

KALiNA
Clean. Energy.

Providing Data Centres with Gas Fired Power

INTEGRATED WITH

Carbon Capture and Sequestration (CCS)



**Alberta Power-CCS
Projects Presentation**

September 2024

KALiNA Power Limited (ASX:KPO)

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detrimental events that interfere with transportation of gas, including declaration of Force Majeure events, insurrection or war; delays in obtaining governmental approvals or revocation of governmental approvals; title risks; delays or unavailability in financing; failure to comply with restrictions and covenants in loan agreements, actual results of current activities; volatility in Company’s publicly traded securities; applicable legislation, regulation and fiscal framework; future CO₂ emissions regulations and CO₂ sequestration offset credit values; availability and costs of equipment, materials and services; third-party infrastructure interconnection processes and the factors discussed in the section entitled “Risk Factors” in the Company’s Annual Report and in the Company’s continuous disclosure filings available on the ASX.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company’s management on the date the statements are made. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

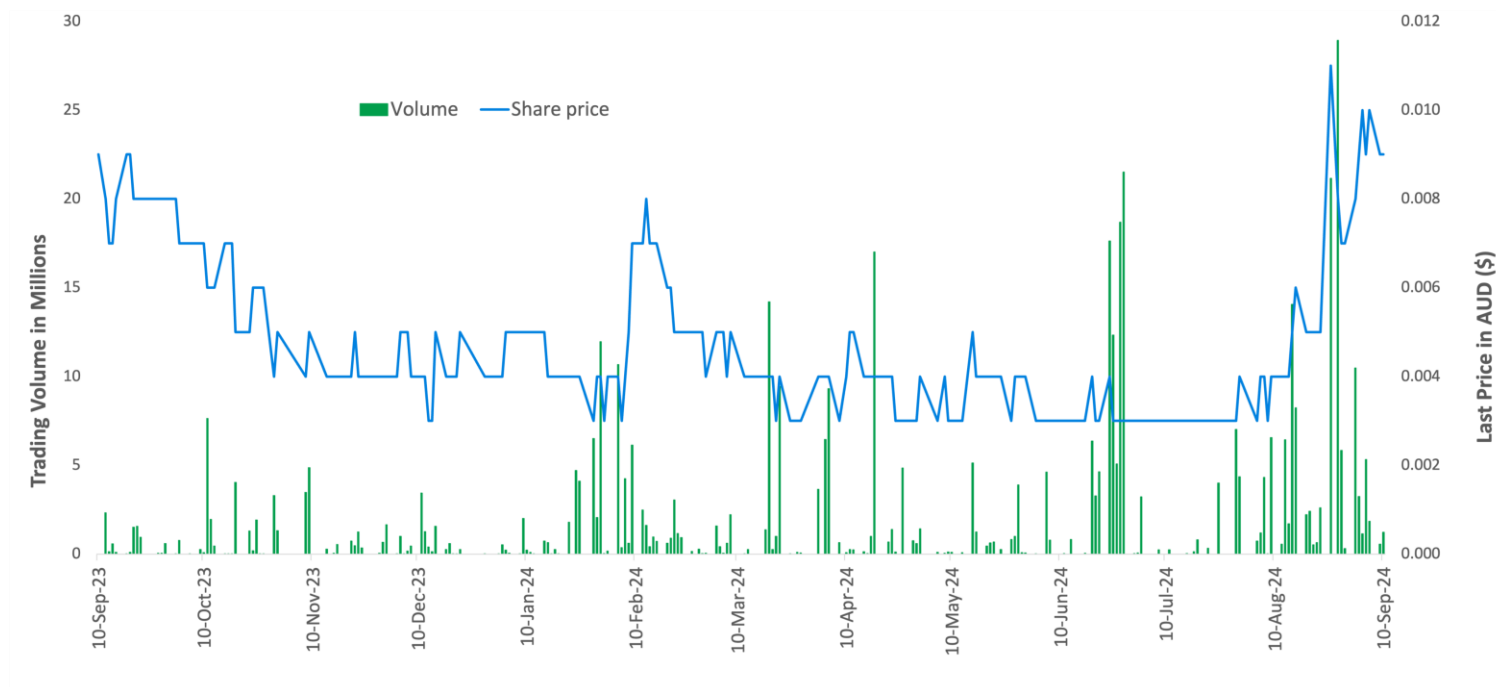
FINANCIAL DATA AND ROUNDING

Certain financial measures included in this presentation are “non-IFRS financial information” under ASIC Regulatory Guide 230: “Disclosing non-IFRS financial information” and “non-GAAP financial measures” within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934, as amended and are not recognised under Australian Accounting Standards (“AAS”) and International Financial Reporting Standards (“IFRS”). Non-IFRS financial information/non-GAAP financial measures do not have a standardised meaning prescribed by AAS or IFRS and may therefore not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS.

Although Kalina believes these non-IFRS financial information/non-GAAP financial measures provide useful information to investors in measuring the financial performance and condition of KDP and the Kalina group, investors are cautioned not to place undue reliance on these non-IFRS financial information/non-GAAP financial measures. The financial information in this presentation is presented in an abbreviated form insofar as it does not include all the disclosures required by the AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

All dollar values are in Canadian dollars (C\$) and financial data is presented as at 11 September 2024, unless stated otherwise. Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Corporate Snapshot



Financial Profile

Share Price ¹	AU\$0.011
Basic Shares O/S ¹	2.49B
Market Cap ¹	AU\$27.35m
Debt ²	AU\$0.350m
Cash ²	AU\$0.138m
Incentive Options ¹	150.5m

Top Shareholders

Sinalunga Pty Ltd (HNW)	16.6%
Sasse Pty Ltd (HNW)	5.8%
Ross MacLachlan (CEO)	4.7%
Pan Andean Capital Pty Ltd (HNW)	4.3%
Board & Management (incl. CEO)	~9%

¹As at 26 August 2024 ² As at 19 Sep 2024

Key Highlights



Highly Accomplished Board

Professional team having successfully developed **over 20,000 MW** of power projects globally is developing a **multi-\$billion portfolio** of natural gas-fired power plants integrated with **CO₂ capture and sequestration (CCS)** with commercial counterparties



Sites Secured

KALiNA's 100% owned Canadian subsidiary '**KDP**' has **secured three strategic project sites** in Alberta with potential infrastructure capacity for electrical grid access, gas pipeline service and hubs for CO₂ sequestration. **Additional Sites being secured**



Government Incentives

Projects eligible for **significant Government incentives ~\$365 Million per project**. Each Project ~ **\$975 Million** Net Capex is **~\$610 Million** after grants



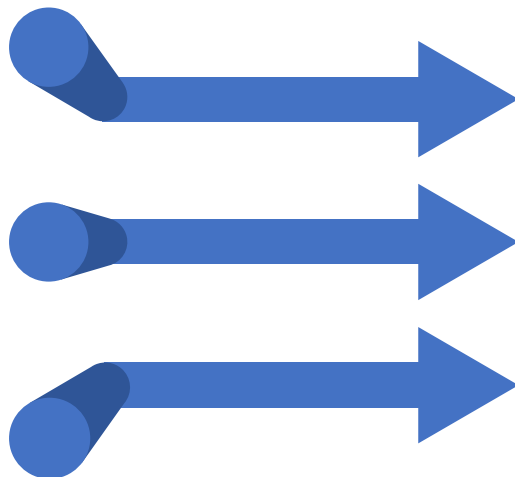
Investment Strategy

Attract investment capital at the KDP level for each stage of development and construction.

Progressively higher valuations on each capital investment as the projects are de-risked.

Culminating in **sale of each project** after **commercial operation date (COD)**

Strong Recent News Flow



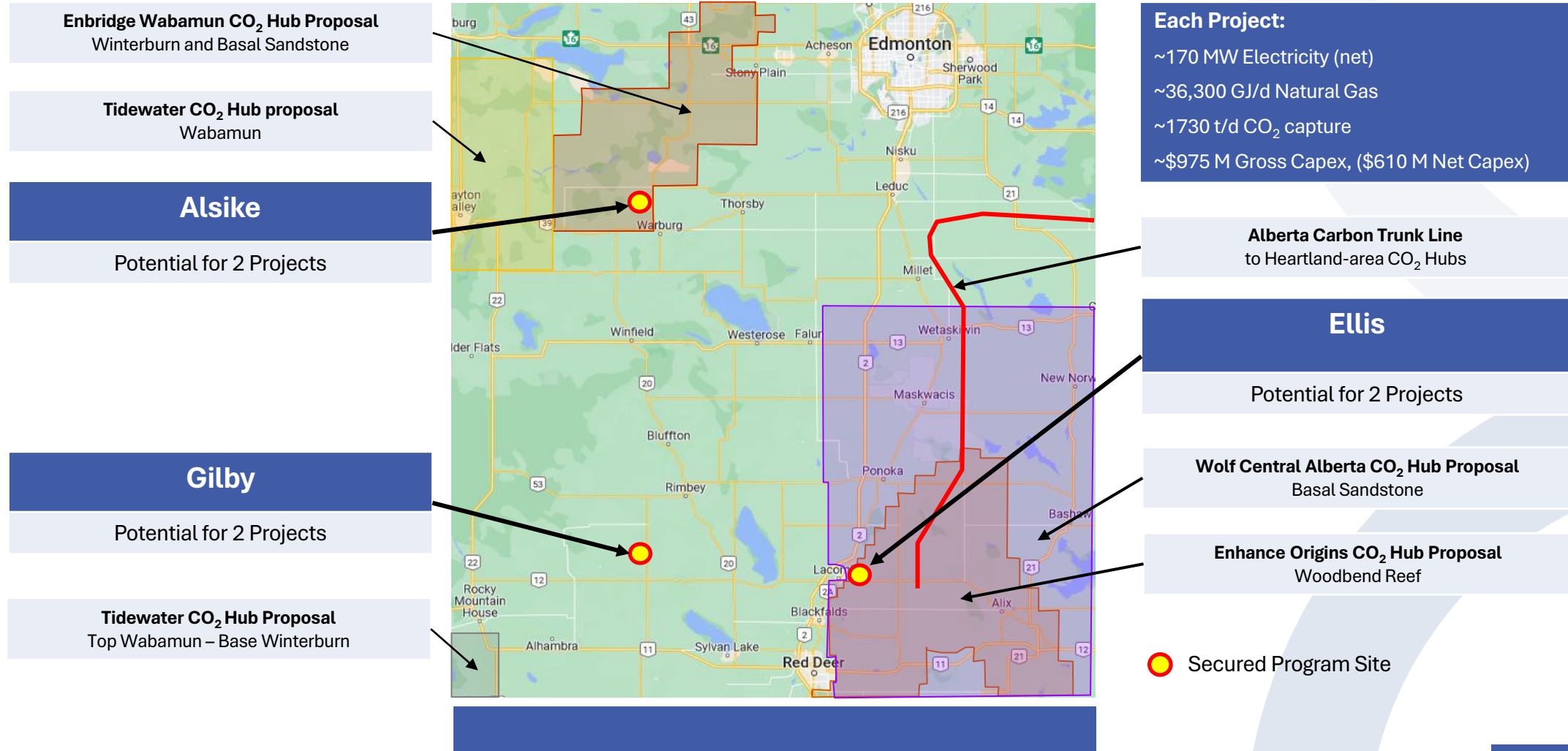
Non-binding MOU with a substantial US-based **Data Centre Company** to develop **AI-focused Data Centres** co-sited with KDP's natural gas-fired power plants incorporating CCS

Mr Matthew Jenkins **Former CEO, Macquarie Capital Markets Canada Ltd.** appointed to boards of KPO & KDP

Tolling MOUs with natural gas producers with potential to deliver long term stable cash flows for the projects

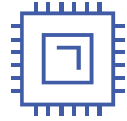
Secured 3 Strategic Sites – Alberta, Canada

Potential to deploy up to six 170 MW projects



MOU With a Significant Data Centre Company

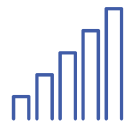
MOU



MOU to co-site **AI-focused data centres** with several of KDP's natural gas-fired power plants integrated with **carbon capture and sequestration (CSS)**

Preliminary terms for tolling Power Purchase Agreements (PPA's) for up to ~ **500 MW**

Future Growth



KDP aims to capitalise on this opportunity to service the demand from data centre growth



Joint Venture Agreement



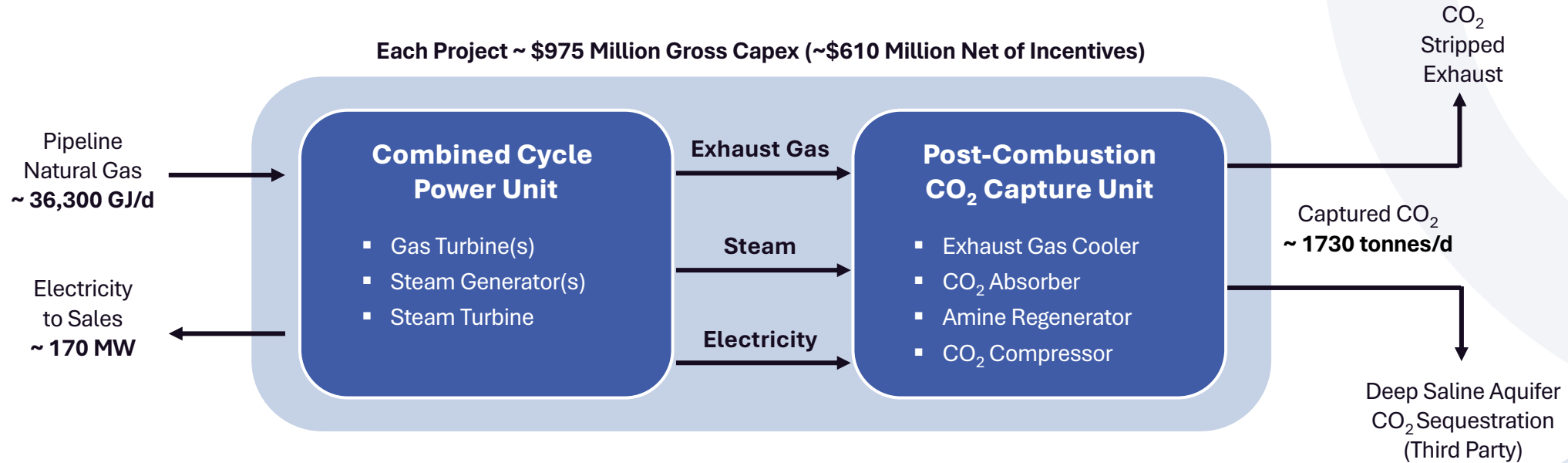
Currently documenting a binding Joint Development Agreement to include:

- **non-dilutive funding** for KALiNA project security payments
- indicative terms for **long-term PPA's**

Projects Overview

Delivering Compliant Near-Zero Emissions Baseload Electricity

Each Project ~ \$975 Million Gross Capex (~\$610 Million Net of Incentives)



Standardised Development Program

- **One Standardized Project Design;** replication-based implementation; efficient “manufacturing” approach to Program execution
- **First three Projects:** sites have infrastructure capacity for electrical interconnection, natural gas supply and CO₂ sequestration

Near-Zero Emissions Baseload Electricity

- Planned 95% CO₂ capture rate gives CO₂ emissions intensity of ~ **20 tonnes/GWh**

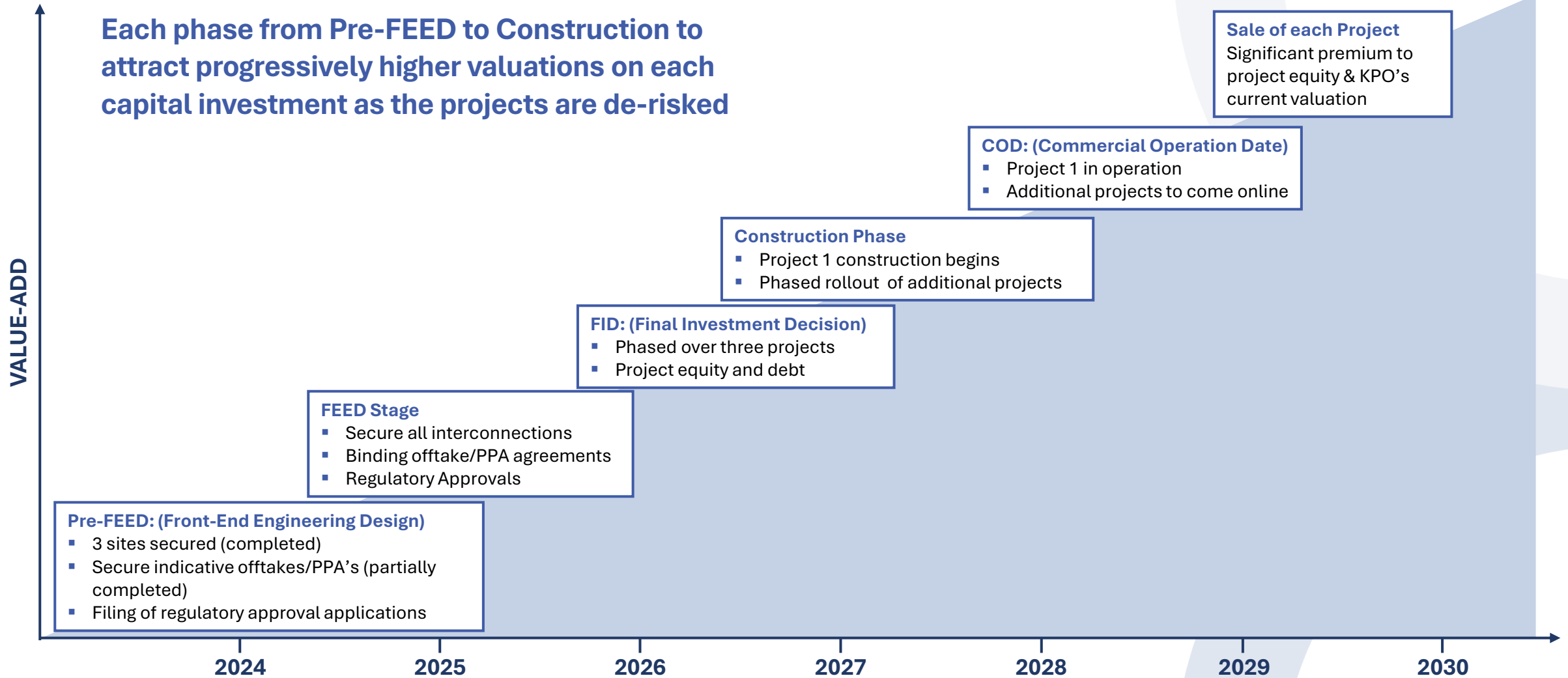
Positioned to Capture CCUS Incentives

- Canada cash-refund CCUS investment tax credits (ITC’s) and Alberta ACCIP grant will provide ~ **37% grant/cash refund subsidies** on each Project capex

Fully-Contracted Asset Commercial Model

- **Long-Term Tolling Offtakes:** targeting each Project’s capacity to be under long-term tolling offtakes with creditworthy parties

Pathway to Value Creation - Highlights



Compelling Investment Thesis

Attractive risk adjusted rates of return for each stage of investment with multiple exit paths

Investment Strategy

KDP to attract capital at each stage of development and construction culminating in sale of project to infrastructure asset investors

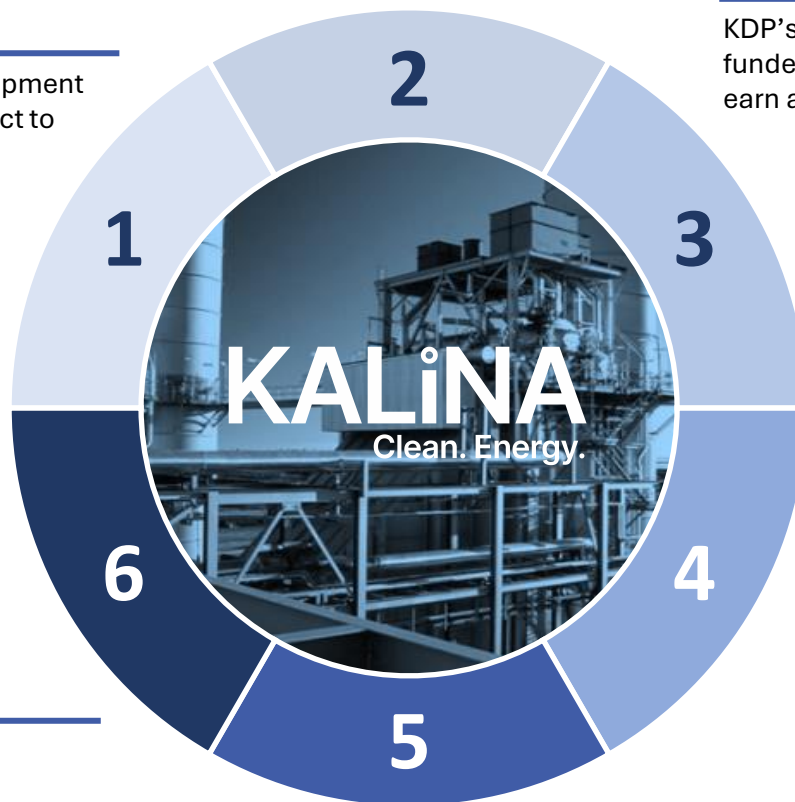
KPO's Commercial Interest

KPO to receive its pro-rata interest in the profits and distributions of KDP

KDP's Commercial Interest

KDP earns:

- development fee on each project
- management fee on power plant operations
- pro rata interest on sale of each project



Development Stage Costs

KDP's development stage costs prior to construction funded through KDP equity and/or debt issuances to earn appropriate risk adjusted rates of return

Construction Funding

Project construction funded through project equity and debt. Targeting 70% leverage







Tolling Strategy

Tolling strategy with gas producers and/or data centres de-risks KDP projects and provides stable cash flow:

- Each plant charges a capital charge toll on net capex of ~\$611 Million after grants
- Commodity pricing risk and project operational costs borne by tollers
- Strong projected EBITDA with long-term tolling
- Sale of projects after commercial operation date

Pre-FEED Stage Deliverables

Deliverables Completed:

-  Site selection and site control – initial three sites
-  Preliminary unit-factored capital cost estimate with vendor budgetary information
-  Preliminary annual operations and maintenance budget with vendor budgetary information
-  Preliminary performance parameters based on vendor information
-  Environmental characteristics assessment completed for secured sites
-  Confirmation of applicable Alberta regulatory approval process for secured sites
-  Tolling offtakes with gas producers – non-binding MOU terms sheets signed for 40,000 GJ/d
-  Data centre – non binding MOU term sheet for co-siting and tolling PPA offtake for up to ~ 500 MW)

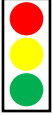
Remaining Pre-FEED Stage Deliverables: [1]	2024		2025	
	Q3	Q4	Q1	Q2
Preparation and filing of regulatory approval applications				
Securing two additional sites				
Tolling offtakes – non-binding MOU’s (additional 30,000+ GJ/d)				
Execution of binding Joint Development Agreement for co-siting with Data Centre Co				
Electrical interconnection applications – 5 sites				
Natural gas pipeline interconnection (one site) [2]				
Natural gas pipeline interconnection [two sites] [2]				
Pre-FEED Stage engineering package				
FEED Stage design basis and selection of engineering contractor				



FEED Stage Gate

[1] Funded through KDP equity and/or debt
 [2] Timing/scheduling of pipeline capacity ‘open season contracting’ dependant on NGTL

FEED Stage Deliverables

FEED Stage Deliverables: [1]	2025		2026					 FEED Stage Gate
	Q3	Q4	Q1	Q2	Q3			
EPC contractor/JV formation; EPC contract development; FEED stage engineering								
Selection of power generation configuration and supplier								
CO ₂ capture process licensor selection/EPC contract integration								
Pursuance and receipt of all regulatory approvals								
Secure all interconnections, CO ₂ sequestration and water supplies								
Natural gas interconnections (additional sites) [2]								
Securing of CO ₂ sequestration services for all projects								
Formal confirmation of scope for CCUS ITC, Alberta ACCIP incentives								
Co-sited data centres: binding definitive tolling PPA offtake agreements								
Natural gas producers: binding definitive tolling offtake agreements								
CO ₂ sequestration services: binding definitive agreements, all projects								
Securing of construction financing (debt and equity)								

[1] Funded through KDP equity and/or debt

[2] Timing/scheduling of pipeline capacity 'open season contracting' dependant on NGTL

Experienced Board of Directors

Highly accomplished board and development team with +20,000 MW of global power development experience

Stephen White Chairman

Stephen, with over 30 years of experience in the energy sector and a significant entrepreneurial background, is a co-founder of two successful energy sector companies that eventually sold for a total of ~\$20 billion. As a former Chief Executive Officer (“CEO”) of Veresen Inc., Stephen’s development expertise spans midstream and gas processing assets, pipelines, as well as a portfolio of power generating projects. In addition to his role as chairman of KDP, Stephen is currently serving as a strategic advisory board member to a multinational investment bank-sponsored private equity fund.

Ross MacLachlan Managing Director and CEO

Ross has over 40 years of experience in technology development, project funding, and venture capital areas. He successfully raised over US\$100m in both the conventional and alternative energy sectors and has engaged in over US\$400m worth of Mergers and Acquisitions (“M&A”) and financings. Ross was also a former Director and early investor with Pristine Power Inc. (“Pristine Power”) (Canada’s fastest growing power producer prior to its sale to Veresen in 2010).

Matthew Jenkins Director, Canada

Matthew, formerly the CEO of Macquarie Capital Markets Canada Ltd, has 19 years of experience as a corporate finance and investment banker, principal investor, and power developer. He has advised on over CA\$10 billion in mergers, acquisitions, and divestitures, as well as CA\$4 billion of equity transactions, both within Canada and internationally. His expertise spans across the power, energy infrastructure, natural gas, oil, and midstream sectors.

Peter Littlewood Director, Hong Kong

Peter has over 40 years of experience in the energy and power sector, having developed and implemented several power projects across China, Hong Kong, India, and other Asia-Pacific countries. He is a former Group Director of Operations at China Light and Power Group (“CLP”) Asia-Pacific region (market capitalization: US\$25.38bn) and is a former member of the advisory board for Bloomberg New Energy Finance. During his career, he was part of the Group Executive Committee and Investment Committee and served as a Director for numerous China Light and Power subsidiaries.

Timothy Horgan Executive Director, Australia

Timothy practiced law with Australia’s largest multinational law firm and has 25+ years of board level experience in international mining, energy, and licensing sectors. He was European counsel to an S&P 100 Company and oversaw the licensing of broadcast rights to the 2002 and 2006 FIFA World Cups. He has listed and raised significant capital for many Mining and Energy companies.

Malcolm Jacques Director, Australia

Malcolm is an independent energy consultant, focused on the renewable and clean energy sectors, with special emphasis on technical and regulatory issues associated with the integration of distributed and renewable energy sources into existing power grids. Malcolm maintains a close working relationship with policy makers, regulators, financial organizations, and consultants in the energy sectors in Europe and the USA. He has worked with several energy organizations including BP Ventures (UK), The Energy Laboratory, MIT (Cambridge, USA), Strategic Research Foundation (Australia) and has played key roles in the establishment and management of public and private energy technology companies in Australia and North America.

Experienced Development Team

Highly accomplished development team capable of delivering successful energy projects in Alberta

Bob Rosine

Alberta General Manager

Bob previously held the position of Chief Operating Officer (“COO”) at Pipestone Energy and Grafton Asset Management. Prior to being the President and CEO of OMERS Energy Inc., Bob previously held executive positions at multiple public and private exploration and production companies. Bob has more than 40 years of experience in management, business development, and operations, including oil and gas reservoir exploitation, drilling, completions, marketing, and asset and corporate economic evaluations for acquisitions and divestments, and has been directly involved in over \$2bn of M&A transactions and capital projects.

Geoff Krause CPA CA

Chief Financial Officer

Geoff is a seasoned financial executive with over 30 years of public and private company experience across multiple industries, including more than 15 years at the vice president or C-Suite level. He has raised approximately \$600m in debt and equity issuances including two Initial Public Offerings and two project financings and served as financial lead on sale transactions totaling over \$700m. Geoff is the former Chief Financial Officer of DIRT Environmental Solutions, Pure Technologies and Pristine Power.

Doug Shaigec P.Eng.

Project Development Partner

Doug has over 30 years of experience in developing and operating energy and CCS projects. He previously led TC Energy’s western North America power generation development program and has participated in over 800 MW of gas-fired generation development and CCS projects in North America. Doug is the President of Swan Hills Synfuels (SHS), which is collaborating with KDP to develop Power-CCS projects at strategic locations in Alberta.

Ken Spinner P.Eng.

EPC and Project Management

Ken has over 30 years of experience managing engineering, procurement, and construction (“EPC”) power projects and was instrumental in the delivery of numerous projects including the York Energy Centre, Island Cogeneration and East and West Windsor Cogen developments, and two Waste Heat Projects on Enbridge’s (formerly Spectra Energy) gas pipeline in British Columbia. Ken is a former co-founder & Vice President of Engineering & Construction of Pristine Power and its acquiring company, Veresen.

Julia Ciccaglione MSc.

Regulatory and Environment

Julia is an environmental scientist with over 20 years of experience in managing regulatory and environmental processes for power generation projects including the York Energy Centre, East Windsor Cogeneration, and two Waste Heat Projects on Enbridge’s gas pipeline in British Columbia. Julia is a former co-founder & Vice President of Regulatory & Environment at Pristine Power and held executive responsibilities at its acquiring company, Veresen, for its power generation and gas processing plants. Julia is also the regulatory lead for Future Energy Park, a \$1.2bn biofuels facility in Calgary.

Geoff Scott P.Eng. MBA

Senior Power Project Analyst

Geoff has over 30 years of experience in equity financed economic modelling for large scale utility projects. In his previous roles, he developed techno-economic analysis at Westcoast Power and Pristine Power. He has led the financing of projects ranging from two 5MW ORC projects, utilizing pipeline compressor stations waste heat to a 400 MW gas-fired peaking plant, including development of heat and mass balances, capital cost, operations and maintenance (“O&M”) estimates, working with lenders, engineers, and financial institutions to fund projects.

Power-Carbon Capture and Sequestration Portfolio

KDP is developing Power-CCS Projects for data centres and natural gas tollers

- Each Project: 170 MW (net to grid) + 1,730 tonnes/d CO₂ capture and sequestration

Standardised Program

- **One Standardized Project Design:** replication-based implementation; efficient “manufacturing” approach to Program execution
- **Infrastructure** capacity available at three secured sites to potentially host up to six Projects;
- **Initial three projects** with CODs in the 2029 - 2030 time frame
- Securing fourth and fifth sites for **additional projects**

Compliant Generation

- **Near-Zero Emissions:** 95% CO₂ capture rate enables compliance with Canada Clean Electricity Regulation (CER) with comfortable margins
- **Robust Economics Across CO₂ Emissions Regulation Spectrum:** strong economics under either “hard” CO₂ regulation (CER) or “soft” (financial compliance) which mitigate regulatory/ change-of-law risk

Strong Government Support

- **Material Incentives:** Canada and Alberta are offering cash rebate/grant incentives for Projects that amounts to **~37% of gross capex**
- **Projects Full Incentives Capture:** Projects are positioned to fully capture all such incentives, and flow the incentives through to tolling offtakers
- **\$975 Million gross unlevered capex** per Project (**~\$611 Million capex net of incentives**), including economies of scale benefits
- **Alberta’s Premier** recently encouraged data centres to: *‘Bring your own electricity, bring your own generation. Partner with a generating company.’*

Fully Contracted Projects

- **Long-Term Tolling Offtakes:** each Project’s capacity to be under long-term tolling offtake contracts, providing cashflow stability to facilitate project financing
- Supplying **data centres** with economically attractive **near-zero emissions electricity supply to data centres;** over 500 MW of long-term tolling offtakes under negotiation
- **Opportunity for gas producers** to monetize gas as both electricity and CO₂ sequestration offsets; over 40,000 GJ/d of non binding tolling MoU’s signed



KALiNA

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Contact Information

Tim Horgan

Executive Director

thorgan@KALiNAPower.com

+61 3 9236 2800

Ben Jarvis

Six Degrees Investor Relations

ben.jarvis@sdir.com.au

+61 413 150 448

www.kalinapower.com

KALiNA Power Limited (ASX:KPO)