

Memorandum of Understanding signed with Baker Hughes

Waste Heat to Power technology leader, KALiNA Power Limited ("KALiNA" or the "Company") (ASX: KPO) is pleased to report the signing of a non-exclusive and non-binding Memorandum of Understanding ("MOU") to establish global energy technology company Baker Hughes as a preferred vendor of advanced turbine technology for a range of Kalina Cycle® designs. Baker Hughes has been selected to initially provide its vapor turbine for use with the Kalina Cycle® at KALiNA's 64MW combined cycle project in Saddle Hills, Alberta, Canada. The MOU also includes Baker Hughes to be a preferred vendor of gas turbines for small-scale, combined cycle plants of up to 24MW configured with NovalT gas turbines in this range with the Kalina Cycle® for KALiNA's global projects.

This agreement is a significant development in the Company's mission to deploy applications of its high-efficiency Kalina Cycle® technology ("KCT") at an industrial scale for major international markets. Baker Hughes technologies offer best-in-class efficiency in a wide range of power generation applications, contributing to the reduction of CO2 emissions and build on decades of proven experience across a range of energy and industrial applications. The MOU provides a framework by which the parties can provide modularized packaged solutions for markets that are in transition to zero-emissions and energy efficient power.

Following a competitive evaluation and bidding process, Baker Hughes vapor (steam) turbines and turbo-expander generators were assessed by Kalina Power as being scalable and able to be used with the Kalina Cycle® for small-scale, combined cycle projects, as well as for a range of Kalina Cycle® applications.

The MOU sets out the basic principles that will govern the co-operation between the parties in connection with the development of modularized packages for a range of applications using Baker Hughes products. Highlights include:

- Baker Hughes to be a preferred vendor of vapor turbines & turbo-expander generators for KALiNA projects.
- KALiNA's Saddle Hills project to award Baker Hughes with initial vapor turbine contract.
- KALiNA's Klamath Hills project to award Baker Hughes with initial turboexpander contract.
- Baker Hughes to be a preferred vendor of gas turbines in the development of KALiNA's small-scale, combined cycle power packages (7-24MW) configured with the Baker Hughes NovalT line of gas turbines using the Kalina Cycle® and Baker Hughes vapor turbines.

As the MOU is non-binding and non-exclusive, each application will be subject to a separate agreement for each Kalina Cycle® solution that will consider the technical development and marketing of each offering.

Comment

KALiNA's Managing Director Ross MacLachlan said: *"This development is the culmination of extensive technology reviews and investigation amongst the parties. The broad scope of this MOU illustrates the international market potential and working with Baker Hughes provides a tremendous platform to deploy the Kalina Cycle® technology at an industrial scale. While integrating the Baker Hughes vapor turbine at our Saddle Hills project is a logical starting point for both parties, we are also assessing small-scale combined cycle opportunities across the globe."*

Further updates will be provided on the activity contemplated in this MOU along with the progress on the Saddle Hills project and other important developments that will further shape the Company's growth and development.

About KALiNA Power Limited

KALiNA Power Limited is a clean-tech company in the Industrial Waste Heat to Power (“WHP”) sector, producing zero-emissions power from heat produced by energy-intensive industrial processes that may otherwise be wasted, as well as from the heat available in geothermal resources. The technology has been commercially deployed across a range of industrial settings and applications at 16 plants around the world. KPO owns the worldwide patents relating to the KALiNA Cycle®Technology and has one of the most substantial intellectual property portfolios in the sector.

KPO’s Canadian subsidiary, KALiNA Distributed Power Limited (KDP”) is assembling a portfolio of sites to deploy its distributed power generation program in select areas in Alberta. Saddle Hills is KDP’s initial primary site with sufficient infrastructure in place to accommodate two, 32MW combined cycle power plants; each configured with a 22MW natural gas turbine and a KALiNA Cycle® module that will generate 10MW of zero-emissions power from the gas turbine’s waste heat.

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This announcement was approved and authorised for issue by the Board of Kalina Power Limited