



Northern Australia Infrastructure Facility

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12 July 2017

ASX Announcement

GENEX WELCOMES APPROVAL FROM THE NORTHERN AUSTRALIA INFRASTRUCTURE FACILITY TO PROCEED TO FULL DUE DILIGENCE PHASE

Genex Power Limited (**ASX: GNX**) (**Genex** or **Company**) is pleased to advise that it has received approval from the Northern Australia Infrastructure Facility (**NAIF**) to proceed to the full due diligence phase for its Stage 2 large-scale solar and hydro pumped storage projects at Kidston in North Queensland. This follows the strategic assessment phase, which involved preliminary and assessment stakeholder consultation.

Genex is currently working on advancing its Stage 2 projects with a view to commencing construction in 2018. The decision by NAIF is a welcome announcement for the Company as discussions progress towards providing the necessary information to NAIF to enable NAIF to make a final investment decision.

NAIF is a Federal Government organisation mandated with \$5 billion in aggregate loans to encourage and complement private sector investment in developing new or substantially enhancing existing infrastructure that benefits northern Australia. This may include airports, communications, energy, ports, rail and water. As one of only two Queensland Government designated *Critical Infrastructure* projects in Queensland, and being north of the Tropic of Capricorn, Genex is keen to access NAIF funding for its projects.

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In commenting on NAIF's decision, to move to the full due diligence phase, Michael Addison, Managing Director said:

“Genex welcomes this decision from NAIF as it views NAIF as an integral partner in the Stage 2 project financing. Genex is aiming to commence construction of the 270MW solar and 250MW hydro projects in 2018.

This latest communication from NAIF comes on the back of a string of recent positive announcements by the Company, including the Queensland State Government's intention to commit \$150 million to develop a 275kV transmission line in Northern Queensland to include linking Genex's Stage 2 projects to the Powerlink network; the Finkel review recommendations including a proposal for the broader deployment of renewable and intermittent energy accompanied by energy storage, including batteries and pumped hydro; and the declaration of Critical Infrastructure and the expanded Prescribed Project by Queensland State Government.”

Also commenting on NAIF's decision, Laurie Walker, CEO of NAIF said:

“NAIF is looking forward to working with Genex on the full due diligence phase for Genex's Stage 2 solar and hydro pumped storage facility at Kidston in North Queensland. NAIF is keen to support infrastructure projects across northern Australia that will generate public benefit and economic and population growth in Northern Australia, such as this in the renewable energy sector”.

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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 Financial Close of Kidston Solar Stage 1 (50MW) Project, the Company's focus will now move onto the development of its 250MW Kidston Pumped Storage Hydro Project and the Kidston Solar Project Phase Two 270MW located at the Kidston Renewable Energy Hub, in Northern Queensland.

About the Northern Australia Infrastructure Facility:

The NAIF is established by the provisions of the *Northern Australian Infrastructure Facility Act 2016* (**NAIF Act**) and is a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act 2013* (**PGPA Act**). NAIF may approve loans to 30 June 2021 which total \$5 billion in aggregate (with loan tenors to up to the longest term of Commonwealth borrowings). Loans may be concessional finance to encourage and complement private sector investment in economic infrastructure that benefits northern Australia. This may include developments in airports, communications, energy, ports, rail and water. Investment will be spread across the three jurisdictions in northern Australia.