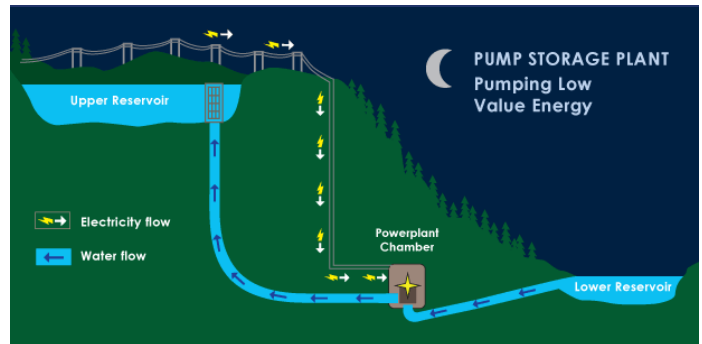
Optimal configuration was 250MW generation capacity and 6 hrs storage

**FIG.9: DIAGRAM OF PSH PLANT IN GENERATION MODE**



Source: Power Electronics News

**FIG.10: DIAGRAM OF PSH PLANT IN PUMPING MODE**



Source: Power Electronics News

- The underlying idea is that generation will occur at times of peak electricity usage, when wholesale prices in the NEM are at high levels. When power prices are cheap in off-peak periods, the reversible pump/generators will be in pump mode using power from the grid. This will return water back to the upper storage reservoir, ready for generation. Off-peak periods, generally speaking, are in the hours after midnight when demand is minimal.
- It takes around 20% more energy and time to pump water back to the top reservoir than the flow will generate. As such, the pricing differentials will have to be at least 20% in order to begin generating profit. This should not be a problem, with Queensland overnight pool prices typically averaging \$20-40/MWh, with daytime peak prices averaging \$60-100/MWh.
- In the medium term, after the 270MW solar plant is completed, it is likely that GNX will use power from this facility to pump water up during the day. This is because the middle of the day is peak generation time for solar, but demand is relatively low – meaning it is more cost-effective to do this, rather than selling power into the NEM and using grid power at night. This dynamic is also influenced by power loss in transmitting energy to/from the grid.
- The Kidston PSH plant is a closed loop system, which means there is no natural inflow (ie. river etc) associated with either reservoir. However, the site is located in a tropical area and receives above-average rainfall, with most rain occurring between November and March. Based on records from the nearest measurement site (in Georgetown, 120km away), the site gets average annual rainfall of ~82cm, whilst 80% of Australia receives <60cm.
- The plant is able to top up its reservoirs using an existing gravity-fed water pipeline from the Copperfield Dam. GNX owns this pipeline, along with water rights to draw 4,650ML pa, which is expected to be enough to keep the reservoirs in equilibrium in severe droughts.
- Existing water in the reservoirs is slightly saline but GNX does not anticipate any issues arising from that as the turbines are coated to avoid rust (we note that hydro plants in Japan have used seawater without issue). There is also no sediment as the reservoirs are in granite (which is harder than concrete) and water from the bottom 40m will not be used.
- 270MW Solar Plant:** Based on Stage 1 parameters, this project is anticipated to generate 783,000MWh of renewable electricity per annum, roughly equivalent to powering 143,000 Australian homes for a year. It is estimate that construction time for the Stage 2 solar plant will be around 18 months from financial close (expected in late CY17).
- In order to transmit the electricity generated by the Stage 2 projects back to the grid, an upgraded transmission line will be needed.

PSH will generate in peak periods and pump in off-peak; 20% power premium to take into account

Rainfall enough to top up reservoir levels; in drought, water available from nearby dam

270MW solar plant to generate 783,000MWh; majority will be used for PSH pump cycle

**FIG.11: TIMELINE OF KIDSTON RENEWABLE HUB DEVELOPMENT**



Source: GNX

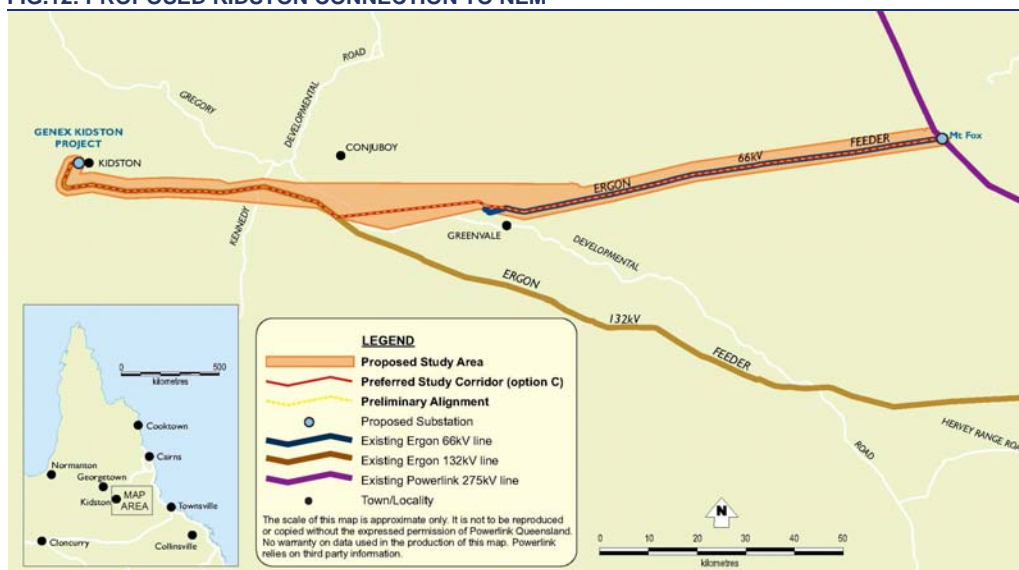
**Kidston-Mount Fox transmission line**

- GNX assessed a number of options for the delivery of its power to the NEM, with the preferred option being to build a new 275kV transmission line, as this would minimise line losses. This 160km-long link would connect Kidston to Powerlink’s main 275kV north-south transmission line between Townsville and Cairns. This will require a switching station at the Mount Fox end of the line, but will not disrupt the existing 132kV supply arrangements at Kidston, which will be used to transmit electricity from the 50MW solar plant.
- In June 2017, the Queensland Government (Powerlink’s owner) announced that it will commit \$150m and develop this transmission line, which will connect the Kidston Stage 2 projects to the national grid, along with renewable energy projects at Forsayth (50km west of Kidston) and Hughenden (270km south).
- Construction of the new transmission line is expected to begin about the same time as the 270MW solar plant and also take around 18 months, meaning both should become operational at the same time. This decision by the Queensland Government reduces future capital requirements for GNX and enhances returns.

QLD Government will construction 275kV transmission line to NEM near Mount Fox

Transmission line expected to be ready when 270MW solar is complete

**FIG.12: PROPOSED KIDSTON CONNECTION TO NEM**



Source: Powerlink



## Industry overview

### The National Electricity Market

- Australia’s National Electricity Market (NEM) is in a long term transition away from coal-fired power stations and towards renewable energy – primarily solar, wind and hydro. This has thrown up a number of issues, with the major ones (arguably) being the cost and reliability of these forms of generation. Although the NEM is national, the pricing regions are split up along state lines, ie. Queensland, NSW, Victoria and South Australia.
- Within Queensland, the electricity network is separated into four regions: North, Central, South-west and South-east. The majority of the state’s generation occurs in Central and South Queensland, with the North importing a proportion of its energy needs from Central Queensland. The Kidston Renewable Energy Hub would help to alleviate this issue and support the Queensland Government’s policy of generating 50% of the state’s electricity needs from renewable energy by 2030.

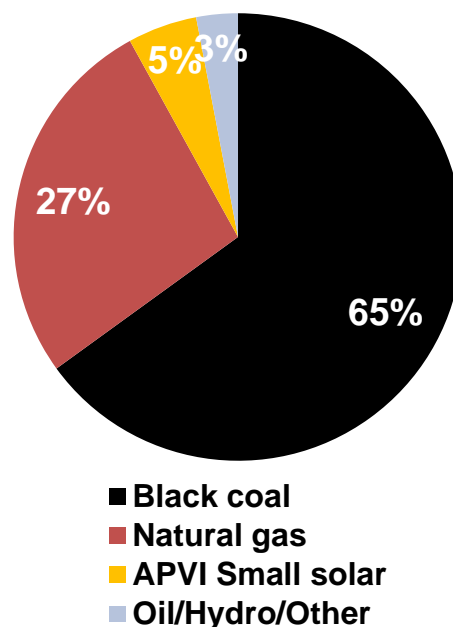
**NEM is transitioning away from coal and towards renewables – opportunities in solar and pumped storage hydro**

**FIG.13: QUEENSLAND NEM REGIONS**



Source: AEMO

**FIG.14: QLD GENERATION BY FUEL TYPE**



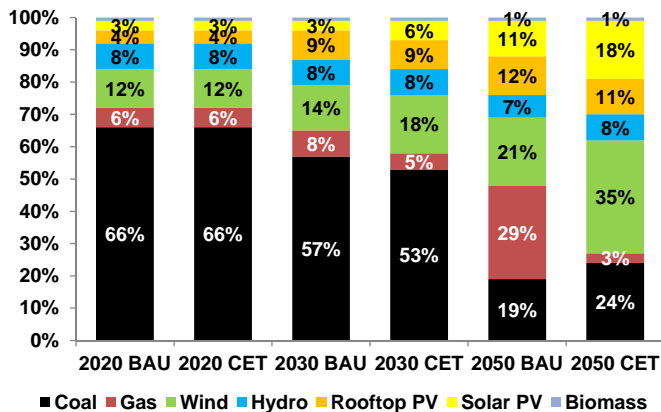
Source: Dept of Industry, Innovation & Science 2015

- The NEM currently relies primarily on coal for baseload power and gas for intermediate and peak loads – together they provide around 72% of total generation sent out. This percentage is expected to fall as old, inefficient coal power stations are decommissioned and gas prices remain elevated (they have more than doubled in recent years from \$4/GJ to \$8/GJ as domestic prices reached parity with the export market).
- Queensland has a maximum nameplate generation capacity of ~12,400MW, with coal- and gas-fired power stations over-represented (92% of total generation) relative to the national average. Currently, coal base load generation is complemented by intermediate and peak generation using open and combined cycle gas plants, along with some solar – Kidston will help to address this imbalance as the NEM undergoes de-carbonisation in future years.
- By comparison, the Finkel Review forecasts that in 2050, coal and gas power is likely to represent 48% of total generation sent out under a Business-As-Usual (BAU) scenario – which most observers believe is unlikely to eventuate. It is likely that a Clean Energy Target (CET) or Emissions Intensity Scheme (EIS) will be implemented, which would see coal and gas provide just 27-30% of generation sent out, according to the Finkel forecasts. (The differences in the future generation mix under a CET or an EIS are not material.)

**Kidston will alleviate need for North QLD region to import power**

**Unlikely that coal-and-gas-heavy BAU scenario will continue in the long term**

**FIG.15: NEM GENERATION MIX<sup>1</sup> – 2020, 2030, 2050**



<sup>1</sup> Coal includes black and brown.

Source: Independent Review into Future Security of NEM (Finkel Review)

- The gap between the 2020 and 2050 non-BAU coal and gas percentages will be filled by increased renewable generation – primarily large scale solar (3% to 18%), wind (12% to 35%) and rooftop solar (4% to 11%). Consequently, it is clear there will be growing demand for large scale renewable energy sources. As the scale of renewable energy generation increases and technology improves, the cost of generation will decrease (see Fig.17).
- The favourable characteristics of PSH and solar mean they often attract significant government support in the form of grants (eg. from ARENA), long term offtake agreements (eg. from State-owned energy retailers) and favourable financing (eg. from CEFC or other semi-government organisations).

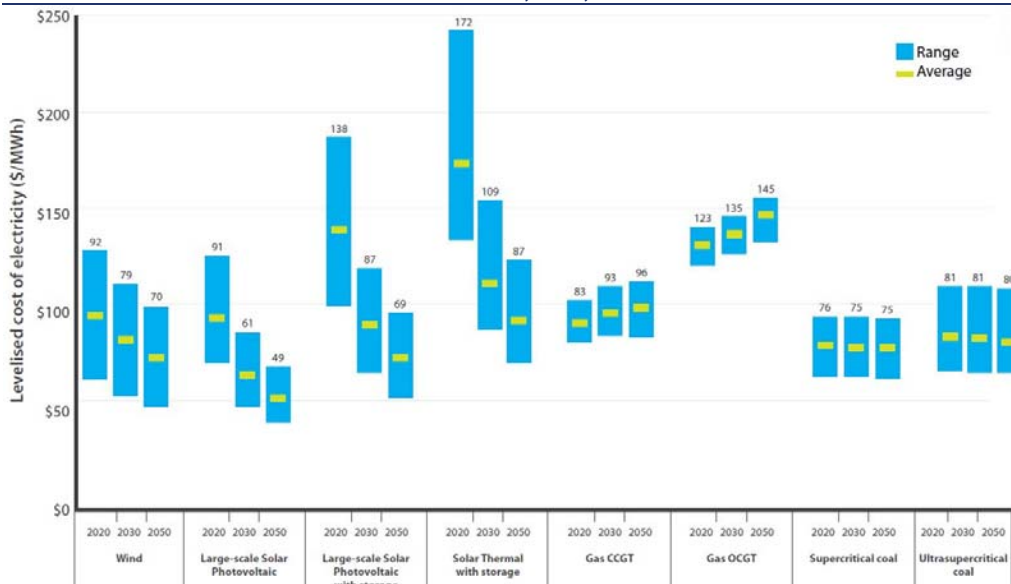
Renewable energy sources will only increase going forward; government assistance is available

**Solar generation**

- Australia is one of the sunniest countries on the planet and as such, is ideally placed to include large-scale solar photovoltaic (PV) power as a major part of its energy mix. Large-scale solar PV (defined as >5MW) uses the same technology as rooftop solar panels – specially fabricated semiconductor crystals that convert light from the sun into electricity.

Australia – and especially North QLD – is highly suited to solar power

**FIG.17: LEVELISED COST OF ELECTRICITY<sup>1</sup> – 2020, 2030, 2050**



<sup>1</sup> LCOE is essentially the minimum cost at which electricity must be sold in order to break even over the lifetime of a project. Source: Independent Review into Future Security of NEM (Finkel Review)

- The Clean Energy Council noted that seven new large-scale solar projects became operational in 2016, with strong future growth expected. ARENA noted that when solar projects currently under construction are complete, installed capacity of large-scale PV will total just 262 MW – well behind comparable international markets.
- ARENA has also observed significant cost reductions in constructing large-scale solar PV plants in recent years and expects this to continue, with the technology becoming competitive without additional support in the medium term.

**Pumped Storage Hydro**

- Whilst renewable generation solves many issues, its big problem is that it is intermittent – solar requires the sun to shine and wind requires the wind to blow. Consequently, power storage becomes increasingly important in a high-renewables scenario. Pumped hydro is the most mature form of large scale electricity storage and also the most cost-effective.
- There is more than 168GW of Pumped Storage Hydro (PSH) capacity installed worldwide. PSH systems are capable of generating hundreds of megawatts of power for six hours or more. The added advantage of these systems is high dispatchability, meaning they can come online very quickly – in about 10-15 seconds, compared with 10-15 minutes for gas – and reach full generation capacity within 30 seconds.
- This means PSH systems can take advantage of high prices in peak periods and pump water during off-peak periods. This rapid startup capability will be invaluable when the NEM moves to five-minute settlement from the current 30 minutes.
- PSH is ideally placed to balance electricity demand (contributing power when others are using a lot and vice versa) and provide backup for renewable energy generation. The efficiency of pumped storage hydro is relatively high at 70-85%, with evaporative losses being the main cause of reduced efficiency.
- Australia already has a number of PSH systems, including 600MW at Tumut 3 in NSW, 500MW at Wivenhoe in Queensland and 240MW at Shoalhaven in NSW. In addition, the Federal Government is undertaking a feasibility study into whether the Snowy Mountains Scheme can be extended to include up to 2,000MW of pumped storage hydro capacity.

**Pumped Storage Hydro alleviates renewables' intermittency issue**

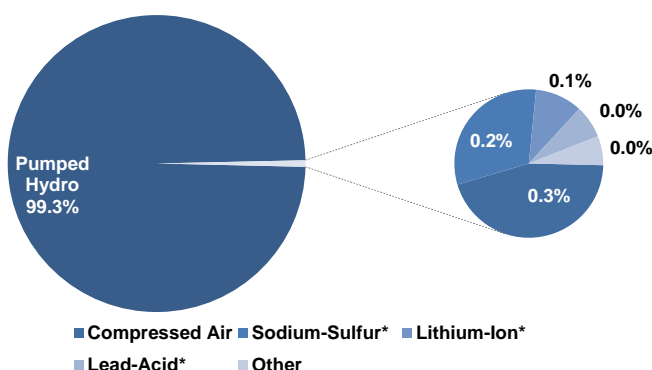
**PSH is proven technology; fast-starting, cheap and efficient compared with other energy storage**

**Large-scale generation certificates**

- Renewable energy power stations in Australia are entitled to create Large-scale Generation Certificates (LGCs) based on the amount of electricity they produce above their baseline. As a guide, one LGC is equal to one MWh of eligible renewable electricity. This mechanism effectively increases the value of one MW of renewable energy to the NEM price plus the LGC price, improving the economics of such projects.
- Once created and validated, these certificates can be sold to other individuals and businesses through the open LGC market. LGCs are usually sold to liable entities (electricity retailers), who are required to surrender a set number of certificates to the Clean Energy Regulator (CER) each year. (Source: CER)

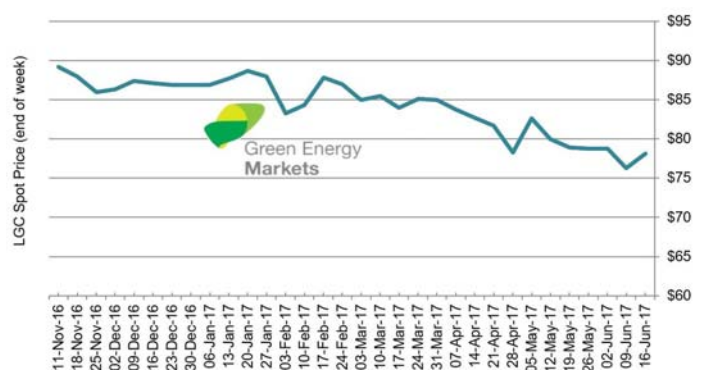
**LGCs to provide another revenue stream for Stage 2**

**FIG.18: GLOBAL ELECTRICITY STORAGE CAPACITY**



\* Battery type Source: International Energy Agency

**FIG.19: WEEKLY LGC SPOT PRICE**



Source: Green Energy Markets

## Financial commentary and valuation

- Stage 1 of the Kidston Renewable Energy Hub is still in the construction phase, meaning there are no historical financial metrics to discuss. However, GNX has provided some theoretical numbers based on historical NEM pricing data. These indicate that revenue would have been above the baseline level of \$13.1m that we have assumed is established by the PPA with the Queensland Government:
  - Revenue of \$14.1m for 12 months to 28 February 2015;
  - Revenue of \$13.8m for 12 months to 28 February 2016; and
  - Revenue of \$16.8m for 12 months to 28 February 2017.
- We have factored in an average price of \$90/MWh for the offtake from Stage 1, (which equates to annual revenue of \$13.1m). We estimate gross margins at 88%, in line with other power generation projects. We have not factored in the development of Stage 2 to our model as yet as there are still a number of moving parts.
- We have assumed corporate costs of \$4m pa in a steady state and an overall interest rate of 4.75%, fixed for 10 years, reflecting the concessional arrangements around much of the financing. We forecast total debt drawn to reach \$100m in FY18 as Stage 1 is completed, with \$4m of undrawn contingency debt.
- It is also worth noting that GNX has \$40m worth of tax losses available to it, from the original acquisition of Kidston Gold Mines. The company will be able to offset these losses against future taxable earnings, meaning it should not have to pay tax in the medium term.

**Increases in QLD power prices in recent years meant proforma revenue above our forecast**

**FIG.20: FEBRUARY 2017 CAPITAL RAISING – FINANCIAL CLOSE OF STAGE 1**

Source of Funds	\$m	Use of funds	\$m
Kidston Stage 1 Project Finance Debt	100.0	Kidston Stage 1 Capex	117.4
ARENA Grant Funding	8.9	Interest during construction/DSRA <sup>1</sup>	5.7
Current cash balance (25 January 2017)	13.0	Kidston Stage 1 Transaction Costs	3.5
Placement & Rights Issue	7.5	FX rate/Interest rate contingency	2.0
Ramp-up cashflow <sup>2</sup>	2.2	Working Capital requirements	3.0
<b>Total Sources</b>	<b>131.6</b>	<b>Total Uses</b>	<b>131.6</b>

<sup>1</sup> Debt Service Reserve Account

<sup>2</sup> Revenue from commissioning phase

Source: GNX

### Valuation

- For our valuation, we have looked at Stage 1 only and used a DCF analysis with a beta of 0.9, using the observed beta for the power generation sector of 0.8 and adding a premium of 0.1 to reflect the fact that the project is still in development.
- Other variables include a risk free rate of 5.0%, market risk premium of 6.0%, terminal growth rate of 3.0%, debt cost of 6.0% (lower than our usual 6.5% to reflect the lower risk nature of the project) and debt/equity ratio of 70/30. Using these parameters gives an equity cost of 10.4%, an overall WACC of 6.1% and a valuation of \$0.26.
- We note that once generation starts in late CY17, a lower beta may be appropriate as risk is clearly lower post-construction and cashflows become more certain. This would increase our valuation – using 0.8 raises it to \$0.29 and 0.7 (potentially reflecting the low-risk, guaranteed floor price arrangement) to \$0.33. Offsetting this upside in the short term is the clear need for GNX to raise equity for Stage 2 of the project within 6-9 months.
- With Stage 2 to involve capex of around \$750m, we estimate that future equity of \$100-\$160m will need to be raised as part of the future funding package. It is likely that a portion of Stage 2 will be sold to a third party, which would reduce the need for GNX to raise equity. However, even assuming a 50% selldown, GNX would need to raise \$50-80m.
- It is likely that equityholders in Stage 2 would see a similar valuation uplift to that seen in Stage 1 (ie. in the order of 50-100%) over the time between financial close (when the share price was \$0.16) and reaching a steady operational state. There would also be economies of scale achieved on the estimated \$4-5m of corporate costs that would be spread over a much larger revenue base. Potential upside would come from lower generation costs and higher NEM prices.

**Valuation of \$0.26 will increase as cashflows are de-risked and operations commence in 4QCY17**

**Stage 2 will require further equity but we estimate similar de-risking upside of 50-100% over time**



## Additional information

### Key management personnel

- **Michael Addison (Managing Director)** – A founding shareholder of GNX, he is a former water engineer with experience in large dam, spillway and water reticulation systems design. Also has corporate finance experience as an investment banker with three global banks and held senior executive positions on the boards of publicly listed companies. Previous directorships include Carabella Resources and Stratum Metals.
- **Simon Kidston (Executive Director)** – A founding shareholder of GNX, he has over 20 years' corporate finance experience with investments banks including Macquarie Bank and HSBC. Prior roles include helping to establish publicly listed companies Endocoal, Carabella Resources and Estrella Resources.
- **Dr Ralph Craven (Non-Executive Chairman)** – Has extensive experience in electricity, gas, mining, commodities trading and delivering major infrastructure projects. Is currently a director of Stanwell Corporation, AusNet Services and Senex Energy. Prior directorships include Ergon Energy, Arrow Energy and the International Electrotechnology Commission. He was also formerly CEO of Transpower NZ.
- **Alan du Mée (Non-Executive Director)** – Has extensive experience in power generation development and operations. Was formerly CEO of Tarong Energy, where he oversaw development of Tarong North power station, Starfish Hill windfarm and the 600MW Wivenhoe PSH plant. Past directorships include the Australian National Generators Forum.
- **Yongqing Yu – (Non-Executive Director)** – Is currently Vice Chairman of Shenzhen-listed Zhefu Hydropower, a large hydroelectric equipment manufacturer in China (and largest shareholder in GNX). He is a senior engineer with extensive hydro experience, including the Shuangling, Wanmipo and Changzhou projects.
- **Ben Guo (Finance Director)** – Has over 10 years' management experience, having held senior financial roles at Helmsec Global Capital and Estrella Resources. He has also worked at PwC Corporate Finance and Ernst & Young.

**Strong management team with expertise in delivering large infrastructure projects and power**

### Notable shareholdings

- Zhefu Hydropower 11.0%
- Michael Addison 9.9%
- Simon Kidston 7.3%
- Acorn Capital 8.7%
- Downing family 4.7%

**FIG.21: ERGON-KIDSTON SUBSTATION WORKS – MAY 2017**



Source: GNX

**FIG.22: FIRST SOLAR PANELS INSTALLED – JUNE 2017**



Source: GNX

## Risks

- **Competition risk:** Australia is experiencing strong growth in the construction of renewable energy generation, including wind and solar plant, as well as rooftop solar PV installations. The NEM is competitive and the actions of an existing competitor or entry of a new competitor may adversely impact GNX's financial position. This risk can be mitigated by securing long term offtake agreements for relevant parts of the project.
- **Technology risk:** PSH power is a mature technology for the storage and management of energy. Future advances in other technologies used to manage and store electricity (eg large-scale battery storage) may be more efficient and/or more cost-effective and could adversely impact GNX's finances. This risk is mitigated by the fact that the current cost of PSH is currently well below potential competing technologies at the same scale.
- **Operational risk:** GNX will be subject to operational risks which are beyond their control. Operations may be curtailed or cancelled as a result of adverse weather conditions, mechanical difficulties, shortages or cost increases of consumables, external services failure (including energy and water supply), IT system failures etc. This risk is mitigated by having an experienced management team to plan for such contingencies where possible.
- **Key personnel risk:** A number of staff in GNX's management team have significant energy and/or hydroelectric industry experience and expertise. If one or more of these key personnel were to depart, it may be difficult to replace them adequately, in which case there could be an adverse effect on GNX's ability to execute its strategic plans.
- **Financing risk:** GNX will require future financing to support its proposed development plans. There is no guarantee that funding will be available on satisfactory terms, which may result in the Kidston Project not proceeding or defaults in licences or permits which, if not remedied, could result in forfeiture. Mitigating this risk is the proven viability of PSH and large-scale solar projects in the past, and the industry trend towards renewables.

**Key risks include competition, technology, operations, personnel and financing**

**FIG.23: SITE CLEARING COMPLETE – MAY 2017**



Source: GNX

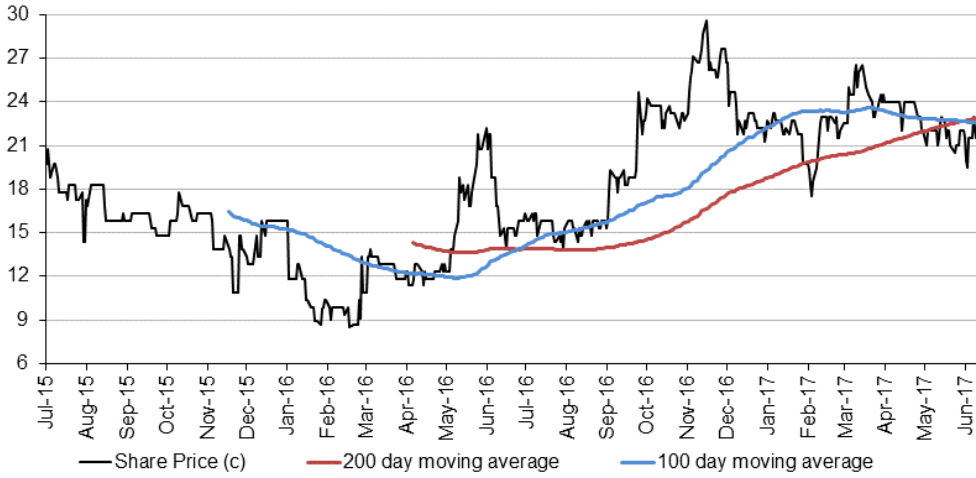
**FIG.24: INSTALLATION OF SITE OFFICES – MARCH 2017**



Source: GNX

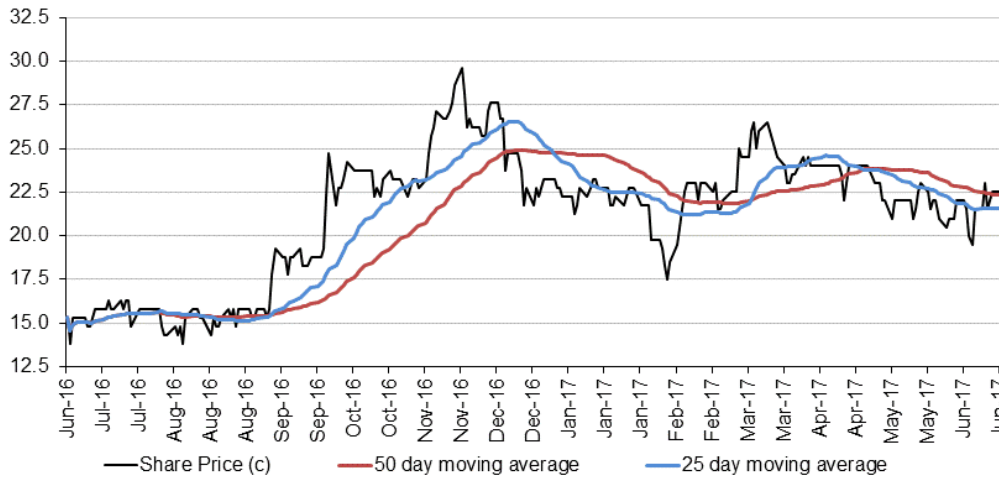
**Appendix**

**FIG.25: LONG TERM MOMENTUM INDICATORS**



Source: Iress

**FIG.26: SHORT TERM MOMENTUM INDICATORS**



Source: Iress

This document has been prepared and issued by:

**Baillieu Holst Ltd**

ABN 74 006 519 393

Australian Financial Service Licence No. 245421

Participant of ASX Group

Participant of NSX Ltd

**Analysts' stock ratings are defined as follows:**

**Buy:** The stock's total return is expected to increase by at least 10-15 percent from the current share price over the next 12 months.

**Hold:** The stock's total return is expected to trade within a range of  $\pm 10$ -15 percent from the current share price over the next 12 months.

**Sell:** The stock's total return is expected to decrease by at least 10-15 percent from the current share price over the next 12 months.

**Baillieu Holst Analysts' stock ratings distribution as of 30 May 2017:**

**Buy:** 64%

**Hold:** 33%

**Sell:** 3%

**Disclosure of potential interest and disclaimer:**

Baillieu Holst Ltd (Baillieu Holst) and/or its associates may receive commissions, calculated at normal client rates, from transactions involving securities of the companies mentioned herein and may hold interests in securities of the companies mentioned herein from time to time. Your adviser will earn a commission of up to 55% of any brokerage resulting from any transactions you may undertake as a result of this advice.

When we provide advice to you, it is based on the information you have provided to us about your personal circumstances, financial objectives and needs. If you wish to rely on our advice, it is important that you inform us of any changes to your personal investment needs, objectives and financial circumstances.

If you do not provide us with the relevant information (including updated information) regarding your investment needs, objectives and financial circumstances, our advice may be based on inaccurate information, and you will need to consider whether the advice is suitable to you given your personal investment needs, objectives and financial circumstances. Please do not hesitate to contact our offices if you need to update your information held with us. Please be assured that we keep your information strictly confidential.

No representation, warranty or undertaking is given or made in relation to the accuracy of information contained in this advice, such advice being based solely on public information which has not been verified by Baillieu Holst Ltd.

Save for any statutory liability that cannot be excluded, Baillieu Holst Ltd and its employees and agents shall not be liable (whether in negligence or otherwise) for any error or inaccuracy in, or omission from, this advice or any resulting loss suffered by the recipient or any other person.

Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgment at its original date of publication and are subject to change without notice. The price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise. The value of securities and financial instruments is subject to exchange rate fluctuation that may have a positive or adverse effect on the price or income of such securities or financial instruments.

Baillieu Holst Ltd assumes no obligation to update this advice or correct any inaccuracy which may become apparent after it is given.

**Baillieu Holst Ltd**

ABN 74 006 519 393

Australian Financial Service Licence No. 245421

Participant of ASX Group

Participant of NSX Ltd

**www.baillieuholst.com.au**

**Melbourne (Head Office)**

**Address** Level 26, 360 Collins Street

Melbourne, VIC 3000 Australia

**Postal** PO Box 48, Collins Street West

Melbourne, VIC 8007 Australia

**Phone** +61 3 9602 9222

**Facsimile** +61 3 9602 2350

**Email** melbourne@baillieuholst.com.au

**Adelaide Office**

**Address** Ground Floor, 226 Greenhill Road,

Eastwood SA 5063

**Postal** PO Box 171

Fullarton SA 5063

**Phone** +61 8 7074 8400

**Facsimile** +61 8 8362 3942

**Email** adelaide@baillieuholst.com.au

**Bendigo Office**

**Address** Level 1, 10-16 Forest Street

Bendigo, VIC 3550

**Postal** PO Box 84

Bendigo, VIC 3552

**Phone** +61 3 4433 3400

**Facsimile** +61 3 4433 3430

**Email** bendigo@baillieuholst.com.au

**Geelong Office**

**Address** 16 Aberdeen Street

Geelong West Vic 3218

**Postal** PO Box 364

Geelong Vic 3220 Australia

**Phone** +61 3 5229 4637

**Facsimile** +61 3 4229 4142

**Email** geelong@baillieuholst.com.au

**Gold Coast Office**

**Address** Suite 202 Level 2, Eastside Building

6 Waterfront Place, Robina QLD 4226

**Phone** +61 7 5628 2670

**Facsimile** +61 7 5677 0258

**Email** goldcoast@baillieuholst.com.au

**Newcastle Office**

**Address** Level 1, 120 Darby Street

Cooks Hill, NSW 2300 Australia

**Postal** PO Box 111

The Junction, NSW 2291 Australia

**Phone** +61 2 4037 3500

**Facsimile** +61 2 4037 3511

**Email** newcastle@baillieuholst.com.au

**Perth Office**

**Address** Level 10, 191 St Georges Terrace

Perth WA 6000 Australia

**Postal** PO Box 7662, Cloisters Square

Perth, WA 6850 Australia

**Phone** +61 8 6141 9450

**Facsimile** +61 8 6141 9499

**Email** perth@baillieuholst.com.au

**Sydney Office**

**Address** Level 40, 259 George Street

Sydney, NSW 2000 Australia

**Postal** PO Box R1797

Royal Exchange, NSW 1225 Australia

**Phone** +61 2 9250 8900

**Facsimile** +61 2 9247 4092

**Email** sydney@baillieuholst.com.au