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ASX Limited

Company Announcements Platform

GENEX EXECUTES AUTOBIDDER OFFTAKE AGREEMENT WITH TESLA FOR THE BOULDERCOMBE BATTERY PROJECT

HIGHLIGHTS

- Agreement executed to operate the Bouldercombe Battery Project utilising Tesla's proprietary real-time trading and control platform, Autobidder;
- Autobidder employs a machine learning algorithm which will optimise dispatch behaviour from the BBP, maximising revenue and operating efficiency;
- As a key part of the Agreement, Tesla will provide a minimum level of contracted revenues to support project financing for the development of BBP, a significant step towards achieving financial close of the Project;
- Importantly, the Agreement delivers the ability to capture revenue beyond a fixed guaranteed amount to ensure that Genex participates in the revenue upside from significant pricing events; and
- The unique integration of Tesla Megapack and revenue support arrangements via Autobidder for the BPP reduces the Project's complexity by effectively streamlining the development, construction and operations phases at BBP.

Genex Power Limited (**ASX:GNX**) (**Genex** or **Company**) is pleased to announce that it has executed an Autobidder Offtake Agreement (**Agreement**) in relation to the 50MW/100MWh Bouldercombe Battery Project located near Rockhampton in central Queensland (**BBP** or the **Project**), with Tesla Motors Australia Pty Ltd (**Tesla**).

The rationale behind developing this innovative arrangement with Tesla for the BBP was to balance the requirement for a minimum level of contracted revenues to support project financing, whilst retaining the ability to capture revenue upside beyond a fixed guaranteed amount. Hence, the Agreement provides for a fixed and floating payment (revenue share) structure, whereby the fixed component extends cash flow certainty to the Project lenders whilst the floating revenue share component allows the Company to retain upside revenue exposure to merchant cash flows from the energy arbitrage and frequency control ancillary services (**FCAS**) markets.

Under the Agreement, Tesla will operate the BBP using its proprietary algorithm-based bidding system, Autobidder, to maximise revenues in each given year. Autobidder is a real-time trading and control platform which employs a machine learning algorithm to optimise dispatch behaviour whilst adapting to new markets and services.

After 8 years and upon conclusion of the Agreement, Genex will enter into a license agreement with Tesla to operate Autobidder on the Project. Autobidder has been successfully deployed on over 1GWh of Tesla projects globally.

Under the recently executed Supply Agreement (*refer to ASX Announcement dated 1 October 2021*), Tesla will supply the 50MW/100MWh BBP battery with 40 Tesla Megapacks. Megapack is an all-in-one utility-scale energy storage system optimised for cost and performance, with each Megapack fully assembled, factory tested and shipped from Tesla's Gigafactory in Nevada, USA.

Commenting on the Autobidder Offtake Agreement with Tesla, James Harding, Genex Chief Executive Officer stated:

"We are extremely pleased to have signed the Autobidder Offtake Agreement with Tesla. The Agreement follows on from execution of the Megapack Supply Agreement in October and represents a key milestone for the project as we move forward to financial close.

The Bouldercombe Battery Project is set to be one of the first standalone large-scale Battery Energy Storage Systems in Queensland. The unique integration of Tesla's Megapack battery technology and a revenue sharing arrangement utilising Autobidder will reduce the complexity of the project. Importantly the structure of the Agreement provides a minimum level of contracted revenues to support project funding, while allowing Genex to retain significant merchant upside.

We are delighted to be working with Tesla, the world's leading vertically integrated renewable energy company, in developing this exciting project, further positioning Genex as the leading ASX-listed renewable energy and storage company."

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 has a portfolio of more than \$1 billion 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 is now fully operational. Genex is further developing its energy storage portfolio via the development of a 50MW/100MWh 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.