



Genex Power

CORPORATE PRESENTATION

About Genex Power

▪ Renewable energy generation and energy storage

ASX code: GNX

Shares on issue: 303.9M

Market cap: \$88.1M

Cash (31.03.18): \$13.2M

Undrawn ARENA: \$6M

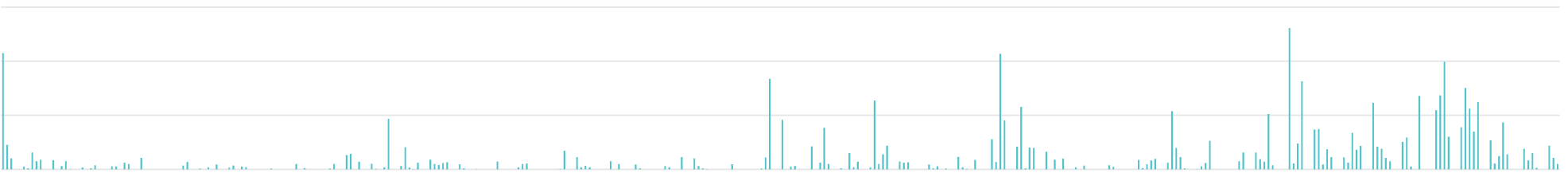
Favourable Tax Ruling: \$39.5M

Major Shareholders: Board & Management – 17%
Zhefu Hydropower – 11.7%
Institutional – 21%
Other – 50.3%



Corporate Performance

ASX: GNX (as of 24.05.18)



Volume

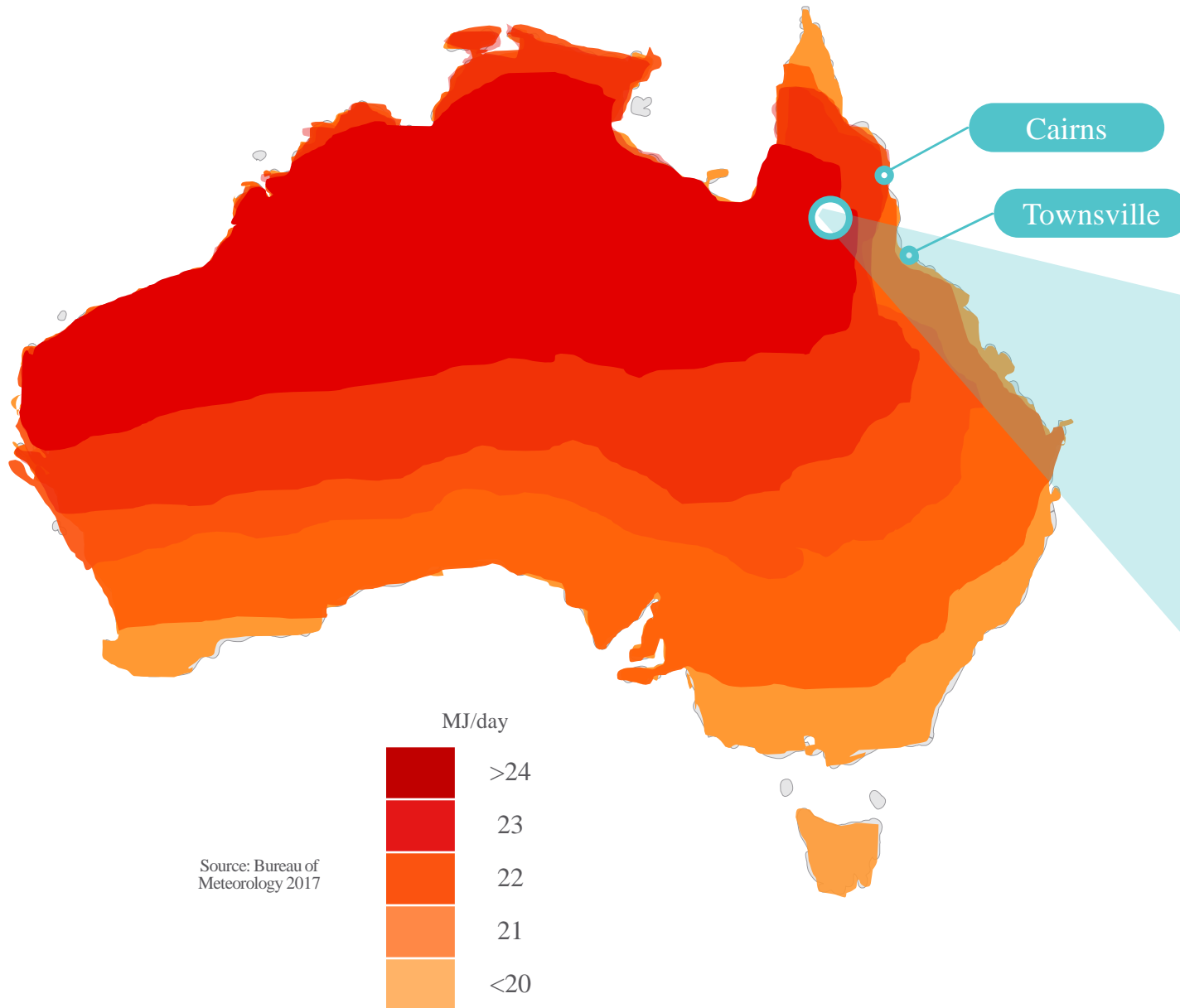
Corporate Portfolio

The Kidston Renewable Energy Hub:

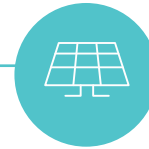
- **STAGE 1: 50MW Kidston Solar Project**
 - 20-Year Government Revenue Guarantee
 - Generating into the National Electricity Market
- **STAGE 2: 250MW Kidston Pumped Storage Hydro Project & 270MW Solar Project**
 - ‘Giant water battery’ integrated with solar
 - Can store & generate energy for up to 8 hours (2,000MWh)
 - Targeting financial close 2018
- **STAGE 3: 150MW Kidston Wind Project**
 - Land option secured & feasibility commenced



Locational Advantages

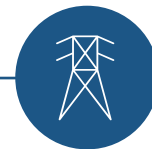


- Kidston, Far-North Queensland, Australia



Highest solar irradiance in Australia

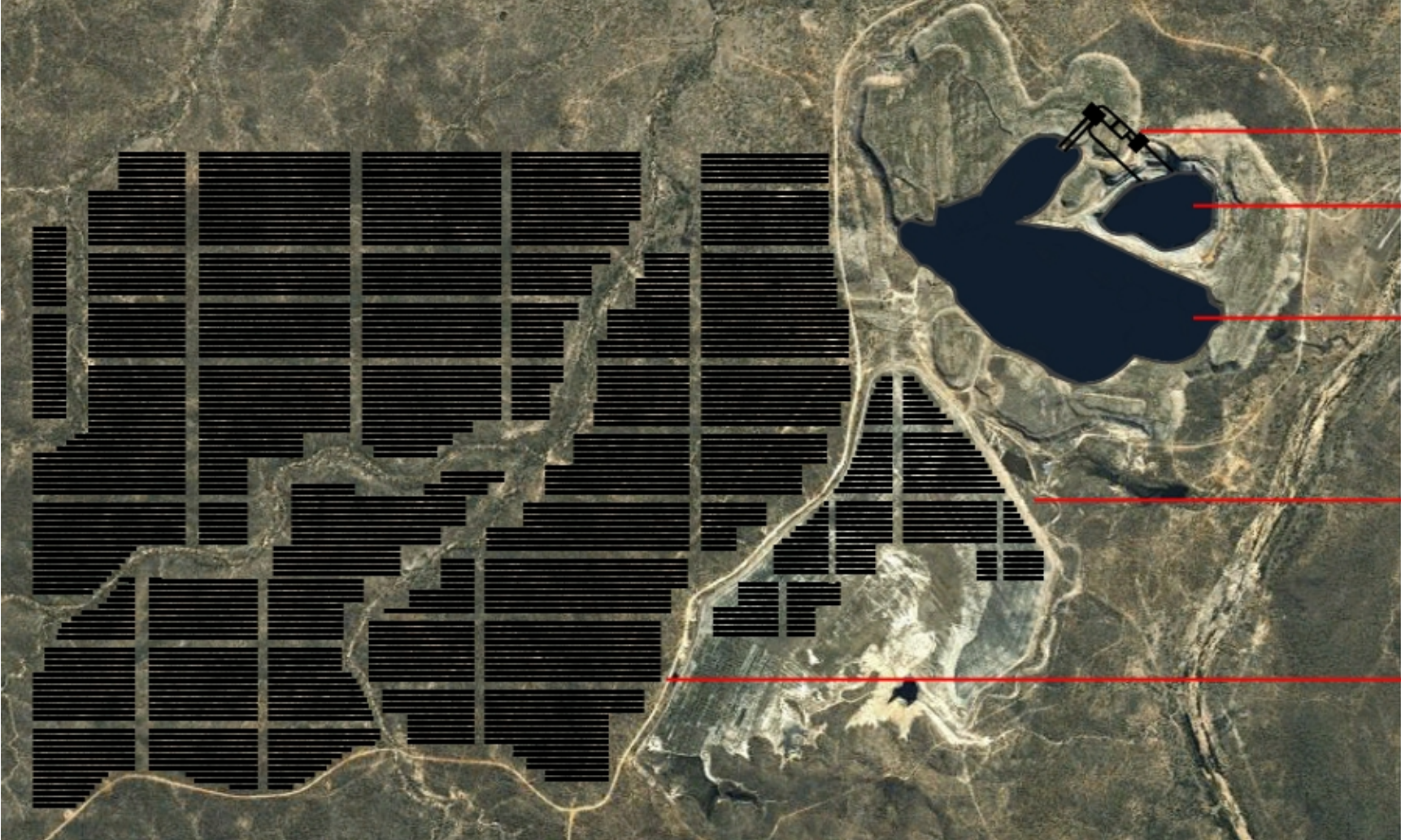
Kidston Renewable Energy Hub



Existing infrastructure

- Two mining voids filled with water
- Water pipeline to Copperfield Dam
- Environmental permitting
- Accommodation, road access & airstrip
- 132kV transmission & substation

Kidston Renewable Energy Hub



Powerstation & Tailrace Tunnel

Eldridge Pit (Lower Reservoir)

Wises Pit (Upper Reservoir)

50MW Solar Project

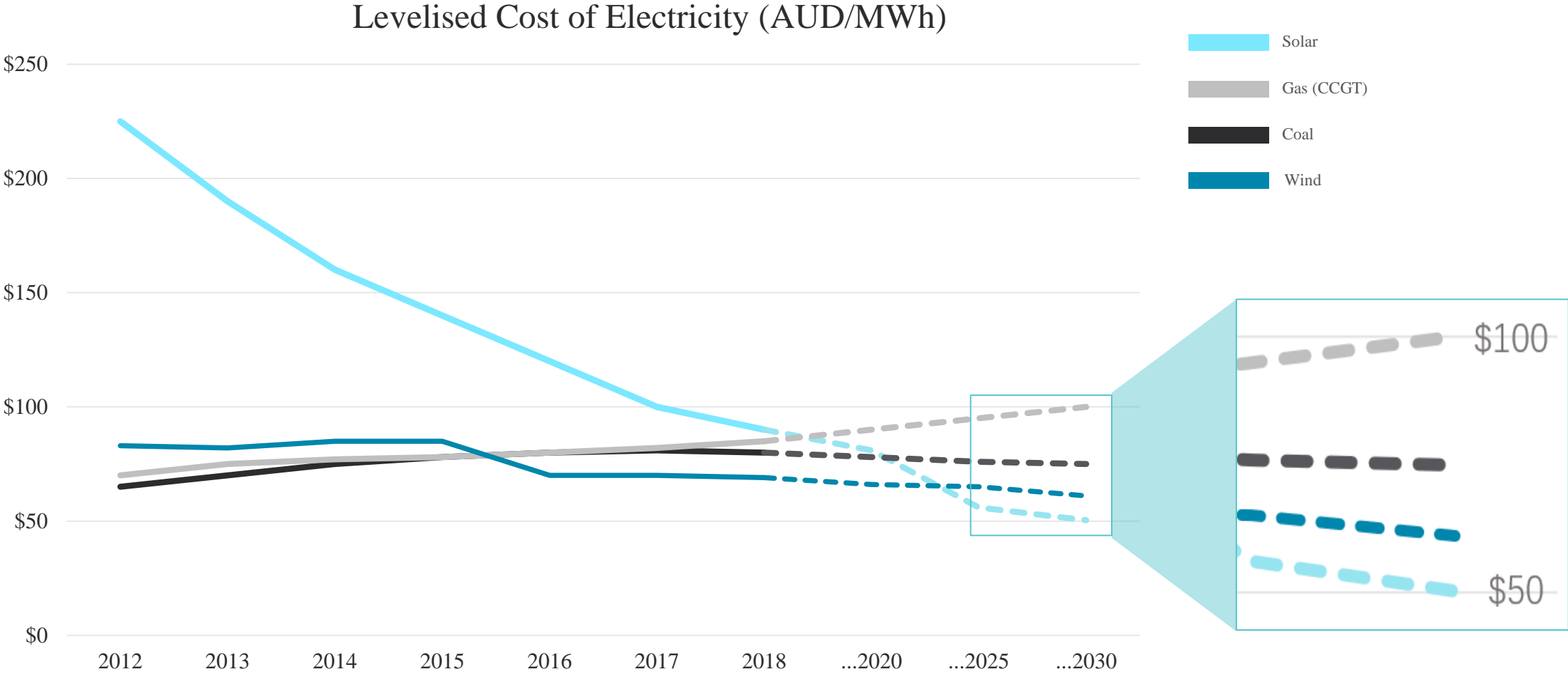
270MW Solar Project



Market Transitions: Renewables & Storage

- Growth of intermittent wind & solar creating volatility in the market
- Need for low-cost, large-scale storage
- Pumped hydro storage is the most efficient and abundant form of energy storage available
- Adequate storage will allow high penetration of renewables & accomplishment of RETs/NEG

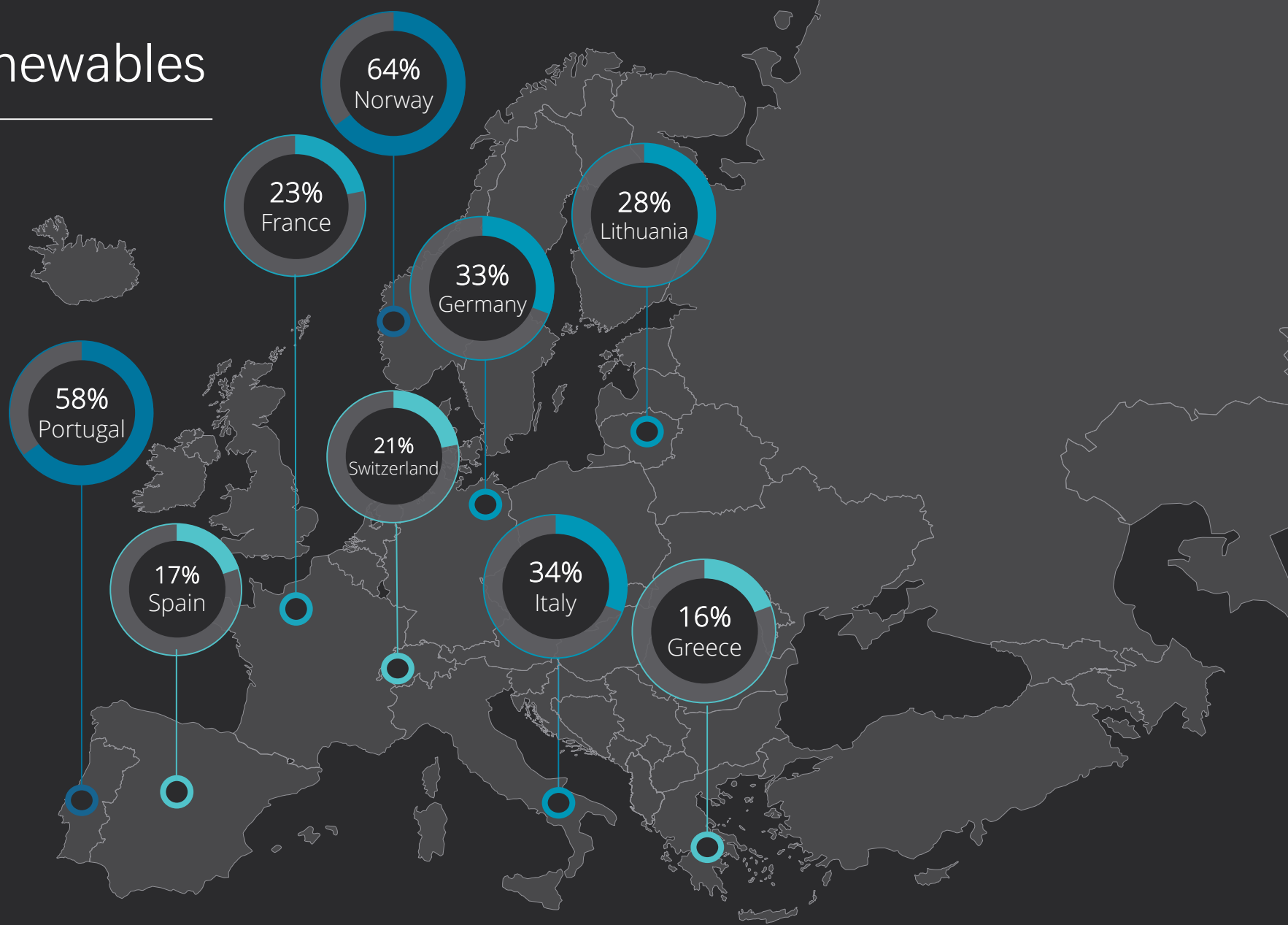
Market Transitions: Renewables



Source: Clean Energy Council 2016 Report and AI Group 2017

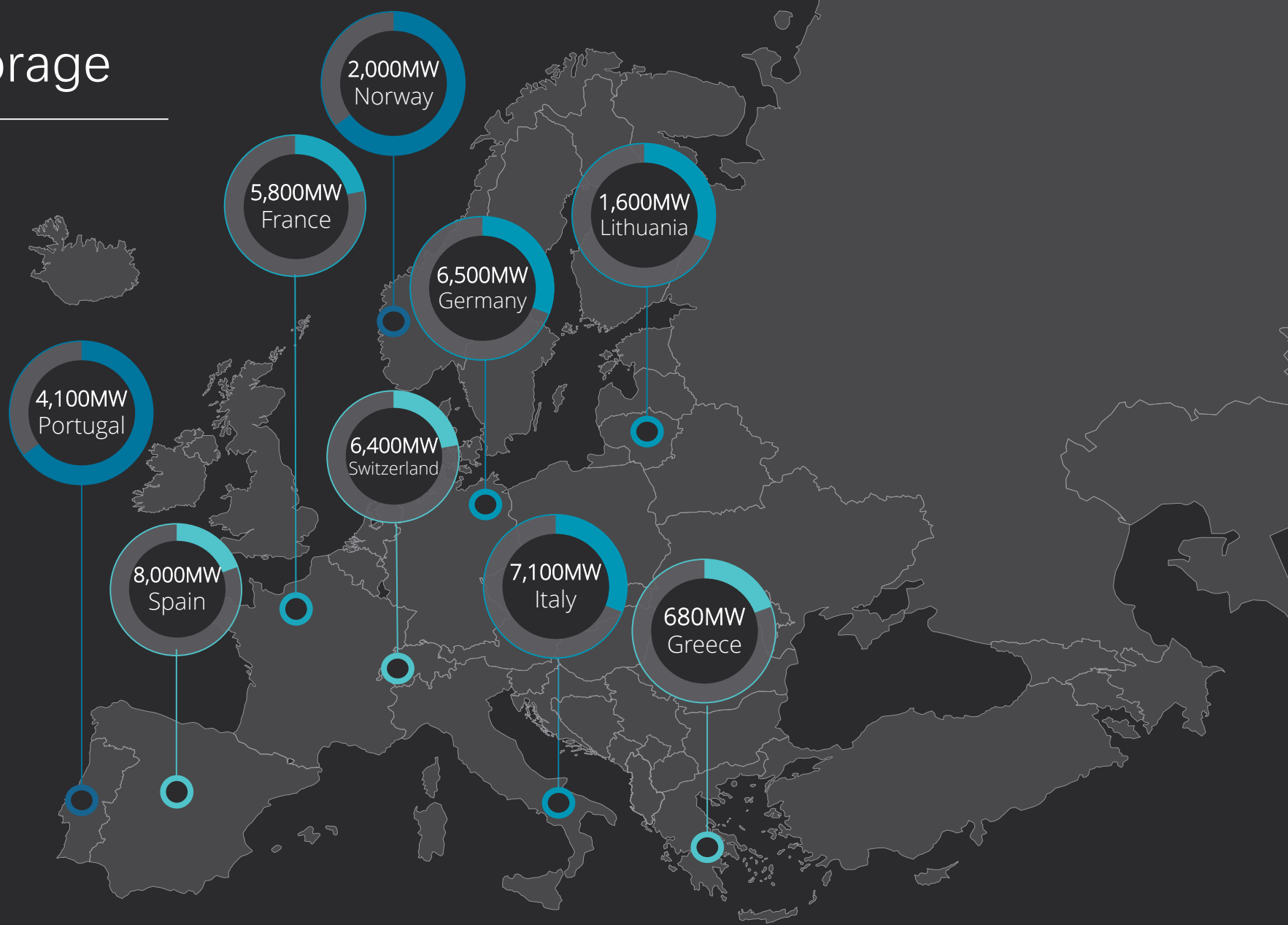
Market Transitions: Renewables

Renewable Energy Consumption

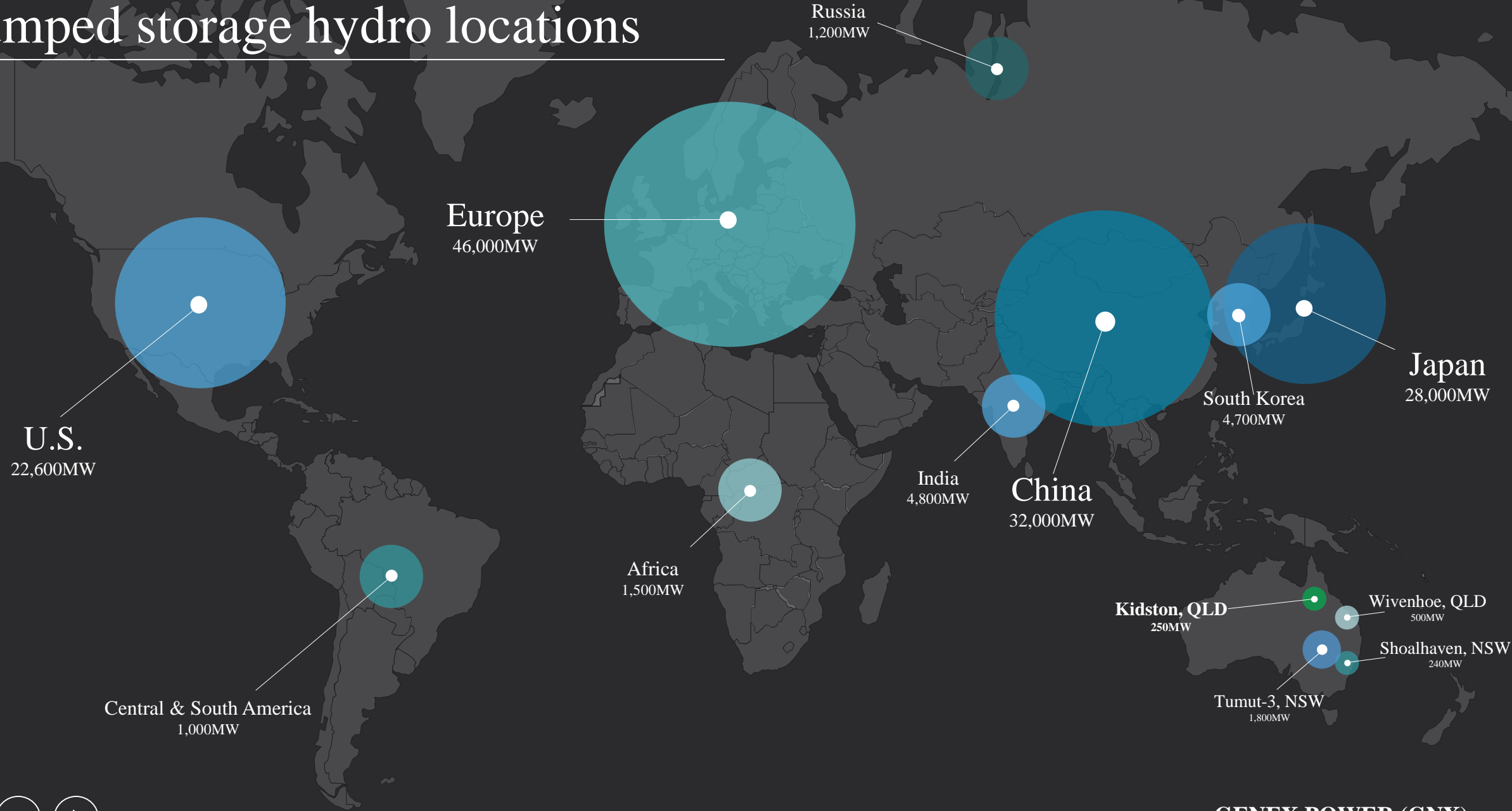


Market Transitions: Storage

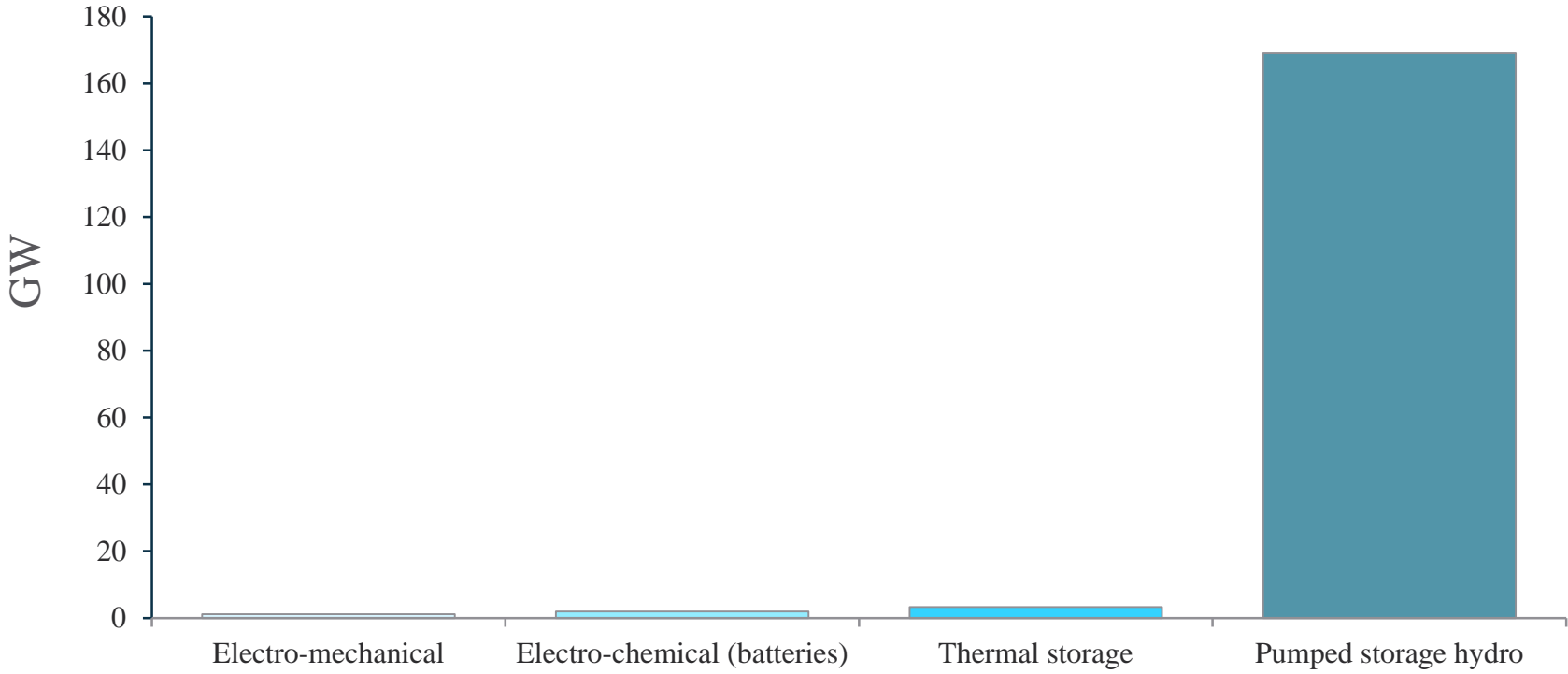
Pumped Storage Hydro Capacity



Pumped storage hydro locations



Global operational energy storage capacity



Source: US Department of Energy, 2017



50MW Kidston Solar Project



50MW Kidston Solar Project

- Currently producing electricity into the National Electricity Market
- 20-year Revenue Support Deed with Queensland Government
- 145,000MWh per annum at full capacity (equivalent to 26,500 homes)
- 30-year project lifespan
- Use of first-tier suppliers & contractors to mitigate risk (UGL, AECOM, First Solar, NEXTracker, SMA)



50MW Kidston Solar Project

- 20-year Revenue Support Deed with Queensland State Government
- Federal Government funding through ARENA & CEFC



	December 2017	January 2018	February 2018	March 2018	April 2018
Generation (MWh)	3,126	4,919	7,513	9,644	11,288
Cumulative Generation (MWh)	3,126	8,045	15,558	25,203	36,491
Revenue	\$490,385	\$848,211	\$1,183,134	\$1,379,836	\$1,600,753
Cumulative Revenue	\$490,385	\$1,338,596	\$2,521,729	\$3,901,565	\$5,502,318

1. Unaudited financial information;
2. Revenue comprised of energy and LGC sales on an accrual basis;
3. Queensland Government Revenue Support Deed to commence on practical completion;
4. LGC revenue will revert to Govt. upon practical completion;
5. All energy during commissioning phase is derived from selling into the spot market; and
6. April 2018 revenue includes unrealised LGC revenue.



250MW Kidston Pumped Storage Hydro Project



Pumped Storage Hydro

- Mature technology – in use for over 130 years, with > 200 projects worldwide
- Lowest cost of energy storage available
 - 250MW Kidston Project is ~15x more affordable than the cost of equivalent lithium-ion battery storage
- Peak power generator – able to dispatch into peak periods
- Can be integrated with renewables
 - Perfect component to counteract intermittent & volatile renewable generation
- 80+ year project lifespan





250MW Kidston Pumped Storage Hydro Project

- Feasibility complete, design optimised for up to 8 hours of peaking, dispatchable generation (2,000MWh)
- Utilising the two mining voids to significantly reduce capital expenditure
 - Mining voids are 52ha & 54ha
 - Substantial rehabilitation after mines closure in 2001
- Water license in place for external top-up if required
- Integrated with Kidston Solar 2 – solar generated will result in low-cost intra-day pumping

250MW Kidston Pumped Storage Hydro Project

- Strong government support
 - Designated 'Critical Infrastructure' by Queensland State Government
 - Up to \$9M in funding already provided by ARENA
- Tier 1 contractors appointed:
 - Feasibility completed by Entura
 - JV - McConnell Dowell & John Holland
 - Engineering consultant Mott MacDonald
 - International hydroelectric turbine supplier ANDRITZ
- Construction commencement anticipated for H2 2018





270MW Kidston Solar Project



270MW Kidston Solar Project

- Potentially phased development up to 270MW to match energy off-take and energy transfer capabilities
- Ability to integrate with Hydro Project
 - Produces low-cost solar power that can drive pumping cycle
- Co-financed and co-located with Hydro Project
- UGL selected as preferred EPC Contractor following success on Solar Stage One
- Development Approval by Council





150MW Kidston Wind Project



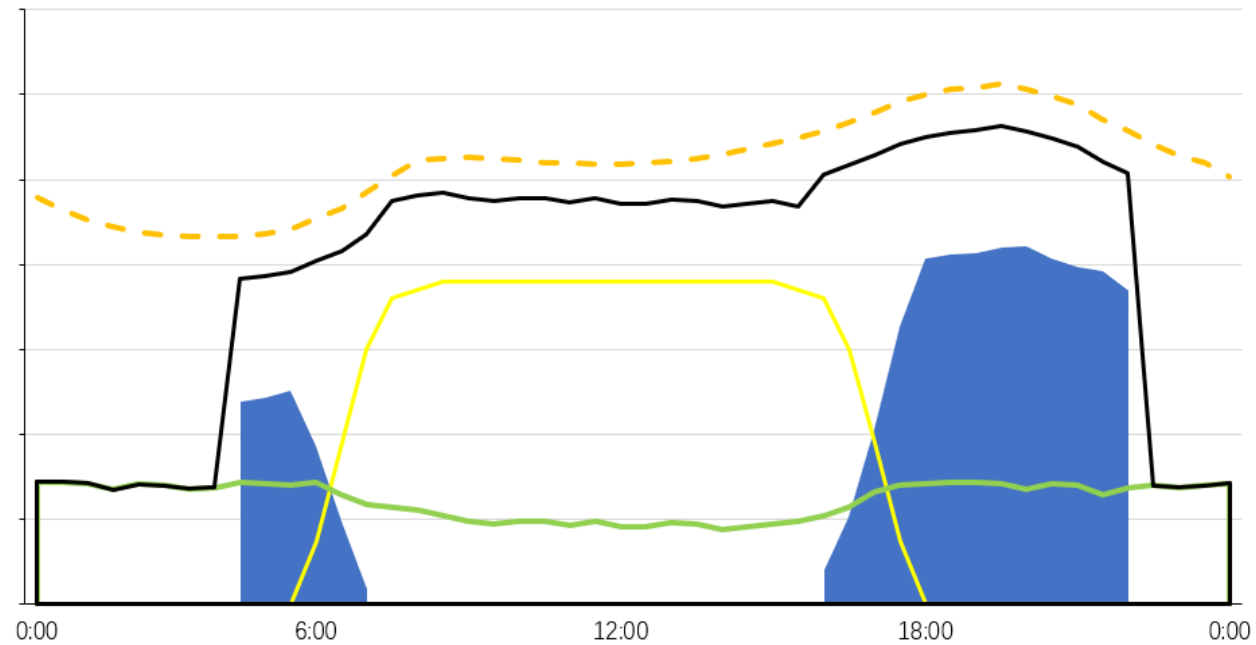


150MW Kidston Wind Project

- Stage 3 of the Kidston Renewable Energy Hub
- Globally unique integration of solar, wind and hydro
- Dispatchable renewable energy on demand 24/7
- Leverage existing infrastructure and co-location advantages
- Land option secured, feasibility studies commenced
- Project sizing of up to 150MW
- Pre-feasibility works indicate excellent wind resource, utilizing naturally elevated escarpment measuring ~21km in length

150MW Kidston Wind Project

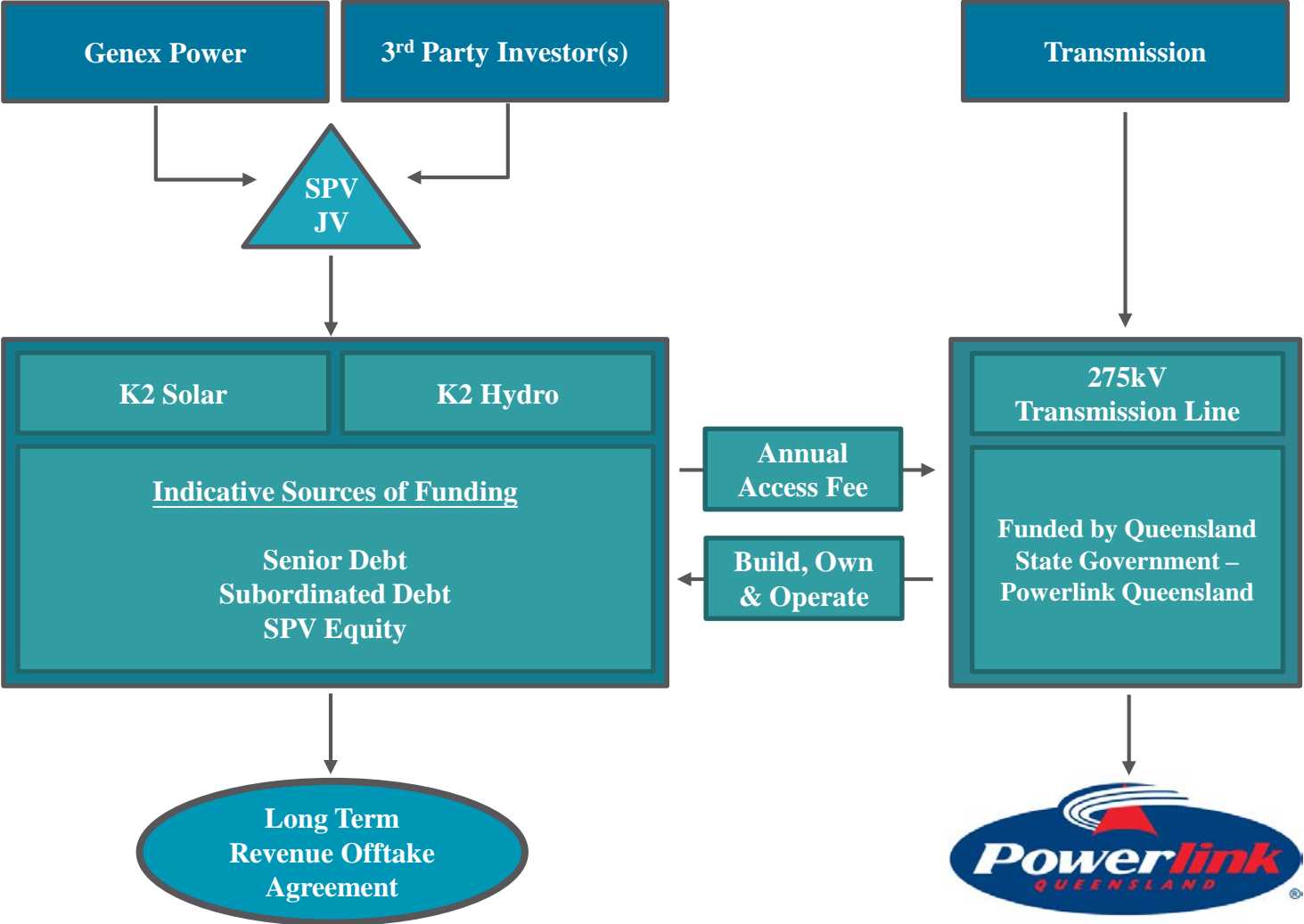
- Wind generation profile inversely correlated with solar resource
- Integrated hydro generation compensates wind & solar intermittency
- Global first baseload renewable energy project



Legend:

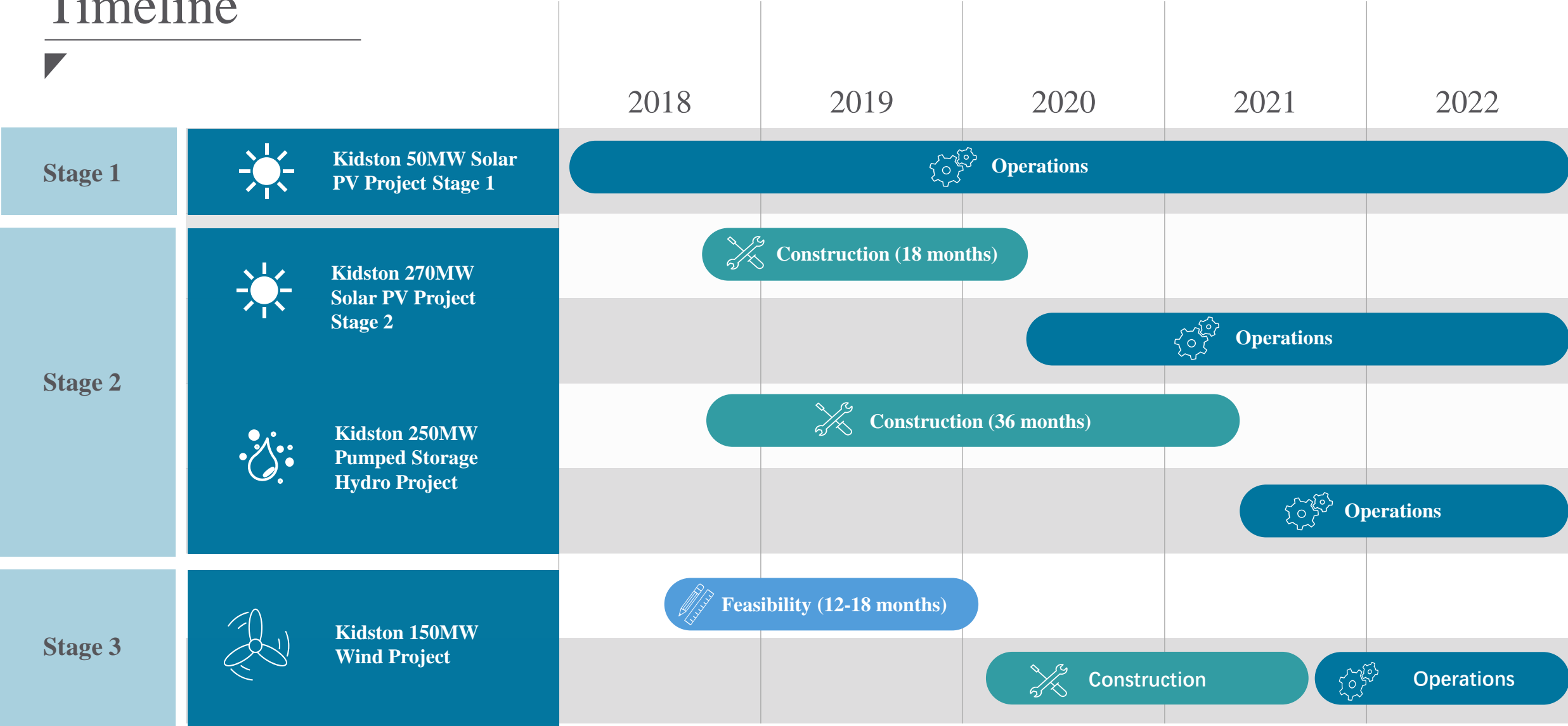
- Solar Generation Profile
- Wind Generation Profile
- Hydro Generation Profile
- Combined Generation Profile
- Energy Demand Profile

Stage Two: Funding Structure



- Following successful Stage One funding strategy for Stage Two:
 - I. Long-term contracted revenue
 - II. Potential concessional Government funding
 - III. Bank funding/project finance
 - IV. Equity funding at project level

Timeline



Government Support

- Queensland State Government:

- 20-Year Revenue Support Deed for 50MW Kidston Solar Project - ‘Solar 150 Program’ (2016)
- Designated the Kidston Renewable Energy Hub as ‘Critical Infrastructure’ to the State (2017)
- \$150M towards development of 275kV transmission line - ‘Powering North Queensland Plan’ (2017)



- Commonwealth Government:

- ARENA:

- \$4M in funding to assist feasibility studies for 250MW Kidston Pumped Hydro Storage Project (2015)
- \$8.9M in funding for 50MW Kidston Solar Project (2016)
- Up to \$5M in funding for Kidston Stage Two Projects (2017)



- CEFC: debt financing for 50MW Kidston Solar Project (2017)



- NAIF: First-stage board approval for concessional debt financing for Kidston Stage Two Projects (2017)



Board & Management



Dr. Ralph Craven (Chairman)

- Chairman of Stanwell Corporation
- Director of Senex and AusNet Services
- Former CEO and Chairman of Ergon Energy
- Former CEO of Transpower New Zealand



Michael Addison (Director)

- Founder of EndoCoal and Carabella
- Water Engineer with extensive finance experience



James Harding (Chief Executive Officer)

- 30 years experience in international project business.
- Former head of Business Development in Abengoa Solar Power Australia & General Manager of Renewables with IPS Australia and MAN Ferrostaal.



Simon Kidston (Executive Director)

- Founder of EndoCoal and Carabella
- Former banker with HSBC, Macquarie, Helmsec



Ben Guo (Finance Director)

- 10 years finance and accounting experience with PWC, E&Y, Helmsec and more recently with Carabella Resources



Teresa Dyson (Non-Executive Director)

- Director of Energy Queensland, Seven West Media & Energy Super, Power & Water Corporation
- Former Partner of Ashurst & Deloitte
- Member of FIRB and Takeovers Panel



Alan du Mée (Non-Executive Director)

- Former CEO of Tarong Energy
- Former Chairman of the Australian National Generators Forum



Yongqing Yu (Non-Executive Director)

- Engineering background with extensive global hydro experience
- Vice Chairman of Zhefu



Arrran McGhie (Chief Operations Officer)

- 20 years experience in senior project management roles for underground excavation and civil construction projects



Craig Francis (Commercial Finance Manager)

- Over 10 years investment banking and finance experience in Australia and the UK focusing on the energy and natural resources sectors



Justin Clyne (Company Secretary/Legal Counsel)

- Experienced lawyer & company secretary

Summary



- **Strong and stable cash flows from 50MW Kidston Solar Project**
 - Cashflow positive
 - 20-year Revenue Support Deed with Queensland Government
- **Upside from strategic 250MW Kidston Pumped Storage Hydro Project + 270MW Kidston Solar Project**
 - Commonwealth & State Government focus on energy storage and renewable energy
 - Most advanced energy storage and renewable project in Australia
 - Revenue contracting and project finance discussions underway
- **Positive Outlook**
 - Government focus on energy storage to mitigate rising electricity prices & intermittent renewables
 - National Energy Guarantee/Finkel Review places value on large-scale storage to compliment growth of renewables



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