

8th December 2023

ASX Announcement

Genex secures long-term offtake with Stanwell for 258MW Kidston Wind Project

HIGHLIGHTS:

- 15-year power purchase agreement with Stanwell Corporation for the 258MW Kidston Stage 3 Wind Project (K3W)
- Offtake covers 50% of the project generation capacity at a fixed price over the 15-year term
- Commitment underpins the project financing structure for K3W and confirms K3W as the next stage of the Kidston Clean Energy Hub

Genex Power Limited (ASX: GNX) (Genex or the Company) is pleased to announce its wholly owned subsidiary has today entered into a 15-year power purchase agreement (Agreement) with Stanwell Corporation Limited (Stanwell) for the 258MW Kidston Stage 3 Wind Project (K3W or the Project).

K3W is being developed by Genex in a 50:50 partnership with Electric Power Development Co., Ltd (J-POWER).

Long-term PPA with Stanwell

A wholly owned subsidiary of Genex, K3W Project Co. Pty Ltd as trustee for K3W Project Trust, has entered into the long-term Agreement with Stanwell, a publicly owned energy company that provides electricity and energy solutions to Queensland, the National Electricity Market and large energy users along the eastern seaboard of Australia. The Agreement secures the offtake of 50% of the Project's output of wind energy and large-scale generation certificates at a fixed price, over a 15-year term from commencement of operations. The fixed price is subject to annual escalation in accordance with movements in the consumer price index, subject to an annual cap.

The Agreement contains typical conditions precedent for an agreement of this nature, including financial close of K3W by 31 December 2024.

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Financing Structure for K3W

Stanwell's involvement as a high-quality counterparty under a long-term offtake arrangement reinforces the credibility of the Project. Following the securing of a long-term offtake agreement with EnergyAustralia Pty Ltd (**EnergyAustralia**) (refer ASX Announcement dated 20 October 2023), the Agreement with Stanwell will enable Genex and J-POWER to shortly commence the debt financing process for K3W, targeting a final investment decision in CY2024. The combination of offtake from Stanwell and EnergyAustralia, totalling 80% of the Project's output, will enable a significant debt facility to be secured for the Project, which will be utilised to fund construction costs.

Kidston Stage 2 Solar Project Update

Following the securing of this Agreement with Stanwell, Genex confirms K3W will be the next stage of the Kidston Clean Energy Hub to be developed. This phase will utilise the remaining available capacity of the new 185km transmission line and associated network infrastructure being constructed by Powerlink Queensland for the 250MW Kidston Pumped Storage Hydro Project. As a result, Genex will no longer be pursuing the proposed up to 270MW Kidston Stage 2 Solar Project as a priority at Kidston. Genex continues to operate its 50MW Stage 1 Solar Farm at Kidston which was energised on the existing 132kV distribution network in 2017.

Commenting on today's announcement, Genex CEO Craig Francis said:

"Our offtake Agreement with Stanwell marks a major milestone for the 258MW Kidston Stage 3 Wind Project, the third stage of the Kidston Clean Energy Hub. When complete, the project will complete the trifecta of wind, solar and pumped storage hydro technologies all co-located at a single site.

"Securing Stanwell as the majority off-taker for the Project, a highly reputable entity, underscores the appeal of the generation profile of the Project and Genex's track record in successful delivery of large and complex renewable energy and storage projects. Genex and J-POWER are delighted to be working alongside Stanwell for the Kidston Stage 3 Wind Project and are appreciative of the strong and continued support of the Queensland Government for the Kidston Clean Energy Hub. This agreement secures Kidston's place in Stanwell's renewable energy pipeline and contributes to Stanwell's strategic goal of transforming its portfolio, whilst supporting the objectives of the Queensland Energy and Jobs Plan.

"The agreement with Stanwell provides long-term revenue certainty, which will underpin a substantial project finance facility for construction of the Project. Genex and J-POWER will shortly be commencing engagement with lenders as part of this process as we continue to advance the Project toward a final investment decision in 2024."

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This announcement was approved by the Board of Genex Power Limited.

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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 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 energisation in June 2023 and is now operational. With a committed portfolio of 400MW and up to approximately 2.25GW 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**) and the Queensland State Government.

About Stanwell

Stanwell is a major provider of electricity and energy solutions to Queensland, the National Electricity Market and large energy users throughout Australia.

Stanwell's portfolio includes over 3000 MW of renewable energy under contract, in construction or development as well as two of the most efficient and reliable coal fired power stations in Australia—the Tarong power stations near Kingaroy and Stanwell Power Station west of Rockhampton.

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Stanwell is developing a pipeline of renewable energy and storage projects throughout Central and Southern Queensland, finding cleaner ways to reliably generate and store electricity for customers and deliver on the Queensland Government's renewable energy targets of 70% by 2032 and 80% by 2035.

Stanwell is also driving the development of Queensland's hydrogen industry and the use of other new technologies, with a \$117 million FEED study underway to progress the development of the country's largest renewable hydrogen export hub in Gladstone.

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