

TARGET MARKET DETERMINATION

MADE BY:	Kalina Power Limited ACN 000 090 997 of Suite 6, 795 Glenferrie Road, Hawthorn VIC 3122 (KPO or the Company)
PRODUCT:	Free attaching options (Attaching Options) to acquire fully paid ordinary shares in the Company (Shares) issued to (a) professional, sophisticated and institutional investors participating in a placement (Placement) and (b) eligible shareholders under a pro-rata non-renounceable entitlement offer (Entitlement Offer), offered pursuant to a prospectus dated 5 March 2025 (Prospectus).
EFFECTIVE DATE:	5 March 2025

1. Introduction

This target market determination (**TMD**) has been prepared pursuant to section 994B of the *Corporations Act 2001* (Cth) (**Corporations Act**) in relation to the offer of 1 Attaching Option for every 2 Shares successfully subscribed for under the Placement or Entitlement Offer, pursuant to the Prospectus (collectively, the **Offer**).

The Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) on 5 March 2025 and was released to the Australian Securities Exchange (**ASX**) on that same date. An electronic copy of the Prospectus can be accessed in the ASX announcements for the Company on ASX's website available at <https://www.asx.com.au/markets/trade-our-cash-market/todays-announcements> or on the Company's investor centre on its website available at <https://www.kalinapower.com/investors/>.

As the Attaching Options issued under the Placement and the Entitlement Offer are in the same class of securities and on the same product terms and conditions, this TMD is addressed to both professional, sophisticated and institutional investors that participated in the Placement and are issued Attaching Options and the eligible shareholders that are issued Attaching Options as a result of their subscription to the new Shares under the Entitlement Offer.

Any recipient of this TMD should carefully read and consider the Prospectus in full and consult their professional advisers if they have any questions regarding the contents of the Prospectus. Any recipient of this TMD who wishes to acquire Attaching Options under the Offer will need to complete the application form that will be in, or will accompany, the Prospectus. This TMD is not a disclosure document for the purposes of the Corporations Act and therefore has not been lodged, and does not require lodgement, with ASIC.

This TMD is not to be treated as a full summary of the product terms and conditions and is not intended to provide financial advice. Investors should refer to the Prospectus for the terms and conditions of the product and when making a decision in respect of the product. The Company is not licensed to provide financial product advice in relation to the Attaching Options.

Unless otherwise defined in this TMD, capitalised terms have the meaning given to them in the Prospectus.

2. Product information

The key features of the Attaching Options are as follows:

Eligibility	The Offer is made pursuant to the Prospectus to persons specified in the Prospectus or as otherwise determined by the Company.
Share entitlement	Each Attaching Option entitles the holder to subscribe for, and be allotted, one (1) ordinary share in the Company. The Shares issued on the exercise of Attaching Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the constitution of the Company and any escrow restrictions imposed on them by the ASX.
Exercise price	The Attaching Options confer on the holder the right to subscribe for one share at an exercise price of \$0.02 (2 cents).
Expiry Date	9 October 2026 (Expiry Date). Attaching Options not exercised before the Expiry Date will automatically lapse at that time. The Attaching Options will be exercisable at any time on or prior to the Expiry Date.
Quotation	The Company will not seek quotation of the Attaching Options.
Transferability	The Attaching Options cannot be transferred.

3. Target market

The Attaching Options have been designed for investors whose likely objectives, financial situation and needs (as detailed below) are aligned with the product (including the key attributes) as set out in this section 3.

Class of investors within target market	<p>The information below summaries the overall class of investors that fall within the target market, based on the key attributes of the product and the objectives, financial situation and needs that they have been designed to meet.</p> <p>The Attaching Options have been designed for persons whose likely objectives, financial situation and needs (as listed below) are consistent with the product (including the key attributes). The Attaching Options are for those persons who:</p> <ul style="list-style-type: none">• are entitled to apply for them under the Prospectus;• are accustomed to participating in speculative investments; and• wish to profit from gains in the market price of Shares in the Company.
Objectives, financial situation and needs	The Attaching Options are issued only to specific parties as set out in the Prospectus and consequently have been designed for persons who would:

	<ul style="list-style-type: none"> • be able to bear the loss of some or all of their investment; • has sufficient financial literacy and resources (including appropriate advisers) to understand and appreciate the potential risk of investing in the Company (including the Attaching Options) as an asset class generally and the more specific risks of investing in an ASX listed clean-technology entity; • not have a need to derive income from an investment in the Attaching Options; and • have adequate means to provide for their current needs and other contingencies and to withstand a loss of their entire investment in the Attaching Options.
Investment timeframe	The target market of investors will take a short to medium term outlook in relation to their investment in the Company and are in a financial position that is sufficient for them to invest their funds over the 18-month period from the issue of the Attaching Options to the Expiry Date, should they wish to exercise their options.
Investor metrics	Only specific parties are eligible for Attaching Options under the Prospectus. It is expected that the target market of investors will be able to withstand potential fluctuations in the value of their investment and those who wish to obtain optionality for exposure to the Company's targeted future growth.
Risks	<p>The Company considers that an investment in the Attaching Options is high risk and speculative, such that an investment in the Company is not appropriate for any persons who would not be able to bear a loss of some or all of the investment.</p> <p>Investors should also have a sufficient level of financial literacy and resources (either alone or in conjunction with an appropriate adviser) to understand and appreciate the high risks of investing in Attaching Options as an asset class generally and the high risks of investing in the Company.</p>
Excluded class of consumers	<p>The Attaching Option is not suitable for any persons who:</p> <ul style="list-style-type: none"> • is not a specified recipient under the Prospectus; • any investor who is ineligible to receive the Attaching Options; • inexperienced investors, especially those who do not understand the risks of investing in options as an asset class or in Shares; and • investors looking for immediate returns or those not seeking to have the potential to increase their investment in the Company.

The Company has assessed the Attaching Options and formed the view that the Attaching Options are likely to be consistent with the objectives, financial situation and needs of investors in the target market described in this section 3.

4. Distribution conditions

The offer of Attaching Options is designed to be distributed under the Prospectus to specific parties only. A copy of the Prospectus and relevant application form will only be made available to the specified persons eligible for the Offer (and/or its nominee(s) acceptable to the Company) before they apply for Attaching Options.

The Company considers that these distribution conditions will ensure that persons who invest in Attaching Options fall within the target market in circumstances where personal advice is not being provided to those persons by the Company.

5. Review triggers

The Attaching Options are offered to a discrete class of persons for a limited offer period as set out in the Prospectus. The Attaching Options will no longer be available for investment by way of issue following close of the offer period. Accordingly, this TMD applies between the commencement of the offer of the Attaching Options and the closing date under the Prospectus (**Offer Period**).

To allow the Company to determine whether circumstances exist indicating this TMD is no longer appropriate to the Attaching Options, the following review triggers apply for the Offer Period:

- (a) there is a material change to the Attaching Options' key attributes that make it no longer consistent with the likely objectives, financial situation and needs of clients in the target market;
- (b) any event or circumstance occurs that materially changes a factor that was taken into account in making this TMD;
- (c) the existence of a significant dealing of the Attaching Options that is not consistent with this TMD;
- (d) the Company identifies a substantial divergence in how the Attaching Options are being distributed to the target market;
- (e) an unexpectedly high number of complaints are received from customers that indicate the Attaching Options are not suitable for the target market or the product is not being distributed to the target market;
- (f) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Attaching Options or this TMD; and
- (g) there are material changes to the regulatory environment that applies to an investment in the Attaching Options.

The Company may also amend this TMD at any time.

6. Review period

If a review trigger occurs during the Offer Period, the Company will review this TMD in light of the review trigger as soon as reasonably practicable and, in any case, within 10 business days of the review trigger occurring.

Periodic review of the TMD will not occur during the Offer period given its duration (subject to any decision to extend). If the Offer period is extended for more than three months, the

TMD will be reviewed on a monthly basis. The Company will otherwise complete a review of the TMD immediately prior to the issue of the Attaching Options under the Offer.

7. Reporting requirements

In the event that an external distributor is appointed to undertake retail product distribution of the Attaching Options under the Entitlement Offer, the following reporting requirements will apply:

Reporting requirement	Period for reporting to the Company by the distributor	Information to be provided
Whether the distributor received complaints about the Attaching Options	<ul style="list-style-type: none"> For such time as the relevant Offer Period remains open, within 10 business days after the end of each calendar month during the relevant Offer Period. Within 10 business days after the end of the relevant Offer Period. 	<ul style="list-style-type: none"> The number of complaints received. A summary of the nature of each complaint or a copy of each complaint.
A significant dealing of the Attaching Options that is not consistent with this TMD	As soon as reasonably practicable after the significant dealing occurs, but in any event no later than 10 business days after the significant dealing occurs.	<ul style="list-style-type: none"> Details of the significant dealing. Reasons why the distributor considers that the significant dealing is not consistent with this TMD.
A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.	Within 10 business days after the end of the close of the offer of Shares in accordance with the Prospectus.	A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.

Contact Details

For further information, please contact Kesh Thurairasa, Company Secretary, on +61 (03) 9236 2800.