

ASX Announcement

16 May 2016

GENEX ENTERS INTO DEBT FUNDING MANDATE WITH SOCIETE GENERALE FOR KIDSTON SOLAR PROJECT

- GENEX EXECUTES DEBT FUNDING MANDATE WITH SOCIETE GENERALE
- INDICATIVE DEBT FUNDING TERM SHEET AGREED ON FAVOURABLE TERMS

Genex Power Limited (**ASX: GNX, Genex** or the **Company**) is pleased to advise that the Company has entered into an exclusive mandate (**Mandate**) with Societe Generale in respect of its 50MW Kidston Solar PV project (**Project**).

Under the terms of the Mandate, Societe Generale has been appointed to act as sole lead arranger and financial adviser to Genex in connection with the debt financing of the Project.

The scope of the Mandate includes an indicative debt funding term sheet which covers key terms, including tenor, debt sizing, margins and fee arrangements. Genex believes that the indicative terms, which at this stage remain incomplete, uncertain and non-binding, are favourable to the Company and its goal of commencing construction on the Project later this year and targeting cash flow within 12 months thereafter. The Mandate does not cover any equity or potential grant funding associated with the Project, which the Company is managing through separate processes.

Genex continues to explore Project equity funding options with a number of interested parties and, as a shortlisted applicant for the final round of ARENA's large-scale solar photovoltaics competitive grant funding round (refer ASX announcement of 14 January 2016), is engaged in preparing its final ARENA submission which is due by 15 June 2016.

Commenting on the signing of the Mandate with Societe Generale, Genex's Managing Director Michael Addison said:

"The appointment of Societe Generale as our sole lead arranger and financial adviser in connection with the debt financing of our solar project represents a significant milestone in our project funding negotiations. The appointment comes after an intense and highly competitive process between a number of leading local and international banks.

Our next challenge is to advance our project equity negotiations that have been ongoing with a number of credible parties to ensure that we achieve the best value for the Company and its shareholders.

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The prospect of a potential ARENA grant is exciting to the extent that if the Company is successful in achieving a grant, it will act to minimise any project equity requirement, and add to the internal rate of return that we realise on our project."

CONTACT:

Michael Addison
Managing Director
Tel: +61 2 9993 4411
Email: ma@genexpower.com.au

Simon Kidston
Executive Director
Tel: +61 2 9993 4443
Email: sk@genexpower.com.au

About Genex Power Limited:

Genex Power is a power generation development company listed on the ASX. The Company is focussed on innovative clean energy generation and electricity storage solutions which deliver attractive commercial returns for shareholders. Genex is currently pursuing a number of unique energy development opportunities across Australia.

The Company's current focus is on the development of its large-scale Kidston hydroelectric pumped storage generation project and its large-scale solar PV project located in Northern Queensland.