



Level 6,
28 O'Connell Street
Sydney NSW 2000
GPO Box 4626, Sydney NSW 2001
t. + 61 2 9048 8850
e. info@genexpower.com.au
w. www.genexpower.com.au

5 April 2018

ASX Announcement

**GENEX SECURES EXCLUSIVE OPTION TO DEVELOP NEW WIND PROJECT
AS STAGE 3 OF THE KIDSTON RENEWABLE ENERGY HUB**

- Genex secures land option to develop wind farm up to 150MW as Stage 3 of the Kidston Renewable Energy Hub
- Genex to expand development pipeline portfolio at Kidston

Genex Power Limited (**ASX: GNX**) (**Genex** or **Company**) is pleased to announce the signing of a binding heads of agreement with local landholders with the exclusive option for Genex to develop a new wind farm project (**K3-Wind** or the **Project**) comprising Stage 3 of the Company's Kidston Renewable Energy Hub in North Queensland.

The Company believes that the Project will benefit from naturally elevated topography, along an escarpment of approximately 21km in length. Genex estimates that the Project area has the potential to be developed into a wind farm up to 150MW. Subject to completion of a feasibility study including transmission requirements and capabilities, it is envisaged that the Project will connect into the National Electricity Market (**NEM**) via the proposed new 275kV transmission line at Kidston to be developed as part of the Kidston Stage 2 projects.

The K3-Wind Project represents Genex's fourth project in its development pipeline, with the Renewable Energy Hub now potentially comprising:

Project Name	Energy Type	Capacity (up to)	Status
KS1	Solar	50MW	Commercial operations
K2-Solar	Solar	270MW	Feasibility complete, targeting financial close 2018
K2-Hydro	Pumped Storage Hydro	250MW	Feasibility complete, targeting financial close 2018
K3-Wind	Wind	150MW ⁽¹⁾	Feasibility study commencing

(1) Genex estimate and subject to outcomes of the feasibility study

The proposed K3-Wind Project could not only provide Genex with significant additional generation capacity for dispatch into the NEM, but in combination with the existing Stage 1 solar and planned Stage 2 solar and hydro projects, provide inversely correlated generation which could enable the dispatch of firm clean renewable electricity 24 hours a day, 7 days a week. A projected generation profile from the Kidston Renewable Energy Hub incorporating K3-Wind, is provided in the chart below.

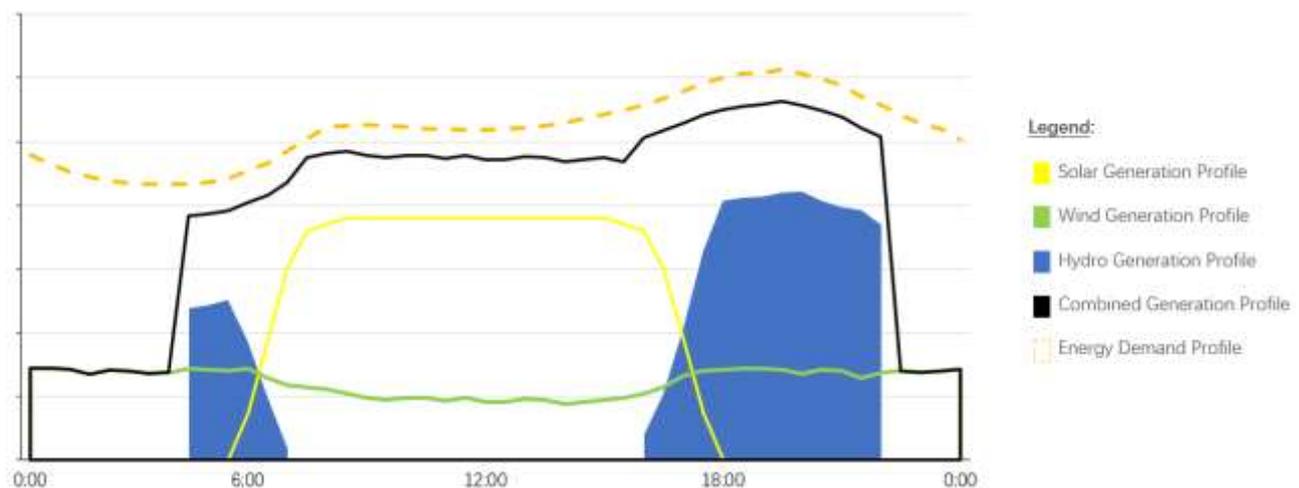


Figure 1: Potential generation profile of the Kidston Renewable Energy Hub.

Genex now intends to commence a detailed feasibility study to assess and determine the technical and economic feasibility of constructing and operating a wind farm of up to 150MW at Kidston, which will include; a full assessment of the wind resource at the Project site, transmission requirements, capital and operating costs and firming up of anticipated capacity factors. The feasibility study may take up to 18 months and the nominal cost will be funded from Genex's existing cash resources.

Commenting on today's announcement, Genex's Managing Director, Michael Addison said:

"Whilst our immediate focus as a Company is to secure project financing for Stage Two of the Kidston Renewable Energy Hub (K2-Hydro and K2-Solar), the proposed wind farm should give us diversity across three renewable energy sources at the one site, and would be a world first development of integrated solar, wind and pumped storage hydro technology – potentially allowing Genex to provide firm renewable clean energy 24 hours a day, 7 days a week.

We view K3-Wind as the first of a number of diversified future projects that will selectively expand our corporate portfolio, and place Genex as one of the key renewable energy and energy storage developers in Australia.

We will continue to seek to develop innovative projects that expand and complement the Company's portfolio and take advantage of significant existing infrastructure, to minimise capital costs and development timeframes, and enhance returns to shareholders."



Figure 2: Artist's depiction of the K3-Wind Project at the Kidston Renewable Energy Hub.

ARENA:

The Federal Government, through the Australian Renewable Energy Agency (**ARENA**), has provided \$8.9 million in funding to support the construction of Genex's KS1 Project, and up to \$9 million in funding to support the development of K2-Solar and K2-Hydro.

Queensland State Government:

The Queensland State Government has continued to support the development of the Kidston Renewable Energy Hub, providing a 20-year revenue support deed for KS1 through the Solar 150 Program, and designating the Hub as '*Critical Infrastructure*' to the State.

CONTACT:

Simon Kidston

Executive Director

Tel: +61 2 9048 8852

Email: sk@genexpower.com.au

About Genex Power Limited:

Genex Power is a power generation development company listed on the ASX. The Company is focused on innovative clean energy generation and electricity storage solutions which deliver attractive commercial returns for shareholders. Following the commencement of commissioning and operation at the Kidston Stage 1 Solar Project, the Company's focus is on the development of its 250MW Kidston Pumped Storage Hydro Project and the integrated 270MW Kidston Solar Two Project and the 150MW wind farm all located at the Kidston Renewable Energy Hub, in Northern Queensland.

About ARENA:

ARENA was established by the Australian Government to make renewable energy technologies more competitive and increase the supply of renewable energy in Australia. Through the provision of funding coupled with deep commercial and technical expertise, ARENA provides the support needed to accelerate the development of promising new solutions towards commercialisation. ARENA invests in renewable energy projects across the innovation chain and is committed to sharing knowledge and lessons learned from its portfolio of projects and information about renewable energy. ARENA has committed \$1.1 billion in funding to more than 270 projects. For more information, visit www.arena.gov.au.