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GENEX ACHIEVES FINANCIAL CLOSE FOR ITS $777M KIDSTON PUMPED STORAGE HYDRO PROJECT

Genex Power Limited (**ASX**:**GNX**) (**Genex** or **Company**) is pleased to confirm that it has now reached financial close for the 250MW Kidston Pumped Storage Hydro Project (**K2-Hydro**). Financial close signals the satisfaction of all conditions precedent associated with the Project, including subscription of equity and full effectiveness of all Project Documents as well as the ARENA funding agreement and the NAIF loan facility.

Financial close for the Project follows settlement and allotment of 106,990,005 shares in Genex at $0.2337 per share to J-POWER, who now become the largest single shareholder in the Company with a 10% interest. Upon completion of this share subscription, Mr Kenichi Seshimo from J-POWER has now been appointed to the Genex board as a Director.

The Company continues to ramp up construction activities at the Kidston site. These activities include the installation of accommodation units at the Oaks Rush accommodation village and at Kidston, upgrade of the access ramp to Eldridge Pit, and installation of a new communication system. Rock material sampling and testing for concrete production has been completed, and pumps are being mobilised to site to commence the initial dewatering of the Eldridge pit.

Commenting on today's announcement, Genex CEO James Harding stated:

> *"Today is a landmark moment in the history of Genex Power, and also marks an important step in the roll out of large-scale energy storage capability in the National Electricity Market. Financial close for the Kidston Pumped Storage Hydro Project is a monumental achievement for the Company and is one Genex has been working towards for over 5 years. I am pleased to report that site preparation activities at Kidston are now well progressed as we prepare for full scale Project construction activities over the next few months.*
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> *I would like to thank J-POWER for their significant investment and ongoing support of the Company since 2019, and I am very pleased to welcome Mr Kenichi Seshimo to the Board of Directors at Genex. We look forward to working closely with J-POWER through construction of the Kidston Pumped Storage Hydro Project and the development of the Kidston Wind Project, and we are excited at the prospect of developing further joint investment initiatives with our largest shareholder.*
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> *Further, I would sincerely like to thank the Queensland Government for the significant $147 million funding support for the Project, together with our financiers NAIF, ARENA and the CEFC for their continued commitment and longstanding support of Genex and the Project. This is an important Project for North Queensland and is an excellent example of Federal and State Government collaboration. We would also like to recognise EnergyAustralia for their ongoing support and for committing to the structured long term offtake arrangement which has allowed Genex to secure the level of debt required to fund the Project.*
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> *We look forward to providing regular updates to the market as we continue to ramp up construction activities at the Kidston site."*

The Hon Cameron Dick, Treasurer and Minister for Investment, said:

> *"The Queensland Government has played a crucial role in getting the Kidston Pumped Storage Hydro Project over the line to secure a strong renewables future in North Queensland and unlock hundreds of renewables jobs. Our Government is providing $147 million funding for essential transmission infrastructure to link the Project to the National Electricity Market and help develop a clean energy hub in North Queensland. Our State-owned Powerlink will build, own and operate a 186 kilometre transmission line and associated infrastructure, creating over 400 new jobs during its construction.*

With the Kidston Hydro Project itself supporting over 500 construction jobs and around 25 operational jobs, the Palaszczuk Government continues to drive investment, create jobs and growth, and lower electricity prices for Queensland households and businesses.

Energy storage projects like the Kidston Pumped Hydro Storage Project, and strategic transmission investments that unlock North Queensland's world class renewable energy capacity, will support Queensland to reach 50 per cent renewables by 2030."

Queensland Minister for Energy, Renewables and Hydrogen Mick de Brenni, said:

"The Palaszczuk Government's $147 million investment in the Kidston project will deliver Queensland's first pumped hydro storage project in almost forty years and 900 construction jobs.

As Queensland charges towards its renewable energy target, storage projects like this will enable continued investment in otherwise intermittent renewables. The project's contribution to grid stability will secure the future of North Queensland's energy system, further powering the region's economic recovery. Genex reaching financial close confirms Queensland's energy investment credentials are second to none."

Catherine Tanna, EnergyAustralia Managing Director, said:

"The Kidston pumped hydro storage facility is a big project and an Australian first that will serve the energy needs of Queensland customers, while advancing our company goal of being carbon neutral by 2050.

EnergyAustralia is proud to be underpinning the Kidston pumped hydro storage facility, which provides another example of how we're leading the energy transition in Australia. The project will provide the stability our system needs and deliver reliable, affordable and cleaner energy. It's also a terrific example of governments and industry working together to deliver the best outcome for customers.

EnergyAustralia congratulates Genex and the project's other stakeholders on today achieving financial close."

Chris Wade, the Northern Australia Infrastructure Facility (**NAIF**) CEO, said:

> *"NAIF was an early supporter of the transformational Kidston Pumped Storage Hydro Project and we congratulate the project sponsors on achieving financial close. This is a transformational project for North Queensland and it is pleasing to see that construction activities have commenced on site. NAIF looks forward to continuing our partnership with the project parties as they work towards construction and delivering the significant economic and employment benefits to the region."*

Figure 1: Expansion of accommodation camp at Oaks Rush, Kidston

This announcement was approved by the Board of Genex Power Limited.

For more information about this announcement:

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About Genex Power Limited

Genex Power Limited is focused on developing a portfolio of renewable energy generation and storage projects across Australia. The Company's flagship Kidston Clean Energy Hub, located in north Queensland, will integrate large-scale solar generation with pumped storage hydro. The Kidston Clean Energy Hub is comprised of the operating 50MW stage 1 Solar Project (**KS1**) and the 250MW Kidston Pumped Storage Hydro Project (**K2-Hydro**) with potential for further multi-stage wind and solar projects. The 50MW Jemalong Solar Project (**JSP**) is located in NSW and provides geographical diversification to the Genex Power Limited portfolio. JSP was energised in early December 2020 and commissioning is now underway. Genex is further developing its energy storage portfolio via the early stage development of a 50MW standalone battery energy storage system at Bouldercombe in Queensland. With over 400MW of renewable energy & storage projects in development, Genex is well placed as Australia's leading renewable energy and storage company.

Genex continues to acknowledge the support of key Federal and State Government stakeholders such as the Australian Renewable Energy Agency (**ARENA**), the Northern Australia Infrastructure Facility (**NAIF**), the Clean Energy Finance Corporation (**CEFC**) and the Queensland State Government.