

1st August 2022

ASX Limited

Company Announcements Platform

Response to Non-binding, Indicative Proposal

On 25 July 2022, Genex Power Limited (**ASX: GNX**)(**Genex**) announced that it had received a conditional, non-binding, indicative proposal from Skip Essential Infrastructure Fund¹ (**SEIF**) and Stonepeak Partners LLC² (**Stonepeak**) (together, the **Consortium**) to acquire all of the ordinary shares on issue in Genex (**Genex Shares**) for A\$0.230 in cash per Genex Share by way of a scheme of arrangement (**Potential Transaction**)(the **Indicative Proposal**).

After careful consideration of the Indicative Proposal (including consultation with its advisors), the Board of Genex (the **Board**) has unanimously concluded that the Indicative Proposal undervalues Genex and, therefore, is not in the best interests of the holders of Genex Shares (**Genex Shareholders**) as a whole. Accordingly, the Board is not prepared to grant the access to due diligence requested by the Consortium on the basis of the Indicative Proposal.

However, the Board is willing to engage constructively with the Consortium to explore whether the Consortium can submit a revised proposal that is capable of being recommended to Genex Shareholders by the Board. The Board has advised the Consortium that it is prepared to provide the Consortium with certain limited due diligence information (on a non-exclusive basis and subject to the Consortium entering into a confidentiality agreement containing suitable protections for Genex) to assist the Consortium to develop such a revised proposal.

Genex notes that there is no certainty that the provision of this limited due diligence information to the Consortium (if it occurs) will result in the Consortium providing a revised proposal to the Board that is capable of being recommended to Genex Shareholders or that the Potential Transaction (or any other transaction in relation to Genex and the Consortium) will proceed.

Irrespective of whether the Consortium provides a revised proposal, the Board believes Genex has a highly attractive future as a dedicated renewable energy and storage company having regard to the following:

¹ Skip Enterprises Pty Ltd as trustee for the Farquhar Trust.

² On behalf of certain of its managed funds and affiliated entities.

- Genex's diverse portfolio of more than \$1bn of renewable energy generation and storage assets across Australia, including the first pumped storage hydro project to be developed in Australia in over 40 years;
- Genex is unique as the only pure play renewable energy and storage company listed on the ASX;
- Genex's 100MW of existing operating solar projects which are benefiting from current elevated pricing in the National Electricity Market;
- Genex's 300MW of fully funded storage projects currently under construction which are poised to benefit from the accelerating energy transition; and
- Genex's significant pipeline of renewable energy and storage growth opportunities and proven track record of execution and delivery.

Genex Shareholders do not need to take any action in relation to the Indicative Proposal or the Potential Transaction. Genex will continue to keep Genex Shareholders informed about the Potential Transaction in accordance with its continuous disclosure obligations.

Genex is being advised by Goldman Sachs and Gilbert + Tobin in relation to the Potential Transaction.

This announcement was authorised for release by the Board of Genex.

FOR MORE INFORMATION ABOUT THIS ANNOUNCEMENT:

For investor enquiries please contact:

James Harding

Chief Executive Officer

Tel: +61 2 9048 8855

Email: jh@genexpower.com.au

For media enquiries please contact:

Jim Kelly

Domestique Consulting

Tel: +61 412 549 083

Email: jim@domestiqueconsulting.com.au

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 Genex's portfolio. JSP was energised in December 2020 and is now fully operational. Genex's first battery energy storage system, the 50MW/100MWh Bouldercombe Battery Project (**BBP**) located in Central Queensland achieved contractual close in February 2022 and is scheduled to commence operation in mid CY2023. With up to 470MW of renewable energy and storage projects in the Company's development pipeline, Genex is well placed in its strategy to become a leading renewable energy and storage company in Australia.

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.