

6 February, 2017

Dear Shareholder,

NON-RENOUNCEABLE RIGHTS ISSUE

On 3 February 2017, Genex Power Limited ACN 152 098 854 (**Company**) lodged an offer document (**Offer Document**) with the Australian Securities Exchange (**ASX**) for a 1 for 14 non-renounceable rights issue of new fully paid ordinary shares in the Company at an issue price of \$0.16 per new share (**Rights Issue**).

The Offer Document is available on both ASX's and the Company's website.

Unfortunately, shareholders with registered addresses outside Australia and New Zealand will not be eligible to participate in the Rights Issue. The Company is of the view that it is unreasonable to make the offer under the Offer Document to shareholders outside of Australia and New Zealand having regard to:

1. the small number of shareholders outside of Australia and New Zealand;
2. the number and value of the new shares that would be offered to shareholders outside of Australia and New Zealand; and
3. the cost of complying with the legal requirements and requirements of the regulatory authorities in the respective overseas jurisdictions.

As your registered address is outside Australia and New Zealand, you are not eligible to participate in the Rights Issue.

Please consult your stockbroker or professional adviser or contact the Company's Share Registry, Boardroom Limited on +61 2 9290 9600 if you do not understand this letter.

Yours faithfully

Justin Clyne

Company Secretary