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ASX: GNX

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**\$147M QUEENSLAND GOVERNMENT FUNDING PACKAGE FOR NEW
TRANSMISSION LINE TO SUPPORT THE KIDSTON PUMPED STORAGE HYDRO
PROJECT**

Genex Power Limited (**ASX: GNX**) (**Genex** or **Company**) is pleased to announce that the Queensland Government has confirmed that it will provide \$147M in funding (**Funding Package**) towards the construction of a new 275kV single circuit, 185.9km transmission line from Kidston to Mt Fox, and a new substation at Mt Fox (the **Transmission Line**). This critical infrastructure will facilitate the connection of the Kidston Pumped Storage Hydro Project (**K2-Hydro** or the **Project**) to the National Electricity Market (**NEM**).

The Funding Package announced today represents a \$15M increase to the original \$132M Funding Package from the Queensland Government (*refer ASX Announcement dated 23 September 2020*).

The Transmission Line is expected to support over 400 new jobs during its construction, and will be built, owned and operated by Powerlink Queensland (**Powerlink**). The \$147M Funding Package will be advanced directly to Powerlink and the terms of the funding arrangement will be reflected in a Generator Connection and Access Agreement to be executed between Powerlink and the Project as part of the financial close process.

The Transmission Line will not only enable the connection of the Project to the NEM, but with significant spare capacity, will facilitate the creation of a new Renewable Energy Zone in North Queensland, a region with strong wind and solar resources. This new transmission infrastructure will also underpin the development of the Kidston Clean Energy Hub, including the potential connection of the Kidston Stage 3 Wind Project and Stage 2 Solar Project.

Commenting on the Queensland Government's Funding Package, Genex CEO James Harding stated:

“Genex is delighted to receive confirmation of the Queensland Government’s \$147M funding package for this critical transmission infrastructure. The Transmission Line will support not only our flagship Kidston Pumped Storage Hydro Project, but the broader Kidston Clean Energy Hub including the Kidston Stage 3 Wind Project and the Kidston Stage 2 Solar Project, with the creation of a new North Queensland Renewable Energy Zone.

This funding is a crucial piece for the overall project financing for the Project, which is rapidly advancing toward financial close. We will continue to update the market as we move through the final approvals and documentation in the coming weeks.

We would like to thank the Queensland Government for their support and look forward to continuing to work together to deliver this exciting new piece of electricity infrastructure which, together with the pumped hydro project, will deliver over 500 new jobs, contribute to a more stable electricity supply in North Queensland and assist Queensland in moving toward its 50% renewable energy target by 2030.”

This announcement has been approved for release by the full Board of Genex Power Limited.

For more information about this announcement:**CONTACT:****Simon Kidston**

Executive Director

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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/75MWh 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**) and the Queensland State Government.